

NISSAY Annual Report

Annual Report Main Part

2020



“大切な人を想う”のいちばん近くで。

日本生命保険相互会社
Nippon Life Insurance Company

Fundamental Management Principles of Nippon Life

Life insurance business based on the philosophy of “co-existence, co-prosperity and mutualism” is closely connected with the welfare of the public. Because of the nature of the business, public understanding and support are indispensable for the development of life insurance companies. For this reason, we have established the “Fundamental Management Principles of Nippon Life” under the precepts of Conviction, Sincerity and Endeavor.

- 1 We will strive sincerely to fulfill our responsibilities to the people by making every effort to offer policies which are truly needed.
- 2 We will, in recognition of the public service aspects of the life insurance business, strive to contribute to the elevation of the social welfare level through proper investment activities.
- 3 We will strive to increase further our productivity in every division of the Company, with powerful execution, strong conviction and creative imagination.
- 4 We will strive to raise the living standard of all our employees through the prosperity of Nippon Life. We will also strive to be good citizens of Japan and the world.
- 5 As a member of the life insurance industry, we will cooperate with other life insurance companies for the development of this industry, and will also cultivate public understanding and support for life insurance.

Yoshinobu Tsutsui
Chairman

Hiroshi Shimizu
President



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Basic Editorial Policy

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).

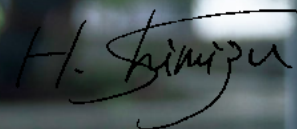
This publication has been prepared as an integrated report. Therefore, financial information* such as financial statements and business performance, and non-financial information such as Nippon Life's history, management strategies, and corporate governance, have been compiled and presented in a systematic and integrated manner, while describing the connectivity of each type of information.

* From the beginning of the fiscal year ended March 31, 2020, company information and financial data have been disclosed on our website.
<https://www.nissay.co.jp/kaisha/annai/gyoseki/disclosure.html>

Top Message

To earn the greater trust of customers and society

Develop a Business Base for Sustained Growth to Remain the Dominant Market Leader



Hiroshi Shimizu
President

Introduction

I would like to open this message by expressing my heartfelt sympathies to those who have passed away from coronavirus disease 2019 (COVID-19), and extend my condolences to their family members. I would also like to extend my sincerest sympathies to all those who have been affected by COVID-19. Concurrently, I'd like to express my profound admiration and respect, along with my deepest gratitude, to the medical professionals who have been working selflessly and tirelessly on the medical front lines to examine and treat COVID-19 patients, and to all those who have been working throughout this pandemic to support the social infrastructure essential to our daily lives.

The global COVID-19 pandemic has also caused significant disruption to economic activity and other areas of life. It is in times like these that I strongly take to heart our social mission as a life insurance company, which is based on the spirit of "co-existence, co-prosperity and mutualism." Nippon Life has implemented various support measures for customers nationwide, including special handling procedures such as granting extensions of premium payment deadlines and providing exemptions of interest payable on new policy loans.

Even during the COVID-19 pandemic, we have been advancing various initiatives while continuing to put the strongest emphasis on our Customer-Oriented Operational Management

Policy as before. Specifically, we aim to effectively address increasingly diverse customer needs, in addition to implementing various support measures related to COVID-19. To this end, we started providing new products and services in the current fiscal year, such as dementia coverage insurance and a diabetes prevention program.

Furthermore, as the Chairperson of the Life Insurance Association of Japan (LIAJ), I led rigorous efforts by the entire life insurance industry to implement customer-first business operations beginning in July 2019. Specific measures included conducting questionnaire surveys about the systems and activities of member companies, compiling key observations and other insights from the surveys, and providing feedback to each company. Through these measures, we strove to raise the sophistication of customer-first business operations throughout the industry. Additionally, in the bancassurance channel, we sought to enhance follow-up services and confirmation of suitability by financial institutions. For this, we provided information on best practices to financial institutions and revised the relevant guidelines. Moreover, we worked to establish a training system for foreign currency-denominated insurance. We instituted a foreign currency-denominated insurance sales certification test, along with striving to standardize training for insurance agents pertaining to foreign currency-denominated insurance.

In the environment surrounding the life insurance industry, we find ourselves amidst changes such as the progression of a declining and aging population, a constant ultra-low interest rate, and the rapid development of digitalization and advanced IT. Moreover, the COVID-19 pandemic could transform customers' patterns of behavior and their needs. In anticipation of changes in customers' awareness, advances in technology, and shifts in society, we will need to transform ourselves in order to remain a company that can address those changes effectively. By staying on top of these changes with flexibility and speed, we will strive to continue to deliver security to our customers.

Under the state of emergency declaration issued in Japan from April to May 2020, sales representatives refrained from visiting customers. They confirmed customers' living circumstances and other conditions, and provided information on various special handling procedures and other matters via telephone and email. As far as customers' responses to these measures are concerned, while customers found that these remote services were convenient, we have confirmed that customers continue to strongly hold the view that they would prefer to consult on, and confirm, details and important matters concerning their policies in force, the coverage they will need in the future and other key information with sales representatives in person as before. We found that a single customer can have dual preferences for both remote and face-to-face services depending on the situation. I believe that this insight will be a key priority to consider when we explore how we should provide policyholder services in the future.

Even in a society being reshaped by advances in digitalization, I believe that the strength of face-to-face services, i.e., our human strengths, will only become more and more valuable if we are able to put together a custom-made mix of face-to-face and remote services based on the individual preferences of every

customer. For its part, Nippon Life will provide highly valuable consulting services for customers by accelerating the fusion of face-to-face and digital services.

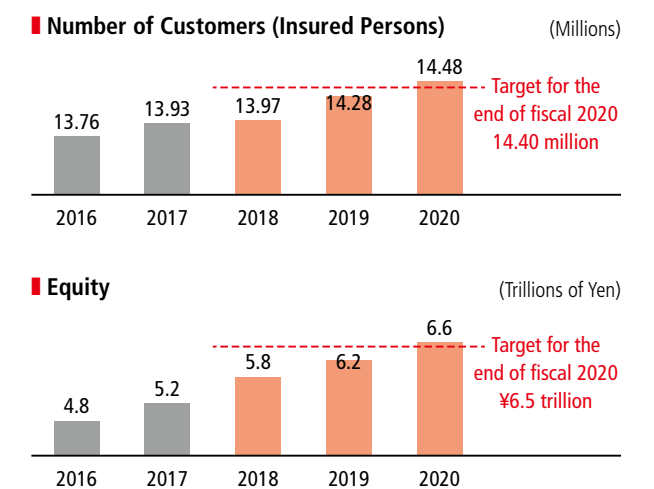
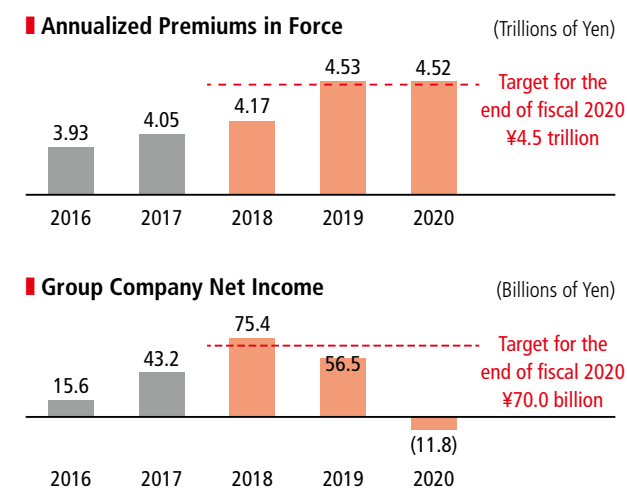
Entering the Final Fiscal Year of Medium-Term Management Plan "Zen Shin –next stage– (2017–2020)"

For details, please see pages 22–23.

In fiscal 2017, Nippon Life started Medium-Term Management Plan *Zen Shin –next stage– (2017–2020)*. The plan's slogan is "Working to be the leading company in an era with an average life expectancy of 100 years." We have set four management targets for the end of fiscal 2020: annualized premiums in force of ¥4.5 trillion, 14.40 million customers, ¥70.0 billion in by Group company net income, and ¥6.5 trillion in equity. Guided by the plan, Nippon Life is implementing activities in various fields.

Looking back at fiscal 2019, we worked to achieve the medium-term management plan's targets in each field, through measures including the launch of new insurance products, the development of new businesses highly compatible with the life insurance business, such as the healthcare business, the use of cutting-edge IT, and the capture of synergies between Group companies. As a result, we achieved three out of the four management targets one year ahead of schedule, with annualized premiums in force of ¥4.52 trillion, 14.48 million customers, and equity of ¥6.68 trillion. On the other hand, with regard to Group company net income, the Company posted a net loss by Group companies of ¥11.8 billion, due partly to the impact of the COVID-19 pandemic and temporary factors such as initial investments associated with the start of business at HANASAKU LIFE INSURANCE Co., Ltd.

Numerical Targets



Top Message

Fiscal 2020 is the final year of Medium-Term Management Plan *Zen Shin*—next stage— (2017–2020) and a crucial year of transition to our next medium-term management plan. Accordingly, we will continue working to implement three specific strategies laid out in fiscal 2018. The three strategies are strengthening profitability, operational and business reform, and the promotion of Group management.

Specific Strategy [1]: Strengthening Profitability

The first specific strategy is strengthening profitability. Our aim is to raise our sales capabilities in every channel and bolster Nippon Life's profitability from the perspectives of both asset management and the insurance business including strategies related to sales, services, and products.

Sales and Service

For details, please see pages 28–34.

We are targeting increases in market share via growth in our customer base. To this end, we will continue to strengthen the sales representative channel, which is Nippon Life's greatest strength and core sales channel. At the same time, we will develop sales channels that respond to a variety of customer needs.

Beginning in 2007, Nippon Life's sales representatives visit each customer once a year, confirm hospital visits or surgeries, and provide guidance on items such as policy content. Going forward, around 50,000 sales representatives will provide even more meticulous service by becoming more familiar with



customers. We introduced the new mobile device *TASKALL* in April 2019. The *N-Phone* smartphone for sales representatives has been successively deployed from January 2020. By harnessing AI and other forms of IT through these devices, we are working to strengthen the response capabilities of sales representatives and improve customer service. Furthermore, to maintain and improve the level of our services, we have introduced a new training system to carefully cultivate each sales representative, and are implementing initiatives to further improve their knowledge and activities.

We are also seeing sales channels other than the sales representative channel on the rise due to population trends, changing lifestyles, and greater diversity in the needs of customers. This is where we must respond to change, thus we will continue to develop various sales and service channels, including the network of Nissay Life Plaza retail outlets and the bancassurance channel that primarily services seniors and retirees requiring advice on inheritance or wealth creation. In addition, we are looking to further increase the market share for walk-in insurance agencies, which allow customers to compare insurance policies on their own.

Product Strategies

For details, please see pages 30–35.

Going forward, as customer needs evolve over time, we will continue to pursue development of products that are useful to customers and society.

Mirai no Katachi, Nippon Life's core product, provides customers with lifelong support by allowing them to flexibly combine 14 types of insurance as needed. This enables customers to prepare for not only "death risk," but also an increasingly diverse array of other risks. *NEW in 1*, a new general hospitalization insurance that prepares for situations such as hospitalization and outpatient surgery, was added to the *Mirai no Katachi* series from April 2019. *NEW in 1* has proven highly popular with customers, notably for making it possible to receive a rounded lump-sum payment rather than day-by-day payments starting from the first day of hospitalization for patients who return home on the same day. For *NEW in 1*, the number of policies sold has surpassed 1 million*¹.

Moreover, *Ninchisho Support Plus*, a new dementia coverage insurance product, was added to the *Mirai no Katachi* series in April 2020. This product was developed in response to a higher level of need for insurance protection against the risk of dementia, an urgent concern in an era with an average life expectancy of 100. The product stands out for offering a lump-sum payment if a customer is diagnosed with dementia or even if a customer is diagnosed with Mild Cognitive Impairment (MCI), the stage of progression before dementia. Moreover, we also provide an app that is capable of checking cognitive performance using only a person's voice, the first ancillary service of its kind in the life insurance industry. In this manner, the

dementia coverage insurance product *Ninchisho Support Plus* is a product and service that supports the early detection of dementia and the prevention of severe dementia cases.

In order to address a growing diversity of needs promptly and meticulously, we established a framework of four domestic life insurance companies. The four companies are Nippon Life, TAIJU LIFE INSURANCE COMPANY LIMITED, Nippon Wealth Life Insurance Company Limited and HANASAKU LIFE, which started business in April 2019. Nippon Life and TAIJU LIFE will seek to provide high-quality products and services as they make a mutual supply of products available to one another. In addition, under this framework, Nippon Wealth Life will mainly assume responsibility for the bancassurance channel, while HANASAKU LIFE will be mainly responsible for the life insurance agency channel. Going forward, Nippon Life will continue to make a concerted Group-wide effort to flexibly propose an expansive lineup of products.

Asset Management

For details, please see pages 46–51.

In addition to a prolonged low interest rate environment worldwide, the financial and economic environment is facing increasing uncertainty due to factors including the global COVID-19 pandemic. In order to ensure long-term stable investment returns even in such a challenging asset management environment, we are working to strengthen profitability through globally diversified investment, along with striving to bolster our risk-response capabilities through stringent risk management.

In fiscal 2019, we pushed ahead with diversified investment in the overseas and credit domains and in growing and new domains. As a result, we secured a positive spread in the investment yield margin for the tenth consecutive year. In order to enhance the investment yield, we had previously established numerical targets for investing ¥2 trillion in new and growth domains and ¥700.0 billion in ESG investment and finance over 4 years. We achieved these targets roughly one year ahead of schedule. In the bancassurance channel, we have been working to put together an effective product lineup. Notably, we have continued to supply yen-denominated products, which have enjoyed firm demand from customers owing to improved asset management capabilities.

While targeting more advanced asset management in such ways, we are also working to reinforce our risk management. We will prepare for every conceivable type of risk. To do so, we will identify potential risk events that are expected to have a large impact on profitability and financial soundness, and rigorously implement forward-looking risk management by considering and conducting the necessary response measures. We will also continue to fulfill our responsibilities as an institutional investor by upgrading our stewardship activities.



Specific Strategy [2]: Operational and Business Reform

For details, please see page 31 and pages 74–75.

The second specific strategy is operational and business reform. In the past few years, IT has advanced and digital technologies have made inroads into society and how people participate in society. I believe that we are entering an age when life without digital technology has become unthinkable. In short, the "No Digital Technology, No Life" era is now upon us.

We have been actively proceeding with initiatives related to digitalization for some time now. To this end, we achieved paperless operations for new policy processing in 2012, and lead the industry in terms of the number of RPA introductions. From fiscal 2019, we have set out to accelerate our initiatives to promote digitalization and the use of cutting-edge IT. To do so, we launched the Next Value Project, a digital five-year plan. Under this plan, we have been working to boost work efficiency, enhance customer convenience, increase the productivity of sales representatives and other staff, expand business and launch new businesses.

Moreover, in order to keep pace with an evolving business environment driven by cutting-edge IT innovation, the Innovation Office was set up in fiscal 2018 as a dedicated unit to address FinTech. Furthermore, in April 2020, we established the open innovation hub, Nippon Life X, to create new business for the Nippon Life Group and started activities from four global corners (Tokyo, Silicon Valley, London and Beijing). Nippon Life X will carry out not only activities in the life insurance field, but also initiatives focused on the main themes of healthy minds and bodies, work, and asset formation, among other areas.

To illustrate one specific business reform-related measure, we initiated a diabetes prevention program service in July 2020. This program is designed to help prevent the onset of diabetes and

*1 The total of new policies (including the portion of coverage enhancement usage) and policies after coverage revision (actual result for the period from April 2019 to April 2020)

Top Message



promote good health. It works by having program participants utilize devices and tools supplied by our partner companies to conduct self-monitoring of their own health, while public health nurses at Nippon Life Hospital and other institutions provide remote advice to participants on improving their lifestyles. Based on the relationships of trust we have developed with stakeholders such as customers, client companies, and local governments, we first aim to build up a user base of more than 10,000 people in total over the next 3 years.

Efforts to accelerate the use of digital technology in all manner of areas, such as innovation measures and the diabetes prevention program, will definitely lead to stronger competitiveness in the future. Moreover, our key measures in the sales representative channel, our core sales channel, are to further hone our face-to-face activities and to bring digital technology onboard and integrate face-to-face activities and digital technology. Through these measures, Nippon Life will establish itself as a dominant market leader. That is the strategy for the future I envision. Going forward, we will push ahead with operational and business reform through these measures. By doing so, we would like to make this reform the engine behind our growth.

Specific Strategy [3]: Promotion of Group Management

For details, please see pages 35, 50–51, and 54–55.

The third specific strategy is promotion of Group management.

The ultimate management goal for a mutual insurer such as Nippon Life is to maximize benefits for policyholders. We believe that Group initiatives are one way to achieve those goals. Specifically, we are looking to foster synergies within the Group based around our life insurance and asset management

businesses in Japan and overseas, while also targeting the development of Group operations. In this way, we aim to generate stable income based on a diversified business base, while leveraging the Group to provide customers with the best products and services.

In the life insurance business, together with TAIJU LIFE, we are taking on mutual supply of multiple products in the sales representative channel and enhancements to the product lineups of both companies. The overall Nippon Life Group, along with Nippon Wealth Life, is striving to continue to address customer needs by swiftly providing products in the bancassurance field and enhancing support to financial institutions. In the agency field, we began operations at HANASAKU LIFE in April 2019, in order to flexibly supply products that accurately capture customer needs. HANASAKU LIFE has started sales of medical insurance and other products, which have been well received by many customers. Through these four domestic life insurance companies, we will utilize the strengths of each company to increase our sales capabilities as the Nippon Life Group and pioneer emerging markets.

In the asset management business, we are responding to customer needs for asset formation by improving our operative capabilities through collaboration with Nissay Asset Management Corporation in Japan and overseas asset management companies such as The TCW Group, Inc. in the US. We are also taking steps to capture synergies between Group companies. In November 2019, TAIJU LIFE's securities administration-related clerical work was integrated into Nippon Life. Additionally, the asset management functions of Nippon Life and TAIJU LIFE in credit investment and alternative investment will be transferred to Nissay Asset Management from 2021 onward. By centralizing resources, expertise and other elements, we will work to strengthen our asset management framework.

Additionally, in overseas business, we have been working to diversify and expand the Group's business by making investments in the Australian insurance company MLC Limited, TCW in the US and other companies. Moreover, in August 2019, Nippon Life converted Reliance Nippon Life Asset Management Limited*² in India into a subsidiary. In September 2019, Nippon Life turned Grand Guardian Life Insurance Company Limited*³ in Myanmar into an affiliate. Consequently, as of March 31, 2020, Nippon Life conducts insurance-related business in 7 countries and asset management-related business in 4 countries, bringing the total number of companies engaged in overseas business in the Nippon Life Group to 14. As overseas business assumes increasingly greater roles, we will need to further strengthen the governance system for overseas Group companies. To this end, the Global Business Risk and Control Office was reorganized into the Global Business Risk and Control Dept. in fiscal 2020. The Global Business Risk and Control Dept. will provide guidance and advice based on the

characteristics of overseas businesses, while working in close coordination with the organizations responsible for risk management, compliance and related areas.

Along with each Group company striving for growth in their respective business, we will continue to build strategies together as a whole, tied to further improvements in sales and operational capabilities for the overall Nippon Life Group.

Developing Our People Is the Foundation of Everything We Do

For details, please see pages 76–80.

Developing our people is the foundation of everything we do at Nippon Life. I myself take the lead, and work on human resource development to help employees develop their individual strengths and realize their potential. Workforce diversity is the basis for the sustained growth of the enterprise. While cultivating mutual respect and ensuring all employees are motivated and enthusiastic at work, we are continuing to promote diversity and inclusion, notably through increased participation of women and seniors. In addition, we are also developing Health and Productivity Management initiatives to promote better health among customers, society, executives and employees.

Looking at the advancement of women, we achieved our target for the ratio of female managers of 20% at the beginning of fiscal 2020. This target was laid out in the Action Plan for Promoting Female Employment, which was formulated in fiscal 2016. Going forward, as part of a new action plan, we are targeting a ratio of female managers of 30% in the 2020s, and a ratio of women in positions equivalent to department manager or above of around 10% at the beginning of fiscal 2030. We will continue to promote diversity and inclusion, beginning with efforts to drive women's advancement.

"Stay closest to your thoughts for beloved ones."

For details, please see pages 82–89.

In an era when customers are living past the age of 100, Nippon Life's corporate message is to "stay closest to your thoughts for beloved ones," and our desire is to "be the most familiar and approachable life insurance company" for our customers, and we aim to achieve this by supporting customers throughout the entire Nippon Life Group.

Taking this philosophy to heart, every Nippon Life employee and executive officer will continue to provide customers with face-to-face services that address their particular needs. Furthermore, to

contribute to the formation of improved communities and a better society, we will conclude agreements with local governments throughout Japan concerning a wide range of fields including Health and Productivity Management, while continuing the "Action CSR-V: Social Contributions by 70,000 People" campaign.

Furthermore, as a Gold Partner (life insurance) for the Tokyo 2020 Olympic and Paralympic Games, we have developed various initiatives across Japan to spread the Olympic and Paralympic movement under the slogan of "Let's all begin to play and support." While the Olympic and Paralympic Games were suspended in response to the COVID-19 pandemic, the revitalization of communities through sports will remain a continuing priority at Nippon Life.

In Closing

Nippon Life has been carrying out sound management based on the spirit of "co-existence, co-prosperity and mutualism," which we have embraced since our founding. Even when there have been major disasters, pandemics and financial crises, we have endeavored with a strong sense of mission to support all those who have been affected by such events with steady and swift payments of insurance claims and benefits.

The foundation of the life insurance business is to fulfill our long-term coverage responsibilities to customers and deliver security to them. This has not changed in the past, nor will it change in the future. The previous fiscal year was a period when we made every effort to implement a Customer-Oriented Operational Management Policy, but there is no final goal to this endeavor. Going forward, we will continue to tirelessly develop our activities based on a rigorous customer-oriented approach in all fields, as we do our utmost to earn the trust of our customers.

The current environment surrounding the life insurance and financial industries has entered an era of major upheaval. Among a myriad of changes, we face the possibility of major shifts in customers' patterns of behavior and needs, driven by factors such as changes in the social structure and advances in IT. Even in such times, there will be no change in our foundation of delivering security to customers through the Customer-Oriented Operational Management Policy. Meanwhile, we intend to continue to embrace changes positively and boldly without being daunted by these tumultuous times, as we remain committed to fulfilling customer needs.

We ask for your continued support and patronage.

July 2020

Hiroshi Shimizu
President

*² Renamed as Nippon Life India Asset Management Limited. *³ Renamed as Grand Guardian Nippon Life Insurance Company Limited.

Corporate Governance Discussion by Outside Directors

—Corporate governance and the growth strategy for the future—

Nippon Life appoints outside directors and outside Audit and Supervisory Board members based on their experience and knowledge. Through their supervision of and advice on management from an objective point of view, Nippon Life strives to ensure management transparency and other priorities. In this section, outside directors Akito Arima and Shin Ushijima were asked to discuss matters such as Nippon Life's initiatives for corporate governance, its priorities for future development, and the expected role of outside directors.

Corporate Governance Initiatives

How would you evaluate Nippon Life's initiatives for corporate governance?

Ushijima: The essence of any company is to fulfill a useful role in society. I believe that not only is it important for companies to supply products and services, but it is also particularly crucial for them to offer employment that provides workers with fulfillment in life and job satisfaction. In corporate governance too, I attach great importance to the perspective of whether a company is fulfilling a useful role in society. I also believe that a company's success depends on the ability of its top management. In my view, whether or not a company can be useful to society hinges entirely on the skill and ability of its top managers. Therefore, in the area of corporate governance, I believe that companies should regard the selection of top managers as one of their highest governance priorities. Indeed, we should view how we select the leaders of major companies with the largest numbers of employees as a matter of critical national importance.

Arima: I'd would like to reaffirm the importance of the perspectives of outside and third parties. Please allow me to discuss this with reference to my own past experience. When I was on the staff of the University of Tokyo, we set out to explore our ideals for national universities. We first implemented a self-assessment of national universities by ourselves. At the time, national universities had a public reputation for producing very few academic research papers and having weak research capabilities. When we conducted our self-assessment, we found that the University of Tokyo and other national universities actually produced a large number of academic research papers among Japanese research institutions, but that they produced somewhat fewer papers in comparison with universities in foreign countries. Those are the facts we learned from the assessment.

However, if you only conduct self-assessments, your evaluation runs the risk of becoming self-serving and complacent. Therefore, our next step was to launch a third-party committee led by external experts. We implemented a project to measure the true strength of the University of Tokyo's physics classes. The committee brought together an impressive list of committee members,

including renowned overseas researchers, and the committee members carried out an in-depth evaluation of the classes. As a result, the evaluation found that the students and instructors were at a world-class level of excellence, but it rated the research and educational environment as inadequate. While there was some opposition to introducing third-party evaluations, the evaluation provided a clear, objective picture of the university's situation at the time. This helped to increase the understanding of society and the public sector toward the actual situation of national universities. I believe that the evaluation was ultimately a huge success. Notably, it went on to pave the way for increasing the budgets for university facilities and equipment. Based on this experience, in Nippon Life's corporate governance too, I believe that it is absolutely essential that Nippon Life's executives and employees themselves have a good understanding of Nippon Life, and that Nippon Life is inspected from an external perspective. In this respect, I was appointed as an outside Audit and Supervisory Board member of Nippon Life in 1994, but even before my appointment, Nippon Life had adopted outside perspectives from a very early stage and was far ahead of its time. I believe that the adoption of outside perspectives is indeed the starting point for corporate governance and sets an excellent example.

Ushijima: I also feel the same about the importance of incorporating outside perspectives. In addition, Nippon Life actively incorporates the outside perspectives of those other than outside directors and outside Audit and Supervisory Board members. Accordingly, I believe that corporate governance at Nippon Life is functioning effectively.

Moreover, unlike joint-stock companies where the decision-making of companies reflects the amount of capital supplied by shareholders, Nippon Life has adopted the Meeting of Representatives system as a mutual company. Every member attending the Meeting of Representatives possesses equal voting rights. Listening to discussions in the Meeting of Representatives and other forums, I find that the representatives and other participants offer many remarks focused on the company and society as a whole.

Arima: I agree. That's why I believe that in order to fulfill its social responsibilities, Nippon Life has incorporated outside perspectives appropriately through outside directors, Audit and Supervisory Board members and others, from a very early stage.

Nippon Life is pursuing Group expansion as part of its management strategy. How would you evaluate the Group governance initiatives undertaken by Nippon Life?

Ushijima: Nippon Life has carried out Group management in Japan over many years. I believe it has fulfilled an exemplary role in demonstrating how effective Group governance can be conducted by Japanese companies. Meanwhile, Japanese companies face difficulties in handling overseas subsidiaries. For manufacturing companies making tangible goods such as automobiles, examples of success abound as overseas subsidiaries are relatively easy to control. However, examples of success overseas



Corporate Governance Discussion by Outside Directors

with the control of insurance companies, which provide intangible services, are few and far between. Currently, Nippon Life is ambitiously tackling this difficult task. Nippon Life has been practicing Group governance, encompassing an unprecedented level of diversity, in Japan and elsewhere. While I'm sure that there are endless challenges, I have high expectations for Nippon Life's enthusiastic efforts and creative ingenuity.

Arima: Nippon Life, as a mutual company, is seeking to welcome various companies in Japan and abroad into the Group. In the process, joint-stock companies will also be brought into the Group and managed as Group companies. I believe that this will be an experimental undertaking for Group governance. Going forward, I believe that the Nippon Life Group will be put under close scrutiny for how it manages the different corporate structures of a mutual company and joint-stock company together in the same group. As may be expected, I'm convinced that the crucial point here will be to incorporate outside points of view.

Roles of Outside Directors

What do you think are the expected roles of Nippon Life's outside directors?

Ushijima: As an outside director of a mutual company, I believe that it is absolutely imperative to protect the interests of company members, who are participating insurance policyholders. At

the same time, I believe that outside directors have an important role to play in supporting the management decisions of the executive directors. In situations where executive directors are unsure about decisions, or would like to consider outside opinions, outside directors fulfill the role of a counterpart who listens to their questions and provides objective opinions. By encouraging critical reflection by the executive directors in this manner, the outside directors aim to lay the groundwork for better management decisions. One of the most notable examples were the changes in top management in 2018. As outside directors, we stated our opinions based on our individual perspectives on how effective leadership could move the Company forward. I believe that these opinions were put to good use. Apart from this, each outside director strives to bring out many different opinions from the executive directors in meetings of the Board of Directors. Under the consistent leadership of the Chairman, the Board of Directors of Nippon Life can be rated highly for holding constructive and lively discussions, including remarks from outside directors and outside Audit and Supervisory Board members.

Arima: It is important for outside directors to state their opinions leveraging their respective areas of specialization and experience. My area of specialization is theoretical physics. I've worked to provide useful opinions to management from my unique perspective as an academic expert. In addition, since I have extensive overseas experience, I strive to express my opinions about Nippon Life's overseas strategy based on the cultural and philosophical characteristics of various foreign countries.

Ushijima: In the past few years, recommendations for strengthening corporate governance have called on joint-stock companies to establish committees to discuss nomination and remuneration matters. Nippon Life has been well ahead of this trend. It has established the Outside Directors Committee, whose members are centered on outside directors. This committee not only discusses issues such as nomination and remuneration as a matter of course, but it can also discuss much broader issues such as management plans and important investment projects. The committee has performed very well as an advisory body to the Board of Directors. It is attended by outside directors with a broad range of experience, including world-class academic experts, such as Director Arima, and leaders of major companies. For this reason, I believe that the level of discussion is very high. Moreover, the outside directors share their frank opinions, and the executive directors listen to their opinions sincerely and respond with explanations and other remarks. Therefore, I believe that corporate governance is functioning effectively.

Arima: I'm very grateful that we have attorneys such as Director Ushijima on the Outside Directors Committee, as they help to guide meetings to discussions based on a solid legal foundation. The Outside Directors Committee is also attended by an outside director who has experience in managing a major company in a separate field. The outside directors harness their respective

knowledge and experience to offer highly specialized advice. Since the outside directors are independent of Nippon Life's business execution, they are able to offer incisive and frank opinions that are objective and capture the essence of problems.

For Future Development

Amid urgent social issues such as the global COVID-19 pandemic, what kinds of initiatives do you think will be important for Nippon Life to achieve further development?

Arima: Globalization is one crucial issue facing Nippon Life. In this regard, my advice to Nippon Life would be "Don't rush things." I'd like Nippon Life to make sound decisions only after conducting in-depth research and accumulating data. Considering the impact of Japan's aging population with fewer children, it makes sense to find a way out of this difficulty by turning to overseas markets. However, I believe that Nippon Life should make decisions only after it finds personnel who can understand the different business customs, temperaments of people and other aspects of foreign countries, and gathers information. Another issue to consider is how to diversify life insurance in an aging society with fewer children. Making daily life easier for the elderly will surely be another key theme. In addition, there could be new crises in the future, such as a challenging outbreak of infectious disease like COVID-19.

Ushijima: In a world where speed is held to be important in all things, Director Arima's advice of "Don't rush things" carries a lot of weight. I think Mr. Arima is saying that Nippon Life should first gather and carefully assess accurate information, and then take the necessary action. Nippon Life is currently undertaking initiatives at its Australian subsidiary. These initiatives have been fraught with considerable difficulties. However, I believe they will ultimately provide Nippon Life with very good experience. I expect Nippon Life to learn from all of its experiences, implement steady measures and advance to the next stage. In addition, Nippon Life is responding to Japan's aging society. In this regard, when policyholders, who are customers, lead healthy and long lives, this is a positive development for life insurance companies and will open up new possibilities for Japan's mature life insurance industry. Another major change in the environment is that face-to-face sales activities have become difficult to carry out due to the spread of COVID-19. Going forward, I expect Nippon Life to further develop how it conducts sales activities.

Arima: Nippon Life faces major upheaval in the environment. In such an environment, Nippon Life's most important asset is still its people. Looking ahead, human resource development will be crucial to ensuring that Nippon Life's employees can tackle the issues they face with pride. Nippon Life will need the people who will support it from now on to work successfully at the Company

for many more years to come. In the past few years, society has seen more and more employees leaving their companies only a few years after joining the company. I believe that companies' ability to develop their employees has weakened. When developing employees, it is crucial to ensure that every employee feels satisfied with their work.

Ushijima: Indeed. Nippon Life has a large impact on society and supports the lives of large numbers of policyholders through life insurance. When developing people, it is important to ensure that employees understand why they are doing the work at hand, and how much of a positive impact they can have on society through their work. I believe that working at Nippon Life provides employees with a great opportunity, and that employees can take pride in working for Nippon Life. It is particularly important to have younger employees understand how satisfying it can be to work at Nippon Life.

Arima: In the course of interacting with the executives and employees of Nippon Life, I have received the impression that a lot of people take pride in being a member of Nippon Life. In addition, when advancing overseas business development, the personnel involved in these efforts need to be given the opportunity to build overseas experience from their younger years. I strongly urge Nippon Life to conduct solid human resource development, while fostering a sense of pride in working at Nippon Life through on-the-job training and other initiatives focused on younger employees. Looking ahead, I expect Nippon Life's executives and employees to continue working to develop human resources and building work environments that allow them to recognize that their work in the life insurance business is very important to their lives and an honorable endeavor.

Director (Outside Director) Akito Arima Profile

Apr. 1989 President, the University of Tokyo
Oct. 1993 President, RIKEN
Jul. 1994 Audit and Supervisory Board Member, Nippon Life Insurance Company
Jul. 1998 Retired as Audit and Supervisory Board Member
Member of the House of Councilors and Minister of Education
Jan. 1999 Minister of Education and Minister for Science and Technology
Jun. 2000 Chairman, Japan Science Foundation
Apr. 2006 Chancellor, Musashi Academy of the Nezu Foundation (present)
Jul. 2007 Director, Nippon Life Insurance Company (present)
Apr. 2010 President, Shizuoka University of Art and Culture (present)



Director (Outside Director) Shin Ushijima Profile

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)
Dec. 2013 President, Japan Corporate Governance Network (present)



Nippon Life Insurance Company's History

Since its foundation, Nippon Life has responded to requirements in a manner that embodied the spirit of mutual aid.

Nippon Life Assurance Co., Inc. established (1889)

Sukesaburo Hirose, an ambitious banker with a desire to save the world and help people, devoted himself to founding the Company.

Founder
Sukesaburo Hirose



Paid out the first profit dividends to policyholders in Japan (1898)

Paid dividends to policyholders in Japan after the first closing of books, keeping its promise to customers.



Actuarial department in charge
of closing of books (1895)

Top in the industry for amount of policies in force (1899)

In 1895, attained the industry's number two position with amount of policies in force valued at ¥10 million, and achieved the top position in 1899, a mere 10 years after founding.



Commemorative event celebrating the attainment of
¥10 million in amount of policies in force (1895)

Moved to newly built headquarters at present location (1902)

New Company headquarters, built in stately red brick and granite, was designed by Kingo Tatsuno, who also designed Tokyo Station.



Former company headquarters (1902–1959)

Nippon Life Saiseikai Foundation established (1924)

The foundation is deeply involved in social welfare work, including free medical check-ups, and opened the Nissay Hospital attached to the Nippon Life Saiseikai Foundation in 1931.



Traveling clinic in Shikoku (1930)

The Company reemerged as Nippon Life Insurance Company (1947)

Returning to the spirit of providing mutual aid and assistance as exemplified by being the first in the industry to pay policyholder dividends, Nippon Life reemerged as a mutual company.



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

Nissay Theatre opened (1963)

Nissay Theatre opened in the newly constructed Hibiya Building with the aim of contributing to Japanese arts and culture.



Elementary school students
invited to the theatre (left)



Whole life insurance with term life rider launched (1981) (Given the nickname *Long Run* in 1983)

Nissay's main products grew with widespread support from customers.



Opening of Nissay Life Plaza Shinjuku (1987) (first outlet)

Nippon Life continues to develop a nationwide network of service counters for customers staffed by financial planners who provide specialized consulting services.



first outlet Nissay Life Plaza Shinjuku

Corporate identity (CI) introduced (1988)

Adopted NISSAY to express our corporate approach symbolizing "Newness" and "Communicating and Proposing." Changed to the new company emblem.



Three major disease insurance *Athlete* (dread disease term rider) launched (1992)

Pioneered the development of living benefit products.



Athlete pamphlet

Nissay Million Tree-Planting Campaign goal of one million trees reached (2002)

Achieved 1992 campaign goal of planting one million trees in 2002 and Nissay Planting and Nurturing Forests for Future Generations Campaign began the following year.



Poster for Nissay Planting and
Nurturing Forests for Future
Generations Campaign

Mirai no Katachi launched (2012)

Revolutionized insurance products under the concepts of "perfect for every individual customer" and "importance of payment."



Mirai no Katachi pamphlet

Management integration with Mitsui Life Insurance Company Limited (2015) (Renamed TAIJU LIFE INSURANCE COMPANY LIMITED in 2019)

Acquisition of MLC Limited (2016)

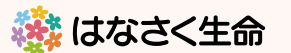
We carried out management integration with Mitsui Life Insurance Company Limited and made MLC Limited a subsidiary, with the aim of building a medium- to long-term growth foundation and expanding earnings for the entire Nippon Life Group.

Management integration with MassMutual Life Insurance Company (2018) (Renamed Nippon Wealth Life Insurance Company Limited in 2019)

Aiming to establish a framework to widely address the demands of customers in the over-the-counter sales market for financial institutions, we carried out management integration with MassMutual Life Insurance Company in 2018.

HANASAKU LIFE INSURANCE Co., Ltd. established (2019)

To respond flexibly to varied customer demand in the independent retail agency market, we established HANASAKU LIFE INSURANCE Co., Ltd. in 2019.



- 1889 ● Nippon Life Assurance Co., Inc. established
- 1891 ● Renamed Nippon Life Assurance Co., Ltd.
- 1898 ● Nippon Life paid out the first policyholder profit dividends in Japan
- 1899 ● Top in the industry for amount of policies in force
- 1902 ● Moved to newly built headquarters at present location
- 1924 ● Nippon Life Saiseikai Foundation established (Certified as a public interest incorporated foundation in 2012)
- 1931 ● Nissay Hospital opened, attached to the Nippon Life Saiseikai Foundation (Renamed Nippon Life Hospital in 2018)
- 1940 ● Japan's first "Ordinary insurance with dividend by profit source" launched
- 1947 ● The Company reemerged as Nippon Life Insurance Company
- 1950 ● Opening of the Nippon Life Insurance Baseball Stadium
- 1959 ● "Kurashi no Hoken" (Endowment Insurance with Term Rider) launched
- 1963 ● Nissay Theatre opened
- 1964 ● The "Nissay Masterpiece Theatre" (Nissay Meisaku Gekijo) launched
- 1973 ● Nissay Children's Culture Promotion Foundation established (Renamed Nissay Culture Foundation in 1993 and converted into a public interest incorporated foundation in 2009)
- 1979 ● Nippon Life Foundation established (Converted into a public interest incorporated foundation in 2010)
- 1981 ● Whole life insurance and whole life insurance with term life rider launched
- 1985 ● Nissay BOT Investing Advisors established (Renamed Nissay Investment Advisors in 1989)

- 1987 ● Opening of Nissay Life Plaza Shinjuku (1st outlet)
- 1988 ● Corporate identity (CI) introduced
- 1989 100th Anniversary
 - The Nissay Seirei Health & Welfare Foundation established (It became a public interest incorporated foundation in 2013)
- 1991 ● Nippon Life Insurance Company of America established
- 1992 ● "Athlete" (dread disease term rider) launched
 - Nissay Million Tree-Planting Campaign began
- 1993 ● Nissay Green Foundation established (Foundation converted to a public interest incorporated foundation in 2011)
- 1994 ● Living needs benefit rider launched
- 1995 ● Nissay Investment Trust Co., Ltd. established
- 1997 ● Acquired an equity stake in Bangkok Life Assurance Limited
 - "Forward" (illness & disability term rider) launched
- 1998 ● "Nice Care" (nursing care rider) launched
 - Nissay Asset Management Investment Trust Corporation established through merger of Nissay Investment Advisors Co., Ltd. and Nissay Investment Trust Co., Ltd.
- 1999 ● Nissay Insurance Accounts launched
 - Nissay Information Technology Co., Ltd. established
- 2000 ● Separate Account Management Division spun off, then integrated with Investment Trust Advisors and renamed Nissay Asset Management Corporation
- 2001 ● "Ikiru Chikara EX" launched
 - Nissay Call Center launched
- 2002 ● "Nissay Million Tree-Planting Campaign" goal of one million trees reached
 - Individual variable annuities that are sold in banks launched

- 2003 ● Nissay Planting and Nurturing Forests for Future Generations Campaign, a forest protection campaign, launched
 - Nissay-SVA Life Insurance Co., Ltd. established
- 2004 ● Bangkok Life became a Group company
- 2005 ● "Iryo Meijin EX" (hospitalization and medical life insurance) launched
- 2008 ● "Mirai Support" launched
 - More than seven million children invited to watch musicals at the Nissay Masterpiece Theatre (Nissay Meisaku Gekijo)
- 2009 ● "My Medical EX" launched
 - Nissay-SVA Life Insurance Co., Ltd. changed its joint venture partner to China Great Wall Asset Management Corporation and renamed the joint venture Nissay-Greatwall Life Insurance Co., Ltd.
- 2010 ● "Zutto Motto Service" launched
- 2011 ● Invested in Reliance Life Insurance Company Limited and made it into a Group company (Renamed Reliance Nippon Life Insurance Company Limited in 2016)
- 2012 ● Nissay "Mirai no Katachi" launched
 - Invested in Reliance Capital Asset Management Limited and made it into an affiliate company (Renamed Reliance Nippon Life Asset Management Limited in 2016)
- 2013 ● Nissay Educational Endowment Insurance launched
 - "Yume no Katachi Plus" launched
- 2014 ● The "Nissay Masterpiece Series" (Nissay Meisaku Series) launched
 - Invested in PT Asuransi Jiwa Sequis Life making it an affiliated company
- 2015 ● Nissay "Mirai no Katachi Itsutsu Boshi" plan featuring dread disease insurance coverage with continuous support launched
 - Management integration with Mitsui Life Insurance Company Limited (Now TAIJU LIFE INSURANCE COMPANY LIMITED)

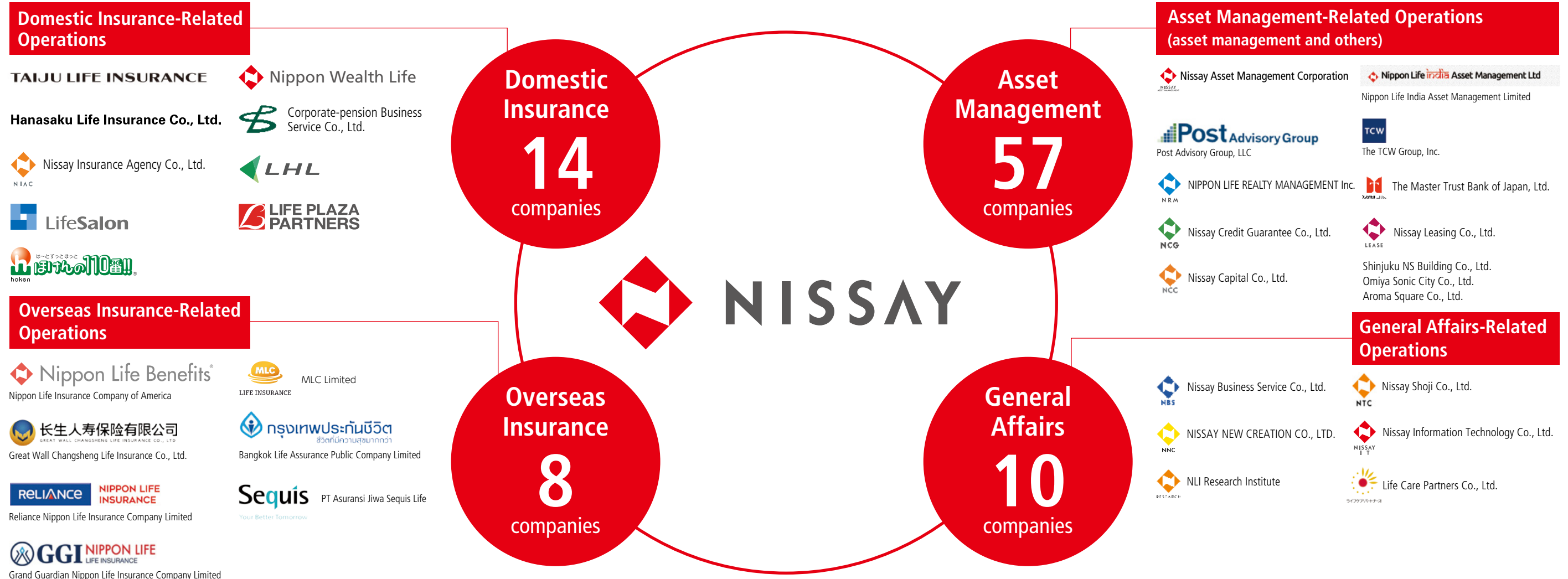
- 2016 ● "Gran Age" launched
 - "ChouChou!" launched
 - MLC Limited into a subsidiary
- 2017 ● Start of the Medium-Term Management Plan "Zen Shin—next stage— (2017–2020)"
 - "Platinum Phoenix" launched
 - "Moshimonotoki no...Seikatsuhi" launched
 - Nippon Life invested in the US asset management firm, The TCW Group, Inc., and converted it into an affiliate
- 2018 ● Nissay "Mirai no Katachi Daijobu," specific medical coverage launched
 - Management integration with MassMutual Life Insurance Company (Now Nippon Wealth Life Insurance Company Limited)
- 2019 130th Anniversary
 - HANASAKU LIFE INSURANCE Co. Ltd. opened for business
 - Nissay "Mirai no Katachi NEW in 1," general hospitalization insurance launched
 - "Long Dream GOLD 3" (single-payment whole life insurance with variable accumulation rate) launched
 - Additional shares in Reliance Nippon Life Asset Management Limited acquired and made it a subsidiary (Renamed Nippon Life India Asset Management Limited in 2020)
 - Invested in Grand Guardian Life Insurance Co., Ltd. and made it an affiliate (Renamed Grand Guardian Nippon Life Insurance Co., Ltd. in 2020)
 - "Yume no Present 2" launched
- 2020 ● Nissay "Mirai no Katachi Ninchisho Support Plus" (dementia insurance) launched

Overview of the Nippon Life Group (As of March 31, 2020)

Nippon Life is advancing its Group business strategy, aiming to increase its policyholder interests by expanding earnings over the long term.

Specifically, in our core life insurance operations, we will continue cultivating the domestic market, which is expected to continue growing stably, while developing our overseas strategy to secure growth opportunities that are not present in Japan. Moreover, in the asset management business, which has a strong affinity with the life insurance business, we are making efforts both in Japan and overseas to increase our investment income.

Looking ahead, we will continue to harness synergies with our Group companies over a wide area as we work to realize growth for the entire Group.



Nippon Life Group's Stakeholders



Customers

Nippon Life has many individual and corporate customers.



Communities and Society

Nippon Life engages in business in regions throughout Japan and aims to coexist with communities and society.



Investors

Nippon Life procures its foundation funds (*kikin*), the equivalent of a company's capital, from investors.



Investees and Borrowers

Nippon Life provides investment and financing to various companies in Japan and abroad. The Company's real estate properties are occupied by a variety of tenant companies.



Partners and Affiliates

These include various agencies such as tax accountants, professional insurance sales agencies, financial institutions, etc. We are partnering with corporations and organizations to develop business.



Employees

Nippon Life also has many employees, starting with sales representatives.



Central and Local Governments

Nippon Life is subject to the supervision and authority of government regulators. We are also concluding partnership agreements with prefectural and municipal governments throughout Japan.



NPOs and Industry Bodies

Nippon Life has partnerships with various NPOs. We are also members of various industry bodies, and we work together with these organizations.

Nippon Life's Value Creation Model

Sustainability Management

Base built on our history

A 130-year history

Financial Capital

Total assets **P19****¥69,071.1 billion**
(Nonconsolidated)Solvency margin ratio **P19****979.2%** (Nonconsolidated)Human/
Intellectual CapitalTotal number of employees **P21****74,557** (Nonconsolidated)Number of sales representatives **P28****55,132** (Nonconsolidated)Ratio of women in management **P21****21.2%** (Nonconsolidated)Number of underwriting and payment assessments
(Number of new policies for individual (annuities) + number of insurance claims and benefits paid)**6.58 million/year**Social/
Related CapitalNumber of customers **P20****14.48 million** (Group)Number of corporate clients **P36****257,000 companies**
(Nonconsolidated)

* As of March 31, 2020

What is important and how is it managed?

Fundamental Management Principles of Nippon Life

Contribute to the stability and enhancement of people's lives under the precepts of conviction, sincerity and endeavor

Providing Security

We will strive sincerely to fulfill our responsibilities to policyholders by providing fulfilling services and making every effort to offer policies which are truly needed

Contributions to Society

We will, in recognition of the public service aspects of the life insurance business, strive to contribute to improving social welfare through proper investment activities

Improve productivity through creativity and execution

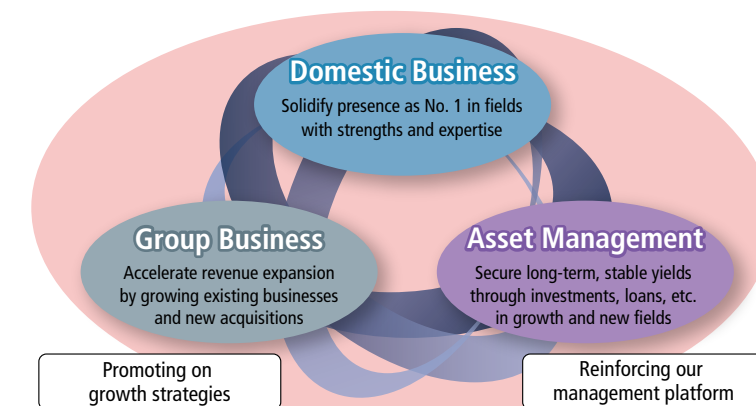
Strive to develop outstanding human resources

Contribute to the progress and development of the life insurance industry

Customer-oriented business operations

Maximize policyholder interest

Specific Strategy: Medium-Term Management Plan 2017–2020

—Working to be the leading company in an era with an average life expectancy of 100 years— **P22**

Undertaking important sustainability priorities

Fields	Domestic Insurance Business (individual insurance) P28	Customer Service P38	Asset Management P46	Overseas Business P52
	Domestic Insurance Business (corporate insurance) P36			

What values will be created?

Together with Stakeholders

Customers

Customer satisfaction **90.9%** (Nonconsolidated) **P20**

Total payments for insurance claims, annuities and benefits **¥2,516.1 billion** (Nonconsolidated) **P20**

Investors

Dialogue with investee companies **758 companies, total of 1,149 occasions** (July 2018–June 2019) **P49**

Loans to domestic companies in all regions across Japan **¥4,733.1 billion** **P48**

Communities and Society

Number of comprehensive tie-up agreements concluded with prefectures **31 prefectures** **P82**

Participation rate for officers and employees in community social contribution activities in regions nationwide **100% for fifth consecutive year** (Nonconsolidated) **P82**

Employees

Rate of employees taking paternity leave **100% for seventh consecutive year** (Nonconsolidated) **P21**

Promote human asset training, work style reform and diversity **P76**

Awarded a Grand Prize at the Good Career Company Award 2019
(Minister of Health, Labour and Welfare's Award)

No. 1, Work-Life Balance category
(Nikkei Woman June 2020 issue, "100 Best Companies Where Women Actively Take Part")

Award for Leading Companies Where Women Shine 2019
(Minister of State for Special Missions Prize (Gender Equality))

Progress on Medium-Term Management Plan **P3**

Annualized premiums in force [Targets for March 31, 2021]

¥4.52 trillion [¥4.5 trillion]

Number of customers [14.40 million]

14.48 million

Group company net income [¥70.0 billion]

▲¥11.8 billion

Equity [¥6.5 trillion]

¥6.6 trillion

* As of March 31, 2020

Vision

(Relationships with customers and society)

“Be the most familiar and approachable life insurance company” for our customers

Realize a safe, secure, and sustainable society

SUSTAINABLE DEVELOPMENT GOALS

Realize a society that does not create poverty and inequality



Build a world-class society of healthy and long lives



Realize a sustainable global environment



ESG investment and finance to support the achievement of the SDGs



A source of further values

Governance forming a foundation **P56**

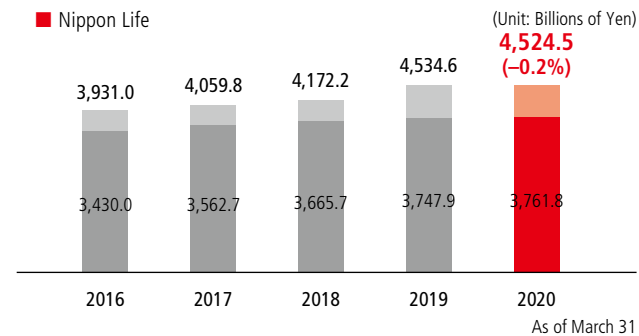
Business Performance Highlights (Financial)

Annualized Premiums

[As of March 31, 2020]

(Nonconsolidated) ¥3,761.8 billion
(Domestic Total) **¥4,524.5 billion**

Annualized premiums, the amount for an entire year, are calculated by applying coefficients based on the premium payment method to a single premium payment amount.

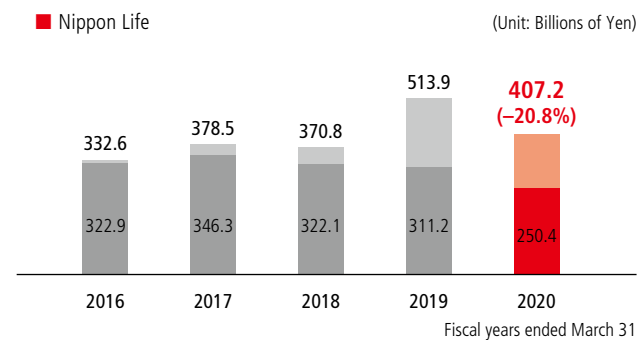


Annualized Premiums on New Policies

[For the fiscal year ended March 31, 2020]

(Nonconsolidated) ¥250.4 billion
(Domestic Total) **¥407.2 billion**

Figures for annualized premiums on new policies include net increases due to conversions.

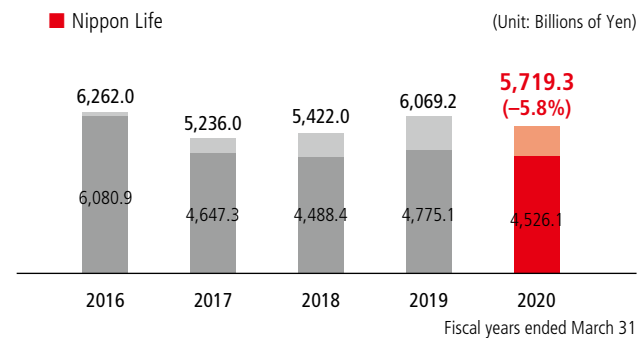


Revenues from Insurance and Reinsurance

[For the fiscal year ended March 31, 2020]

(Nonconsolidated) ¥4,526.1 billion
(Consolidated) **¥5,719.3 billion**

Revenues from insurance and reinsurance comprises insurance and reinsurance premiums paid by policyholders.

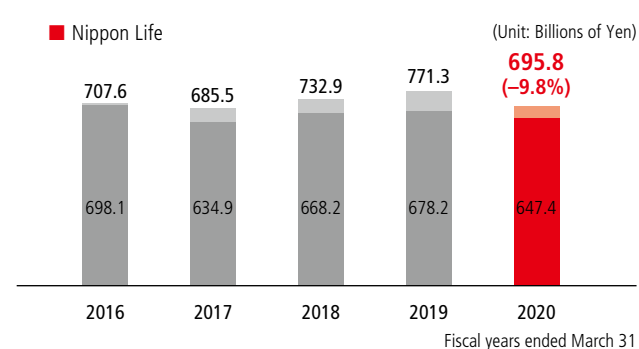


Core Operating Profit

[For the fiscal year ended March 31, 2020]

(Nonconsolidated) ¥647.4 billion
(Group) **¥695.8 billion**

Core operating profit comprises income related to insurance (net of income from premiums less payments for insurance claims and business costs) and investment operations, including interest and dividend income.



Note: Core operating profit (Group) is calculated based on core operating profit from Nippon Life, TAIJU LIFE, Nippon Wealth Life and HANASAKU LIFE and net income before taxes of overseas life insurance subsidiaries and affiliates and domestic and overseas asset management subsidiaries and affiliates, with adjustments based on the stock ownership ratio and some internal transactions and excluding impacts of interest rate fluctuation.

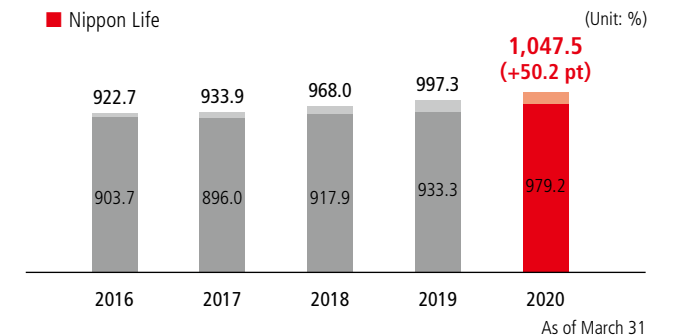
Furthermore, in the fiscal years ended March 31, 2016 and 2017, core operating profit (Group) was calculated based on core operating profit from Nippon Life and TAIJU LIFE and net income before taxes of overseas life insurance subsidiaries and affiliates, with adjustments based on the stock ownership ratio and some internal transactions.

Solvency Margin Ratio

[As of March 31, 2020]

(Nonconsolidated) 979.2%
(Consolidated) **1,047.5%**

The solvency margin ratio is the total value of the solvency margin (equity plus unrealized gain/loss on securities, etc.) divided by the quantified amount of all risks exceeding those that can normally be forecast, including major natural disasters and other events.

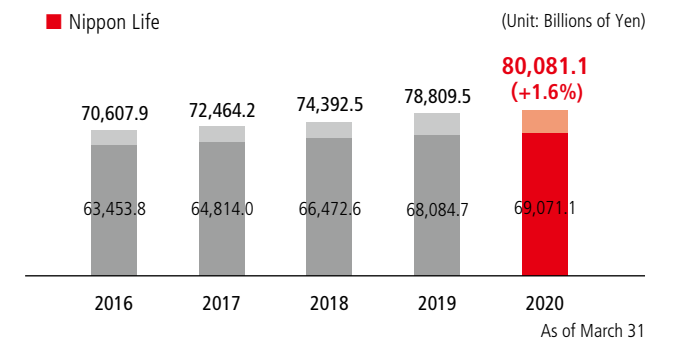


Total Assets

[As of March 31, 2020]

(Nonconsolidated) ¥69,071.1 billion
(Consolidated) **¥80,081.1 billion**

Total assets, which are based on insurance premiums and other items, are indicators of company size.



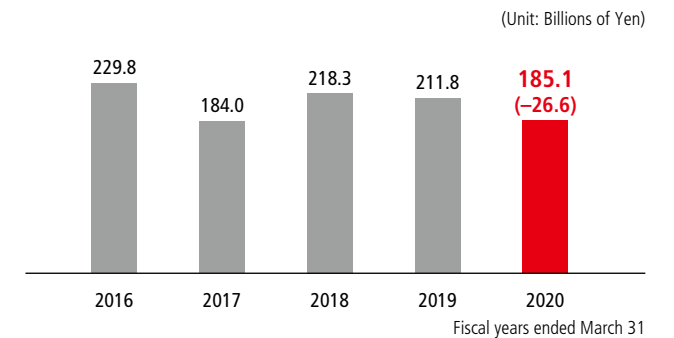
Distribution of Dividends to Participating Insurance Policyholders

[For the fiscal year ended March 31, 2020]

Reserve for Policyholder Dividends (Nonconsolidated) **¥185.1 billion**

The reserve for policyholder dividends is accumulated to fund dividend payments to policyholders.

Note: Please see p. 114 for details about policyholder dividends.



Evaluations from Ratings Companies

As of July 1, 2020 (Nonconsolidated)

R&I
(Insurance Claims Paying Ability)

AA

JCR
(Insurance Claims Paying Ability Rating)

AA+

S&P Global
(Insurer Financial Strength Rating)

A+

Moody's
(Insurance Financial Strength Rating)

A1

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.)

Business Performance Highlights (Non-Financial)

Number of Customers

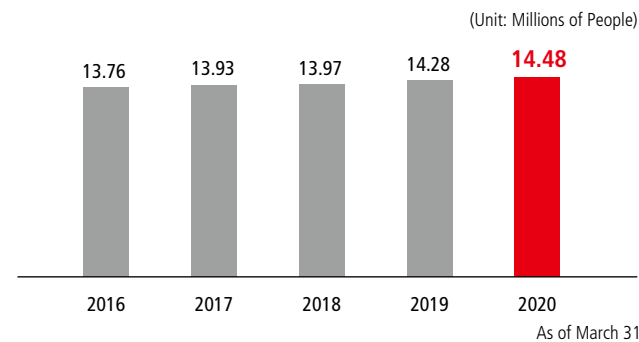
[As of March 31, 2020]

(Group)

14.48 million

The number of customers (number of insured persons, etc.) is mainly the number of insured persons enrolled in individual insurance and individual annuities, 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.

Note: The standards for including the number of customers enrolled solely in non-life insurance in the number of customers (number of insured persons, etc.) were revised when this number was derived at the close of the fiscal year ended March 31, 2020. Revised figures as of the close of the fiscal years ended March 31, 2016 to 2019 are also shown above.



Total Payments for Insurance Claims, Annuities and Benefits

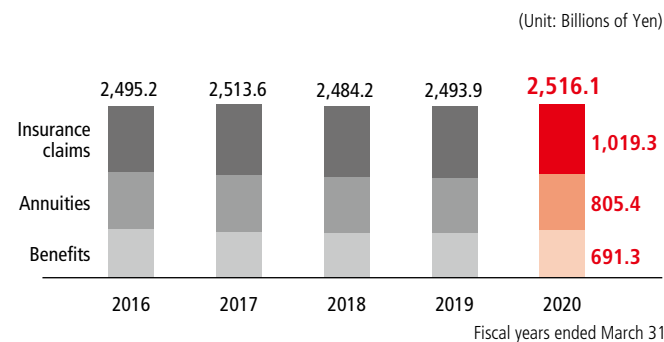
[For the fiscal year ended March 31, 2020]

(Nonconsolidated)

¥2,516.1 billion

Total payments for insurance claims, annuities and benefits (total for individuals and companies) were ¥2,516.1 billion in the fiscal year ended March 31, 2020.

Nippon Life is committed to continuing to make payments with speed and reliability.



Customer Satisfaction

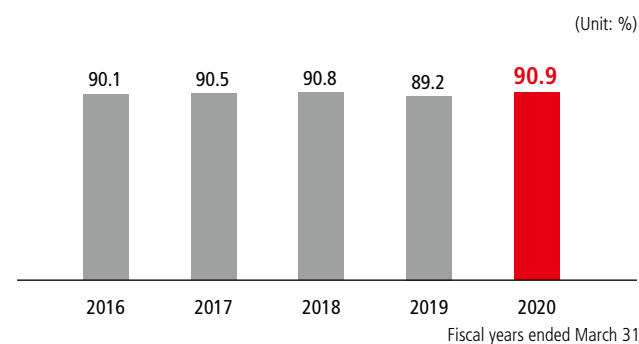
[For the fiscal year ended March 31, 2020]

■ Total of "Satisfied" and "Somewhat satisfied" responses

(Nonconsolidated)

90.9%

Once a year Nippon Life surveys customers for evaluation on the Company's initiatives and uses the results to improve products and services.



CO₂ Emissions

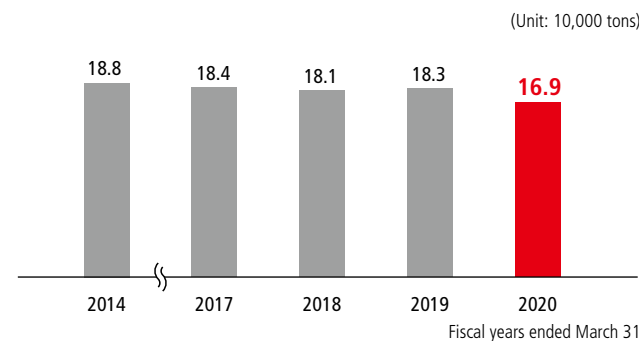
[For the fiscal year ended March 31, 2020]

(Nonconsolidated)

169,000 tons

Targets were set in fiscal 2019 of reducing CO₂ emissions by 40% by fiscal 2030 and 80% by fiscal 2050 (with the year ended March 31, 2014 as the base year).

Nippon Life will continue to advance various CO₂ reduction initiatives going forward.



Note: Combined total of Nippon Life's emissions (Scope 1 and 2) and supply chain emissions (Scope 3). Data before the year ended March 31, 2017 is calculated retroactively. Provisional figure.

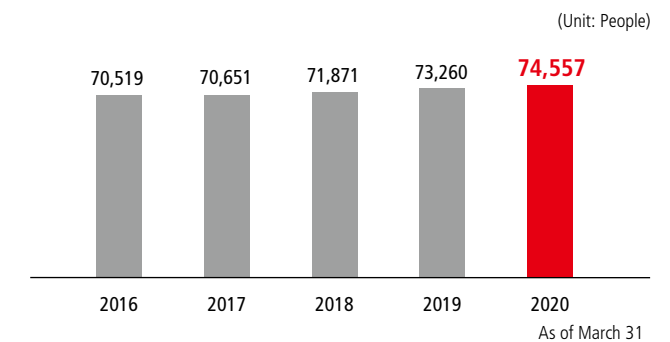
Number of Employees

[As of March 31, 2020]

(Nonconsolidated)

74,557 employees

There has been a steady increase in the number of employees who support Nippon Life's business. Looking ahead, the approximately 75,000 employees will strive to maintain and expand stable and sophisticated customer services.



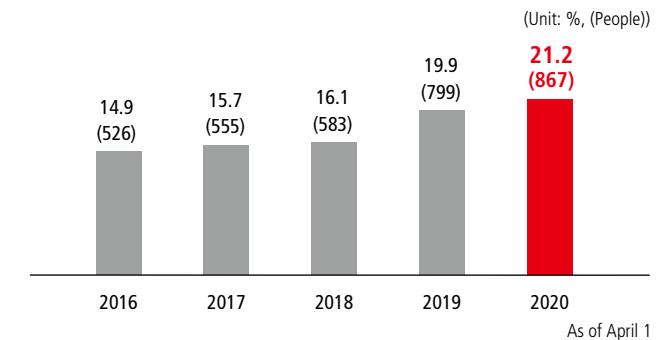
Ratio of Women in Management

[As of April 1, 2020]

(Nonconsolidated)

21.2%

Women account for approximately 90% of the Nippon Life workforce and promoting activities for women to excel is a management strategy to support sustainable corporate growth. Currently, there are 867 women (21.2%) active in management positions in a wide variety of fields.



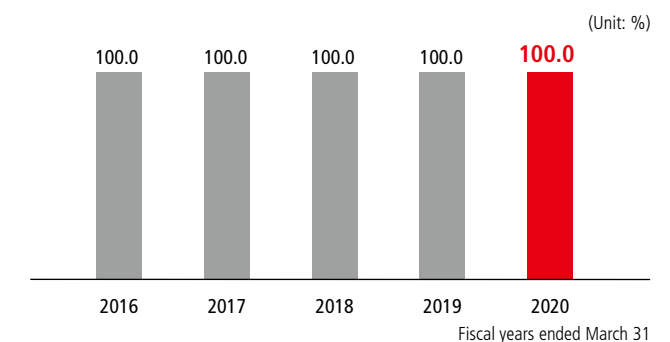
Rate of Employees Took Childcare Leave

[For the fiscal year ended March 31, 2020]

(Nonconsolidated)

100.0%

Achieved the Company-wide target of 100% of male employees taking childcare leave for the seventh consecutive year since the year ended March 31, 2014. Approximately 1,700 people took leave, which is equivalent to about 1 in 4 of all Nippon Life's male employees.



Participation in Sustainability Initiatives

Nippon Life fulfills its social responsibilities as a life insurance company and has signed and endorsed the following initiatives in Japan and overseas to contribute to the creation of a safe, secure and sustainable society.

United Nations Global Compact (GC)



Women's Empowerment Principles (WEPs)



United Nations Principles for Responsible Investment (PRI)



The Equator Principles (EPs)



Business Strategy

Medium-Term Management Plan

Overview of the Medium-Term Management Plan “Zen Shin –next stage– (2017–2020)”

Under the slogan of “Working to be the leading company in an era with an average life expectancy of 100 years,” we will aim to increase profitability under an ultra-low interest rate environment, harness the total capabilities of the Group to address the population decline and other long-term management challenges, and solidify our No. 1 position over the long term.

Specifically, our growth strategies include increasing profitability under an ultra-low interest rate environment, expanding the social roles of the Nippon Life Group, and steadily expanding the profit of Group businesses. We have positioned the domains of ERM (Enterprise Risk Management), advanced IT utilization, and human resource development as important management pillars supporting these strategies, and we will carry out initiatives that lead the life insurance industry.

Medium-Term Management Plan “Zen Shin –next stage–” Nippon Life Group: “Working to be the leading company in an era with an average life expectancy of 100 years.”

Promoting growth strategies

- 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

Domestic Business
Group Business
Asset Management

Reinforcing our management platform

ERM

Advanced
IT utilization

Human resource
development

Customer-Oriented Business Operations

Undertaking important sustainability priorities

Customer-Oriented Business Operations

To gain greater trust from customers and society, based on its Customer-Oriented Operational Management Policy, Nippon Life works to increase awareness among all executives and employees while promoting expansion of its products and services lineup and provision of appropriate information suited to customers’ desires to address various needs. In fiscal 2019, it has maintained a high customer satisfaction level—which acts as an index to gauge establishment of that policy—at 90.9%.

In addition, Nippon Life established a Customer-Oriented Business Operational Promotion Committee, which is mainly comprised of executive-class members, and strengthened its system for monitoring the status of initiatives in each of the Company’s domains. To continue fulfilling its coverage responsibilities over the long term, Nippon Life strives to take a customer-oriented approach in all of its business operations, based on its belief that all operations are connected to customers.

Growth Strategies

■ Increase Profitability under an Ultra-Low Interest Rate Environment

Nippon Life will implement measures in each domain to generate profitability in any kind of market environment.

Boost Revenues

- Generate profitability without being swayed by the interest rate (asset management) environment through product portfolio enhancement

Enhance Efficiency

- Drastically reshape the cost structure by revising business processes and using advanced IT and outsourcing, while maintaining quality

Strengthen Investment Capabilities

- Implement risk mitigation measures, such as extending the asset duration, in light of factors such as prolonged ultra-low interest rates
- Simultaneously generate positive returns and reduce economic value-based risk

■ Expand the Social Roles of the Nippon Life Group

The Nippon Life Group will expand the social role it fulfills as the Group grows.

Evolution of Value Delivered to Customers

- Launch products that address needs for increasing assets and living needs through various distribution channels, while having Group companies supply products to one another
- Develop ancillary and related services to help promote the health of individual customers and corporate employees
- Create the value of “insurance + α ” by addressing a range of priorities, including social contribution activities focused on national challenges centered on support for child-rearing, healthcare and dealing with the aging of society

Customer Service Matching the Times

- Provide simple customer procedures and services, thereby allowing customers to execute procedures anytime and anywhere
 - Renew customer service devices
 - Upgrade and expand the functions of the website and call center
 - Develop procedures and services to support elderly people
 - Build a service platform for remote areas through such means as partnerships with external partners

■ Steadily Expand the Profit of Group Businesses

In order to continue to supply products and services to customers in any environment over the long term, we work to diversify and stabilize the business platform, and increase earnings opportunities by expanding Group businesses. Nippon Life has positioned domestic insurance, overseas insurance and asset management businesses, which have a strong affinity with its businesses, as key domains of activity. We are targeting Group company net income of ¥70.0 billion in the fiscal year ending March 31, 2021.

In the course of expanding Group businesses as a mutual

company, it will be crucial for Nippon Life to return the benefits of Group management to its customers. These benefits will come from dividend income from Group companies. Nippon Life has established a basic policy on the capital and dividends it requests from Group companies. Nippon Life will work to maximize benefits for its customers by requesting that Group companies provide well-balanced dividends to Nippon Life in consideration of the financial soundness of the Group companies themselves and the dividends they pay to their respective stakeholders.

Measures to Expand Profit

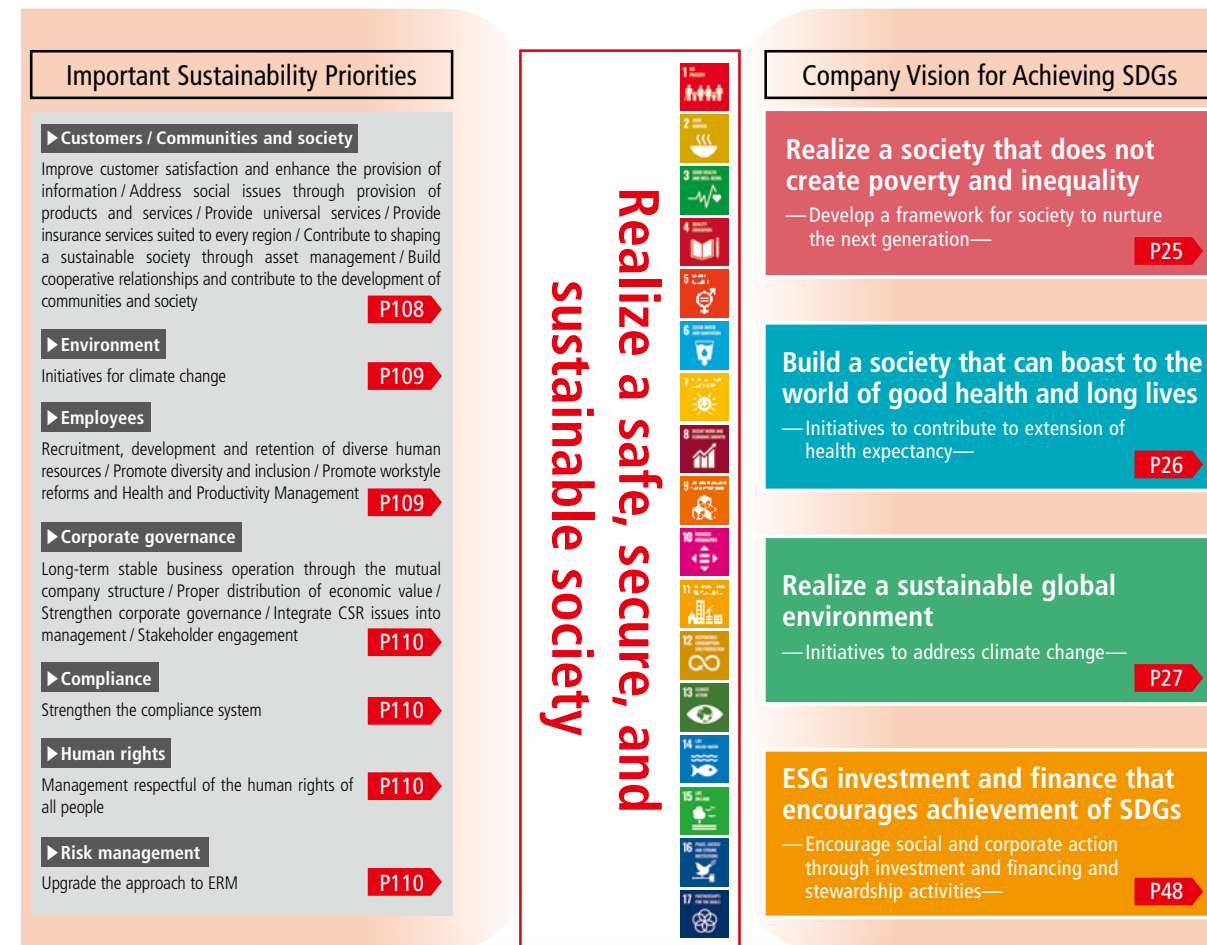
- Domestic insurance business—Deliver even more added value to customers and rapidly fulfill diversifying needs in the domestic insurance business by establishing an integrated product supply platform encompassing the four companies of Nippon Life, TAIJU LIFE, Nippon Wealth Life, and HANASAKU LIFE
- Overseas insurance business—Consider entering frontier markets to build a business base that continues to grow, and investing in European and US insurance companies to diversify the earnings base, as well as strengthening existing businesses
- Asset management business—Consider raising investment ratios and making new investments, as well as strengthening existing businesses, in order to capture domestic and overseas wealth creation needs
- Expanding Group businesses—Step up efforts to address new business risks that will be assumed when expanding Group businesses through such means as strengthening the governance of companies Nippon Life has invested in and further enhancing its financial position

Company Vision for Achieving Important Sustainability Priorities and SDGs

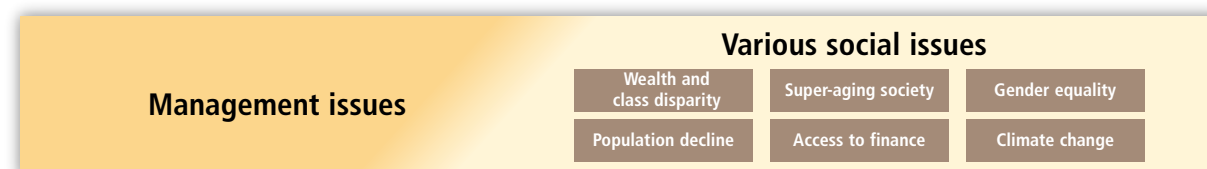
With the spirit of “co-existence, co-prosperity and mutualism” serving as the foundation for business activities at Nippon Life, we aim to increase our corporate value by contributing to the realization of a safe, secure, and sustainable society in all corporate activities throughout the entire value chain.

In its initiatives, Nippon Life will promote sustainability management, placing importance on 18 important sustainability priorities which have been selected based on expectations from stakeholders, including SDGs (Sustainable Development Goals), and relevance to the Company's business (such as social responsibilities or Nippon Life's identity).

Furthermore, to achieve the SDGs, the Company places particular importance on three themes and ESG investment and finance.



Making changes proactively



For more information on the identification process of important sustainability priorities, status of initiatives and our vision for achieving the SDGs, please visit the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/management/>

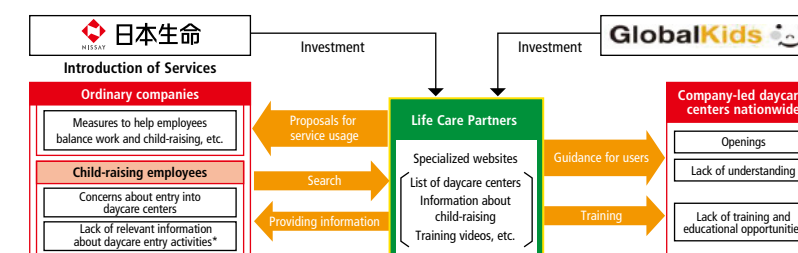
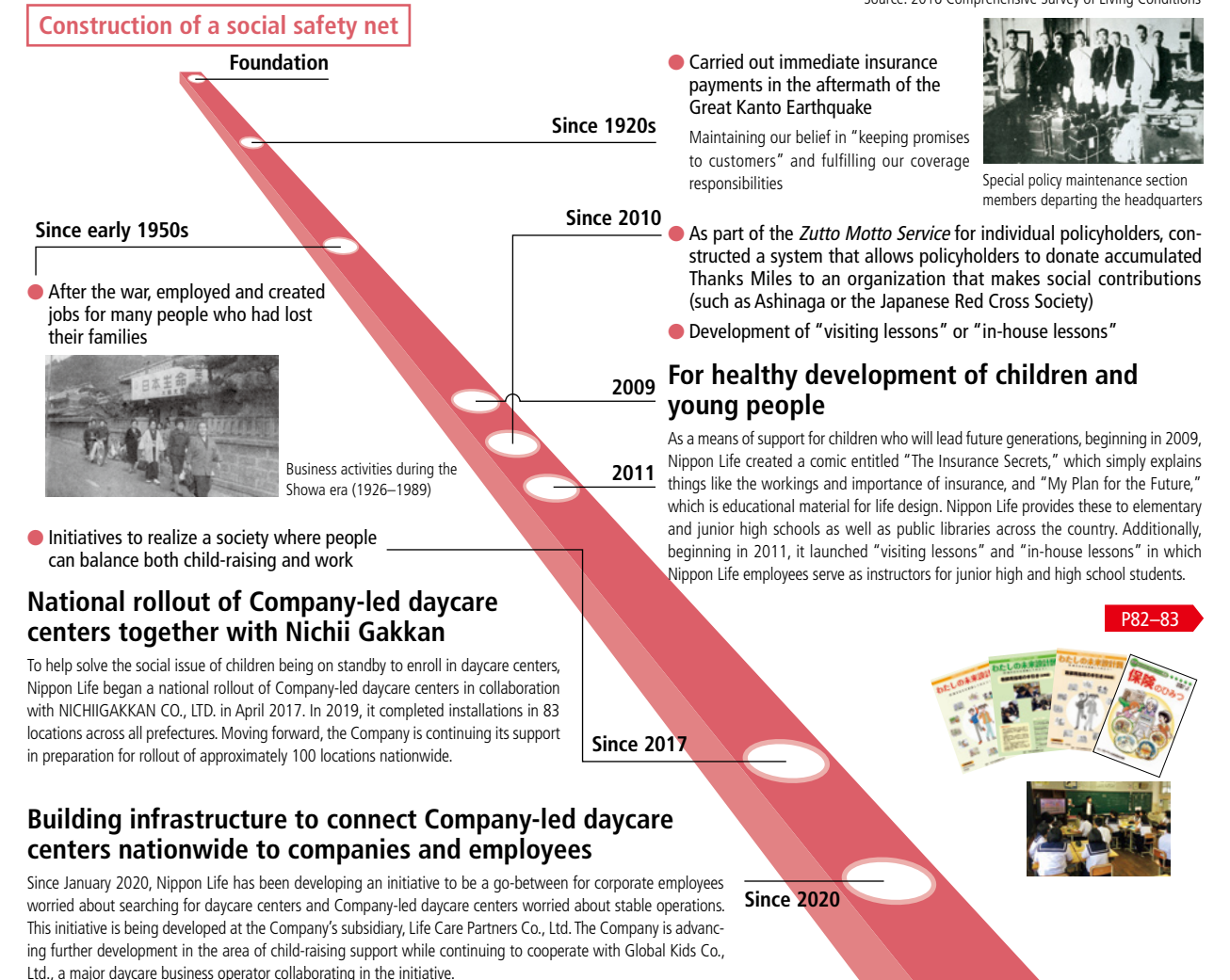
Company Vision for Achieving SDGs

Realize a society that does not create poverty and inequality

—Developing a framework for society to nurture the next generation—

With one in seven children in Japan currently living in a state of relative poverty*, a link to future generations is becoming a social issue. Since its foundation, the Company has carried out the role of a social safety net through life insurance, which is a system of mutual aid. To realize a society in which all people can actively participate, we will work to develop a framework for society as a whole to nurture people who will support the next generation.

* Source: 2016 Comprehensive Survey of Living Conditions



* Actions that a guardian undertakes to entrust their child to a place such as a daycare center to balance work and child-raising

Company Vision for Achieving Important Sustainability Priorities and SDGs

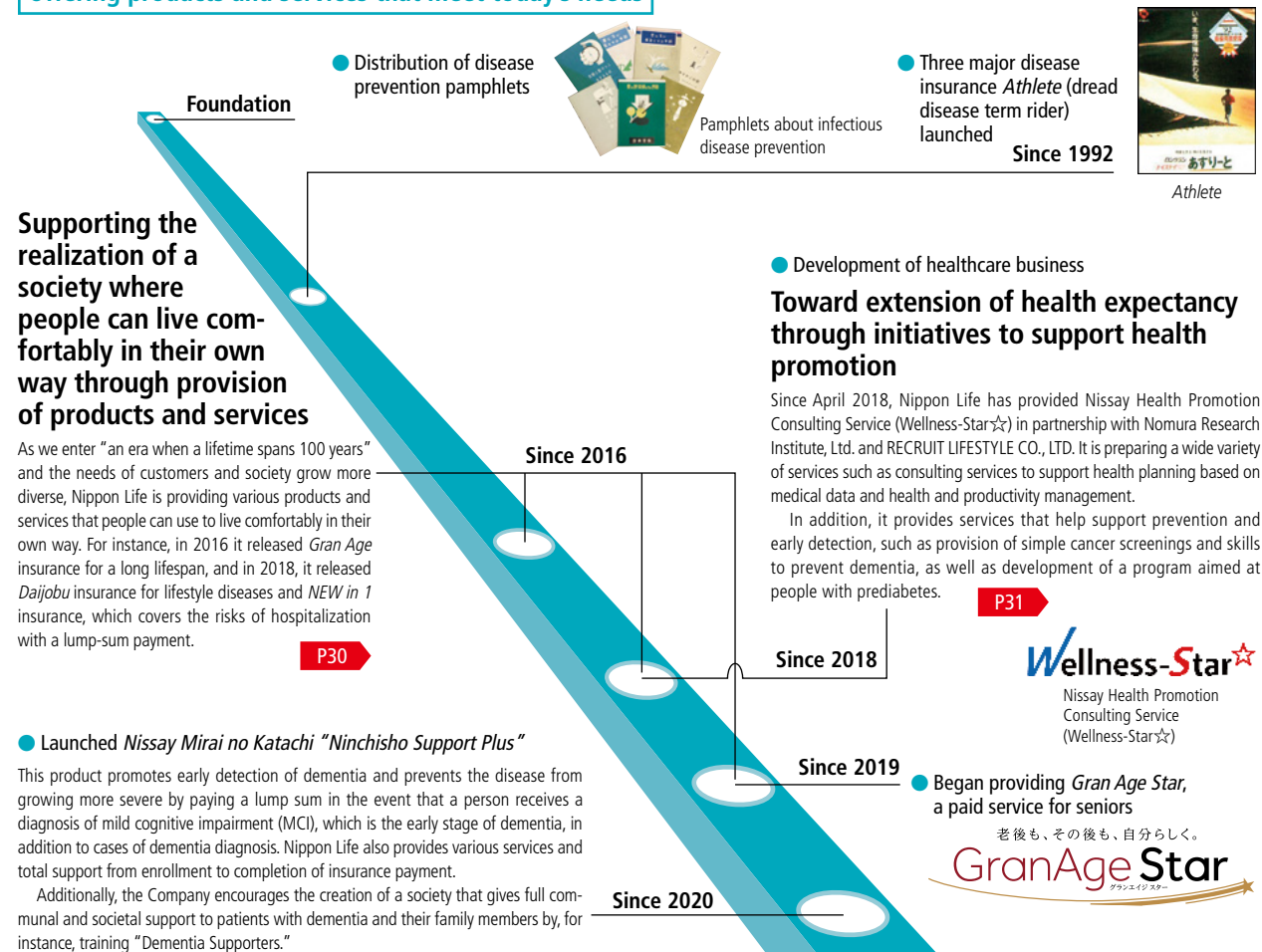
Build a society that can boast to the world
of good health and long lives

—Initiatives to contribute to extension of health expectancy—

As Japan enters “an era when a lifetime spans 100 years,” extending health expectancy is becoming a social issue.

Recently, Nippon Life upheld the theme of “Build a society that can boast to the world of good health and long lives” to help extend health expectancy while supporting the creation of a society in which each individual can live comfortably in their own way in this era. The Company will advance initiatives toward making this a reality.

Offering products and services that meet today's needs



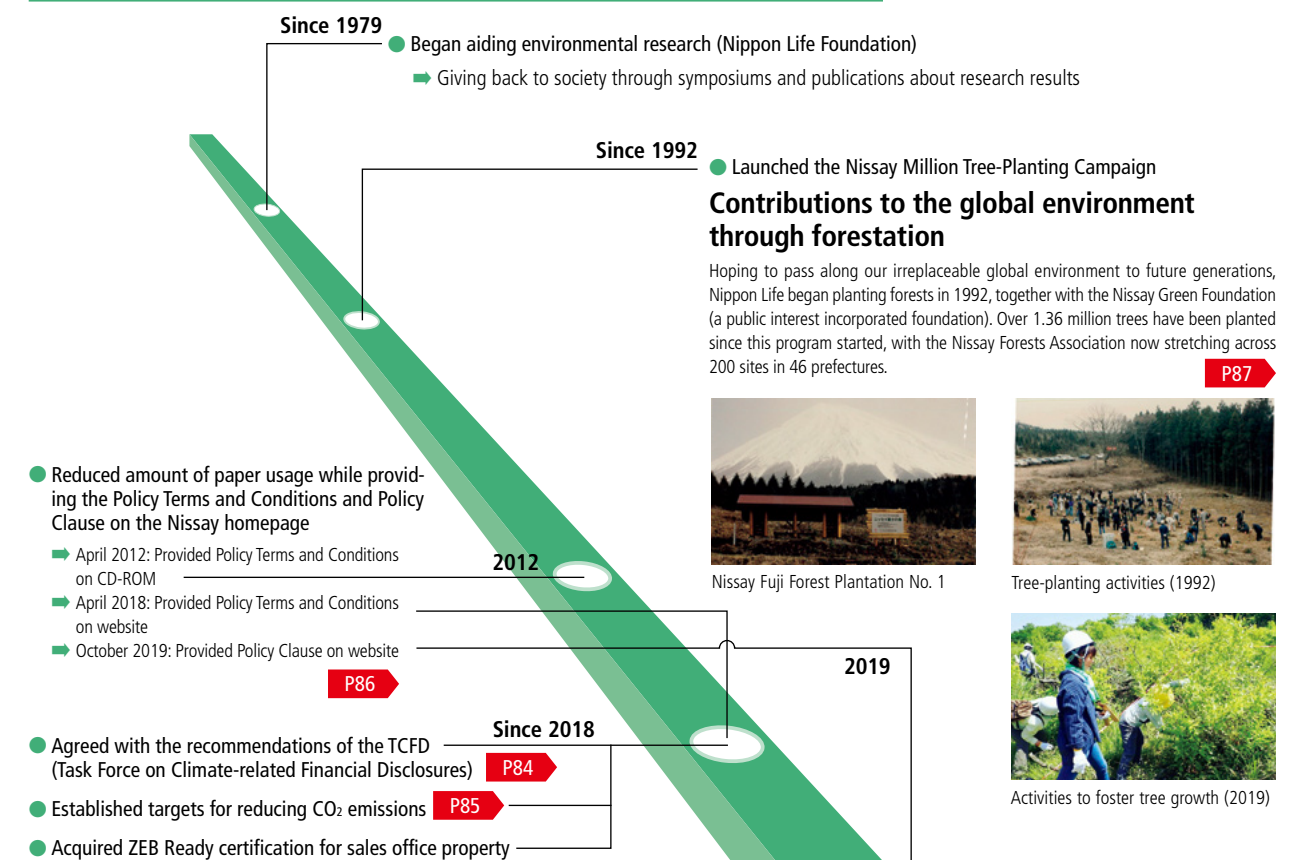
Realize a sustainable global environment

—Initiatives to address climate change—

Climate change has become a truly urgent issue in recent years as, for instance, natural disasters are occurring frequently due to global warming. The Company has worked hard on being environmentally conscious in every field up until now to reduce its environmental impact through paper and electricity usage as it operates the life insurance business.

Nippon Life will make even greater efforts to handle the issue of climate change to fulfill its corporate social responsibility and realize a sustainable environment.

Contributions to the global environment through environmental initiatives



Contributions to environment through energy conservation at sales bases

From now, the sales bases the Company builds will, in principle, be built according to ZEB Ready standards in an effort to further reduce environmental impact.



Yuki Sales Office of the Oyama Branch

Domestic Insurance Business: Individual Insurance

“All for the Customer.”

We will deliver peace of mind to all customers by fostering human resources and developing products and services.

Number of Sales Representatives

(Nonconsolidated) 55,132 people

(As of March 31, 2020)

Number of Customers

(Number of Insured Persons, etc.)

(Consolidated) 14.48 million people

(As of March 31, 2020)



Masaru Nakamura
Director and Executive Vice President

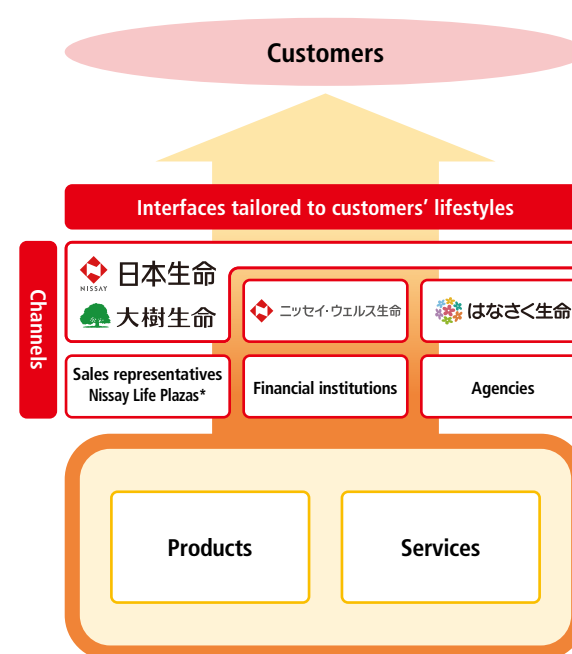
Recognition of the Business Environment and Basic Strategy

In step with trends such as the faster aging of society with fewer children, the prolonged ultra-low interest rate environment and the rapid expansion of digitalization, as well as 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 augmenting the social security system.

Looking ahead, it will be essential to enhance our face-to-face consulting capabilities in order to provide after-sales services at the right time to policyholders across Japan over the long term. We intend to enhance these consulting capabilities by fostering the growth of our approximately 50,000 sales representatives throughout the country. It will also be essential to promote activities where we interact with customers virtually, so that we can provide products and services to customers with whom we are unable to meet directly.

In parallel, we will work to supply an extensive product lineup that will help customers to meet various needs and prepare for risks, as we strive to improve customer convenience using advanced IT. Moreover, to support a wide range of needs, we will develop Nissay Life Plaza retail outlets; agency channels such as tax accountants, professional life and non-life insurance sales agencies; and financial institution channels such as financial institution over-the-counter sales. Along with this, we will work to supply products from Group companies.

Through these measures, we aim to earn even more trust from customers and society as a whole, and to capture a larger market share, by delivering peace of mind to all of our customers.



* Nippon Life only

Review

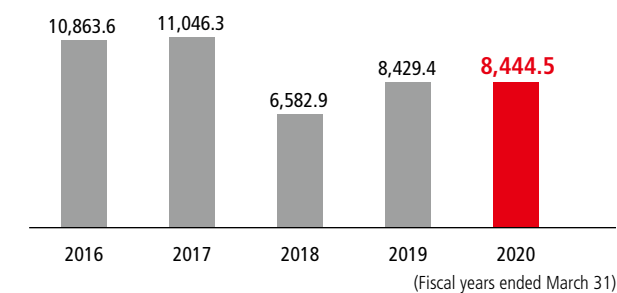
Nippon Life provides products and services primarily through its more than 50,000 sales representatives—Nippon Life's core sales channel. We are working to enhance the training of sales representatives so that they can serve customers even more effectively. In addition, Nippon Life supports customer needs by enriching its extensive product lineup. Notably, we launched the *NEW in 1* general hospitalization insurance in April 2019. This product pays out hospitalization benefits based on a

lump-sum payment method, instead of the conventional daily allowance method.

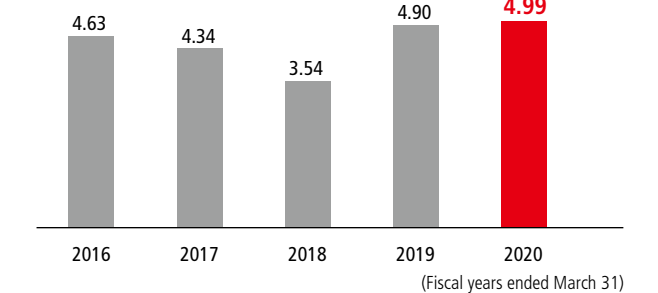
Moreover, in the agency and financial institution channels, we are taking steps to increase and strengthen relationships with our agencies and partner financial institutions, so that we can fulfill customer needs.

As a result of these activities, the coverage amount and number of new policies have both increased overall.

Coverage Amount (Nonconsolidated) (Unit: Billions of Yen)



Number of Policies (Nonconsolidated) (Unit: Millions of Policies)



Main Activities

In order to provide in-depth services to Nippon Life's more than 10 million customers, we seek to maintain and enhance the level of service offered by our sales representative channel, which is Nippon Life's core sales channel. To this end, we have introduced a new training system that carefully fosters the growth of every sales representative, with efforts focused on enhancing the knowledge and activities of the sales representatives further.

In addition, we are working to develop useful insurance products for customers and society. The *NEW in 1* general hospitalization insurance was launched in April 2019. It has proven very popular. The number of *NEW in 1* policies sold has surpassed 1 million policies. In April 2020, we launched *Ninchisho Support*

Plus, a new dementia coverage insurance product that provides protection against the risk of dementia. Dementia is an urgent concern in an era with an average life expectancy of 100.

Moreover, on the infrastructure front, the new mobile device *TASKALL* has been distributed to sales representatives from April 2019. In parallel, the *N-Phone* smartphone for sales representatives has been successively deployed from January 2020. We have been harnessing AI and other forms of IT through these devices, and making use of various apps, including distributing information to customers via LINE WORKS. Through these and other initiatives, we are working to strengthen the response capabilities of sales representatives and improve customer service.



Domestic Insurance Business: Individual Insurance

Product Lineup

The *Mirai no Katachi* product provides customers with lifelong support by allowing them to flexibly combine 14 types of insurance as needed. This insurance can be divided into four categories: "death risk," "risk of serious diseases and nursing care," "medical risks," and "risk of requiring accumulated funds for old age and other risks." Besides flexibly combining insurance upon enrollment, customers can also freely revise policy details after enrollment according to changes in their lives and their needs. In this way, customers can change their policy details to precisely

meet their protection needs at any time.

Ninchisho Support Plus, a new dementia coverage insurance product, was added to the *Mirai no Katachi* series in April 2020. With this addition, the *Mirai no Katachi* series has evolved further.

Also, in order to fulfill a wide array 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 our partner financial institutions such as banks across Japan.

■ 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	Three major disease insurance coverage with continuous support "Itsutsu Boshi"	Three major disease insurance	Specified serious disease insurance coverage "Daijobu"
	Physical disability insurance	Nursing care insurance	NEW Dementia coverage insurance "Ninchisho Support Plus"
Coverage for medical risks	General hospitalization insurance "NEW in 1"	Cancer medical insurance	Limited injury insurance
Coverage for risk of requiring accumulated funds for old age and other risks	Annuity insurance	Endowment insurance	

■ Products Other Than "Mirai no Katachi"

Nissay disability insurance (No surrender refund) "Moshimonotoki no...Seikatsuhi"	Nissay coverage against the three major diseases with birth support benefits "ChouChou!"
Nissay's long-life insurance (low surrender value-type) "Gran Age"	Nissay educational endowment insurance
Nissay juvenile insurance "Genki"	Nissay single-payment whole life insurance "My Stage"

■ Products Carried by Partner Financial Institutions such as Banks

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"	NEW Nissay variable insurance with designated currency living benefit (US dollar denominated, Australian dollar denominated) Nissay term insurance with designated currency living benefit (Fixed rate only) (US dollar denominated, Australian dollar denominated) "Yume no Present 2"
Nissay variable annuity insurance with defined minimum living benefits (US dollar denominated, Australian dollar denominated) "Dual Dream"	Nissay variable interest rate single-payment increasing-coverage whole life insurance (Yearly death benefit increase type) "Yume no Katachi Plus"

Notes: 1. The main products sold as of July 1, 2020 are listed above.

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 pamphlets, prospectuses (policy guides), reminders, Policy Clause—Bylaws/Terms and Conditions and other materials.

Service Lineup

■ Services for Individual Customers

In addition to the coverage offered by our insurance products, we provide a wide range of services that deliver peace of mind to customers from policy enrollment to the payment of insurance claims and thereafter, centered on the *Zutto Motto Service*, a unique Nippon Life service offered to policyholders. From April 2020, we have enhanced dementia-related services in conjunction with the launch of *Ninchisho Support Plus*.



ベストドクターズ®・サービス



Notes: 1. The services listed above are current as of April 2020. Service content may be revised, or the services may be discontinued in the future.
2. For detailed service descriptions and information on how to access each service, please see Nissay website.

■ Health Promotion (Healthcare)

Diabetes Prevention Program: Full-Scale Service Rollout

The Diabetes Prevention Program is one component of the Nissay Health Promotion Consulting Service (Wellness-Star☆) for group customers. This project is designed to prevent the onset of diabetes by improving lifestyle habits, with a focus on incipient diabetics.

The program has been built up by conducting trials involving local governments and other partners since the fiscal year ended March 31, 2019. In July 2020, Nippon Life initiated the full-scale rollout of the program as an official service.

Public health nurses and other health professionals at Nippon Life Hospital and Life Care Partners Co., Ltd. provide lifestyle improvement advice remotely via videoconferencing, email and

Remote health advice

- Public health nurses at Nippon Life Hospital and Life Care Partners provide health advice through videoconferencing and other means

Public Interest Incorporated Foundation
Nippon Life Saiseikai

Nippon Life Hospital

株式会社 ライフケアパートナーズ
Life Care Partners Co., Ltd.



other means. Meanwhile, dedicated devices are used to monitor the blood sugar levels of participants in real time 24 hours a day. It is easy for anyone, including busy working-age people, to participate in the program. One notable feature of the program is that it has a high retention rate of participants.

In addition, the prevention of diabetes and other lifestyle diseases is an urgent priority that many local governments are working to tackle. This program is designed to address local characteristics, community priorities and other such factors. Through the program, Nippon Life aims to contribute to the lengthening of residents' healthy lifespans and wholesome town development.

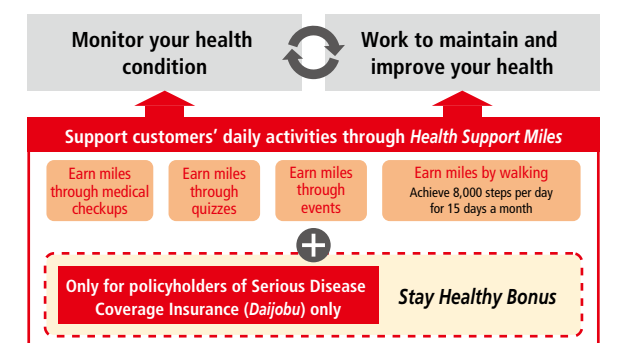
Self-monitoring through various devices and services

- Build an environment that allows program participants to self-monitor their health condition and activities

Enhancement of the Health Support Miles Program

As part of the *Zutto Motto Service* for individual policyholders, we provide *Health Support Miles*, a program that allows policyholders to accumulate Thanks Miles by engaging in healthy activities. We have been working to make the *Health Support Miles* program even better. For example, in April 2018, we added a service that allows policyholders to earn Thanks Miles by walking with their smartphones and achieving their walking goals. This service uses a smartphone walking app called *aruku&(arukuto)**, which is operated by ONE COMPATH CO., LTD.

* *aruku&(arukuto)* is a registered trademark of ONE COMPATH CO., LTD.



Domestic Insurance Business: Individual Insurance

Distribution Channel Development

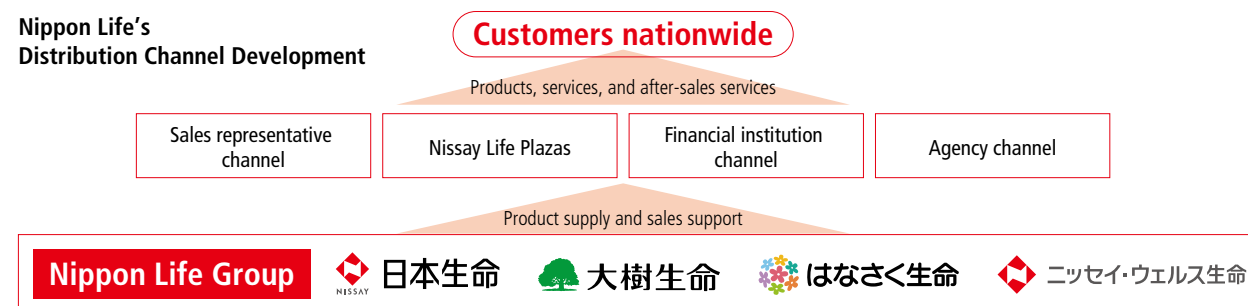
Nippon Life is developing a variety of distribution channels based on its sales representative channel with approximately 50,000 representatives. The goal is to provide considerate and thoughtful consulting services and long-term after-sales services to customers.

Nissay Life Plazas are walk-in stores. In order to respond meticulously to increasingly diverse customer needs and lifestyles, we have opened Nissay Life Plazas throughout Japan, along with providing products and services through the agency and financial institution channels. The agency channel comprises tax

accountants, professional life and non-life insurance sales agencies. The financial institution channel covers banks and securities firms. We also help customers complete various procedures and provide information on services, not only by meeting with customers face to face, but also through our call centers, website, and other interfaces.

We will continue working to enhance our customer service delivery platform. This will be accomplished by strengthening our platforms in each channel and improving support for each channel through the use of digital technology and other means.

Nippon Life's Distribution Channel Development



■ Sales Representatives

Nippon Life has a nationwide network of approximately 50,000 sales representatives. Sales representatives conduct policy details confirmation activities. They visit each customer to review policies, check whether the policyholder has had any hospital treatment or surgery. They also provide useful information on the customer's policy and other Nippon Life products and services. In these ways, sales representatives provide customers with after-sales services on a face-to-face basis.

Training is crucial to providing services closely attuned to customer needs. To this end, we offer uniform training nationwide to sales representatives. In addition, we encourage our sales

representatives to obtain national certifications from the Ministry of Health, Labour and Welfare as financial planners as well as the Japan Association of Financial Planners Certification (AFP Certification). These certifications require in-depth knowledge of financial products, the social insurance system, taxation and inheritance. (At the end of April 2020, approximately 30,000 sales representatives had obtained qualifications as financial planners.)

Customer feedback obtained through policy details confirmation activities will be reflected in product and service development. In the process, we will continue working to enhance our services even more.

By staying in close touch with customers through my work, I would like to deliver peace of mind to our customers.

I have so far communicated with many customers. In doing so, I've worked to deliver insurance products and services according to the circumstances and goals of each and every customer.

I strive to identify changes in the environment and customer needs on a daily basis. I listen attentively to customers and stay in close touch with them. In the course of these activities, my goal is to support the aspirations and the future of our customers and their families.

I believe that working in the life insurance business is a great job that allows me to deliver peace of mind to customers.

I'd like to continue expanding my circle of colleagues in this outstanding profession. At the same time, I'd like to keep on working with a strong sense of purpose and pride and make every effort to continue my activities.



Yuka Yamaoka
Kawasaki Station
Sales Office,
Tokyo Bay Area Branch

■ Nissay Life Plazas

Nissay Life Plazas are walk-in stores that anyone can casually visit. There are 99 Nissay Life Plazas throughout Japan. These plazas perform various procedures and offer consultations involving insurance policies. To meet a broad range of customers' needs, Nissay Life Plazas also offer specialized consulting services covering asset management, preparations for healthcare and nursing care, the accumulation of savings by parents to pay for their children's education and other subjects. The plazas also work to build up people's familiarity with insurance by offering a wide range of services including free seminars on various themes, consultation services by certified tax accountants (at certain stores) and sending out information related to life milestones.



Reception



Free seminar

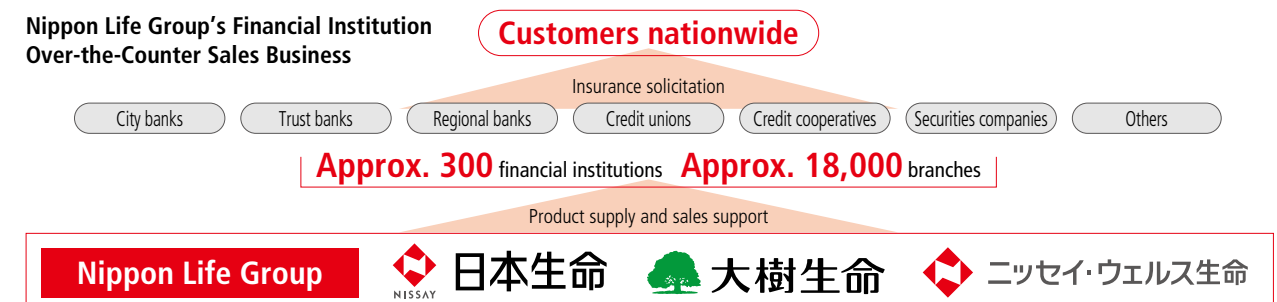
■ Financial Institutions

Nippon Life has agency agreements with financial institutions throughout Japan for the sale of individual and corporate products, including single-payment whole life insurance and single-payment annuities.

Looking ahead, Nippon Life will continue to strengthen support for financial institutions so that it can provide a wide array

of in-depth services to customers. Notably, the Group's three life insurance companies, specifically Nippon Life, TAIJU LIFE and Nippon Wealth Life, are working to upgrade and expand the Group's product lineup, hold product training seminars, and offer compliance education to improve sales literacy, among other activities.

Nippon Life Group's Financial Institution Over-the-Counter Sales Business



I'd like to directly face changes and serve our customers together with financial institutions.

I joined Nippon Life as a corporate and worksite financial coordinator in 2012 and worked in consulting sales for company employees for three years. Subsequently, I was assigned to the Financial Institution Relations Sector.

Currently, I work as a branch wholesaler supporting the insurance sales of financial institutions. My duties include holding training seminars to build knowledge of the products of Nippon Life and its Group companies and related sales skills. I also provide compliance education as part of efforts to improve sales literacy.

The business environment surrounding financial institutions has been changing dramatically. For this reason, I'm naturally aware of the importance of continuing to increase my knowledge of products as a staff member who works with financial institutions to enable the financial institutions to make proposals meeting the needs of a wide range of customers. I also recognize the importance of continuing to study on a daily basis to acquire a broad range of specialized knowledge concerning the financial industry, including insurance in general, inheritance and taxation matters.

Looking ahead, I'd like to continue working together with financial institutions to serve our customers.



Noriko Kurata
Osaka Financial Institution
Relations Dept.

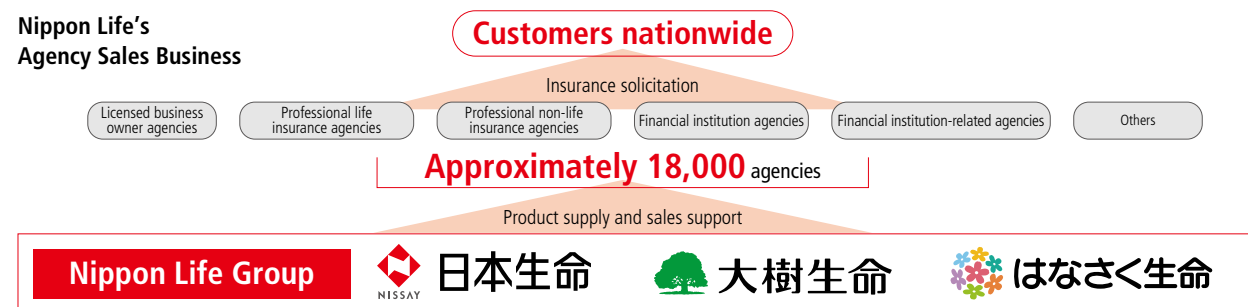
Domestic Insurance Business: Individual Insurance

■ Agencies

The agency channel is one of our core distribution channels. We have developed relationships with agencies across Japan by forming agency consignment agreements with tax accountants, professional life and non-life insurance sales agencies, and other organizations. (The number of agencies as of March 31, 2020 was 18,266, up 773 from a year ago.*) Agencies sell our products while providing consultations about such topics as estate planning, transferring a company to new owners, protection for business activities, and other subjects, mainly with corporate managers.

* Including banks and other financial institution-related agencies.

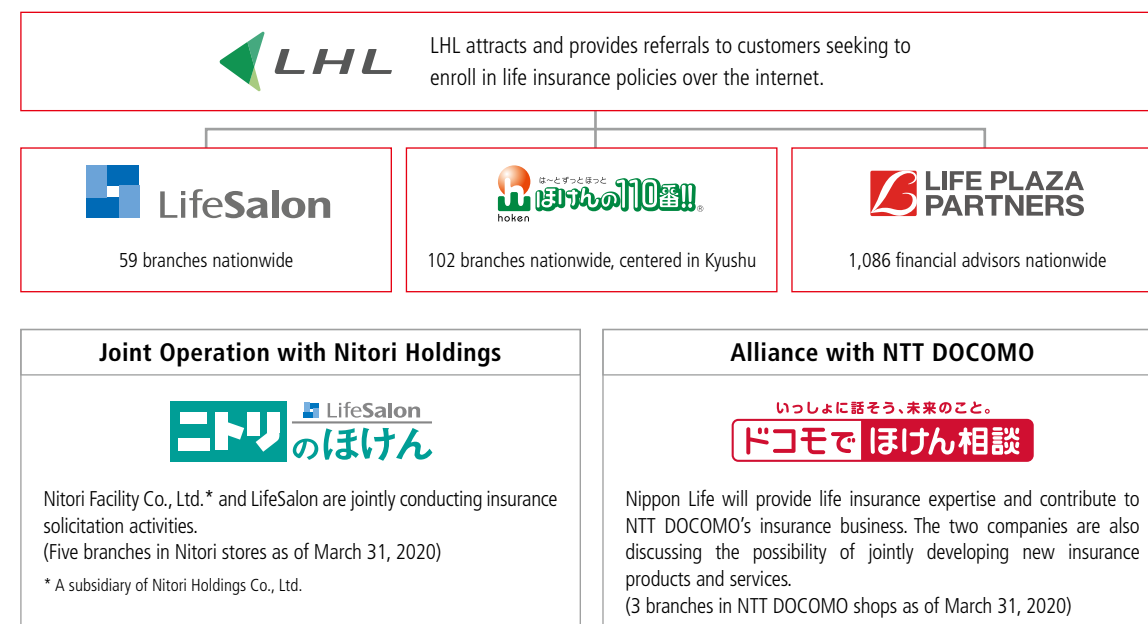
For individual customers, agencies centered on insurance shops propose a full lineup of products of Nippon Life, TAIJU LIFE and HANASAKU LIFE. Nippon Life seeks to upgrade and expand the sales support system for these agencies. To this end, we have about 700 agency representatives nationwide, and we have developed a systematic training program to advance the knowledge and skills of these agency representatives. Going forward, we will continue to develop growth channels while reinforcing our existing channels to cater to the detailed needs of our customers.



Boosting Our Presence in the Independent Retail Agency Market

LHL Co., Ltd. is a subsidiary of Nippon Life. LHL is a holding company for the following subsidiaries: LifeSalon Co., Ltd. and Hoken 110, both of which are operators of independent retail agency chains, and Life Plaza Partners Co., Ltd., which has financial advisors who visit customers. With a total workforce of around 1,600 insurance agents, the LHL Group is providing services in the independent retail agency sector.

Note: As of March 31, 2020



Group Companies

The domestic insurance business is the core business that forms our management foundation, and we have developed our insurance business over the years in tandem with the growth of the domestic life insurance market. However, the environment surrounding the domestic life insurance market is changing drastically, including the phenomena of the decline in Japan's population and the aging of society.

Based on this environment, in order to respond promptly and precisely to diversifying needs, we have built a framework of four domestic life insurance companies by adding domestic insurance

companies to the Nippon Life Group. Going forward, we will continue to deliver high-quality products and services to customers through the Nippon Life Group's companies.

In addition, our goal as the Nippon Life Group is to maximize the growth of Group companies and policyholder interests by further enhancing customer service, building efficient and effective support systems for financial institutions and agencies, pursuing synergies through collaboration among companies, and other initiatives.

■ TAIJU LIFE INSURANCE COMPANY LIMITED

Since our management integration with Mitsui Life in December 2015, we have been steadily creating integration synergies, including approaching channels and customers that were difficult to approach alone and increasing efficiency in various overlapping areas.

As part of the above initiatives, we have been working to expand the product lineup of both companies in the sales representative channel through the mutual supply of one another's products. In the asset management domain, we have also been working

to strengthen TAIJU LIFE's overseas credit investment platform and raise the sophistication of its investment techniques through the provision of Nippon Life's personnel and expertise. In November 2019, Nippon Life began performing securities administration-related clerical work outsourced from TAIJU LIFE. Also, in the financial institution over-the-counter sales and agency domain, we are increasing the number of agencies that offer both companies' products.

Note: Mitsui Life Insurance Company Limited was renamed as TAIJU LIFE INSURANCE COMPANY LIMITED on April 1, 2019.



Main sales channel	Sales representatives
Revenues from insurance and reinsurance	¥667.7 billion
Number of employees	11,251 people

Note: As of March 31, 2020

■ Nippon Wealth Life Insurance Company Limited

Since our management integration with MassMutual Life Insurance Company in May 2018, we have been taking steps to capture synergies between both companies, with the aim of enriching the product lineup offered by the Nippon Life Group as a whole, and building support systems for financial institutions and others.

As part of the aforementioned activities, Nippon Life's wholesalers began providing sales support for Nippon Wealth Life's products from January 2019. Both companies are working together to expand their networks of partner agencies and the products they carry.

Note: MassMutual Life Insurance Company was renamed as Nippon Wealth Life Insurance Company Limited on January 1, 2019.



Main sales channel	Bancassurance
Revenues from insurance and reinsurance	¥309.0 billion
Number of employees	443 people

Note: As of March 31, 2020

■ HANASAKU LIFE INSURANCE Co., Ltd.

HANASAKU LIFE INSURANCE Co., Ltd. began operations in April 2019. Ever since, HANASAKU LIFE has worked to strengthen its relationships with agencies while taking steps to flexibly provide products that accurately capture customer needs.

As part of the aforementioned activities,

HANASAKU LIFE commenced sales in June 2019 of medical insurance, lump-sum benefit insurance for specified diseases, term life insurance, and medical insurance with relaxed conditions. Looking ahead, HANASAKU LIFE will continue to upgrade and expand its product lineups and services.



Main sales channel	Agencies
Revenues from insurance and reinsurance	¥1.56 billion
Number of employees	156 people

Note: As of March 31, 2020

Domestic Insurance Business: Corporate Insurance

As the main contact for companies and other groups, we will fulfill the increasingly diverse needs of customers by harnessing Nippon Life's Group-wide capabilities.

Number of Corporate Clients

(Nonconsolidated) **257 thousand companies**
(As of March 31, 2020)

Amount of Group Insurance Policies in Force (Amount of Insurance Coverage, etc.)

(Nonconsolidated) **¥97,889.4 billion**
(As of March 31, 2020)

Amount of Group Annuities in Force (Assets under Management, etc.)

(Nonconsolidated) **¥13,387.1 billion**
(As of March 31, 2020)



Tomiji Akabayashi
Director and Executive Vice President

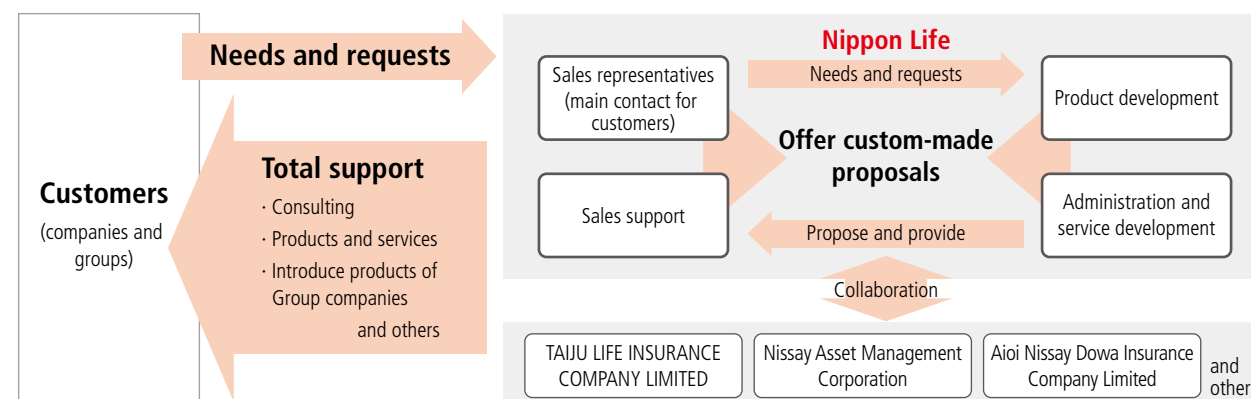
Recognition of the Business Environment and Basic Strategy

The operating environment surrounding companies and other groups has changed dramatically. These changes include the ongoing aging of society with fewer children, more diversity in how companies employ people and the personnel responsible for various duties, and the continuing ultra-low interest rate environment.

Additionally, in the past few years, companies have also seen the emergence of new challenges, such as the need to provide support for employees balancing work with nursing care or illnesses, and support for health enhancement, along with the need to address work style reforms. With these trends, the needs of companies for welfare systems and related priorities have become more and more diverse.

Under these conditions, as the main contact for customers, our corporate sales representatives will leverage Nippon Life's Group-wide capabilities to support the increasingly diverse needs of customers.

Specifically, in addition to providing consulting and insurance and services pertaining to corporate welfare systems, corporate sales representatives support companies in many different ways by presenting proposals on loans and office buildings and holding business matching events, as well as introducing investment products and property and casualty insurance offered by Group companies and partner companies. We will continue to put emphasis on customer-oriented business operations. Making inroads into new business domains is another priority.



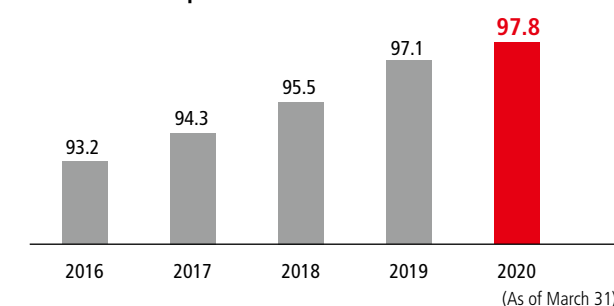
Review

The Company proposes various types of group insurance to provide employees with survivor, disability, and medical coverage. It also proposes insurance for business owners to assist with their estate planning needs and preparations for business succession. Additionally, in the group annuities domain, we provide consulting on pension plans such as defined benefit corporate pension plans and defined contribution pension plans. We also present proposals on investment products that generate stable yields

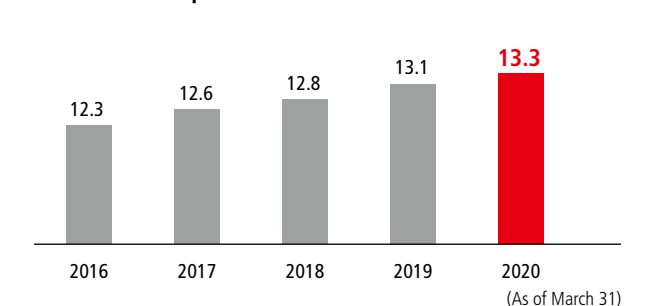
even in a low interest rate environment.

As a result of these activities, the amount of group insurance policies in force and the asset balance of group annuities in force have been increasing year after year. As of March 31, 2020, the amount of group insurance policies in force was ¥97,889.4 billion and the amount of group annuities in force was ¥13,387.1 billion. In addition, the number of corporate clients was approximately 257,000 companies.

Amount of Group Insurance Policies in Force (Unit: Trillions of Yen)



Amount of Group Annuities in Force (Unit: Trillions of Yen)



Main Activities

We develop and provide a broad range of services in order to fulfill many and varied customer needs.

Providing the Nissay Health Promotion Consulting Service (Wellness-Star☆)

Nippon Life is a life insurance company that has a part to play in supplementing the public health insurance system. Accordingly, we provide the Nissay Health Promotion Consulting Service (Wellness-Star☆) to support the health enhancement initiatives of companies, groups, health insurance associations and mutual aid associations.



Medical cost analysis by business site <ul style="list-style-type: none"> Provide reports that clearly identify health issues at each organization 	Support the promotion of exercise <ul style="list-style-type: none"> Conduct events using walking apps Provide analysis reports on the status of usage 	Diabetes prevention program <ul style="list-style-type: none"> Conduct self-monitoring using devices and offer health guidance by staff at Nippon Life Hospital and others
Health and productivity management support <ul style="list-style-type: none"> Clearly identify issues and provide advice based on "White 500" standards 	Consulting for individual companies <ul style="list-style-type: none"> Provide individual consulting based on issues faced by each customer 	

Web Services for Corporate Insurance Administration

The Corporate Insurance Internet Service allows the administrative staff of corporate clients and policyholders to complete various procedures over the internet from their PCs.

N-Navigation is a service that allows customers to complete insurance enrollment applications for self-reliant coverage products over the internet from their PCs or smartphones.

Providing the "N-Concierge" Corporate Policy Support Service

The *N-Concierge* service delivers a wide range of products and services over the internet, centered on information and tools for health and productivity management, such as mental health, and nursing care support. These services are made available to policyholders of certain Nippon Life-designated corporate insurance policies and the HR or general affairs personnel of corporate clients.

Received "5-Star Rating" for Defined Contribution Pension Services

Nippon Life has received a Five-Star Rating under the HDI Five-Star Certification Program provided by HDI-Japan*. Nippon Life was recognized for excellence in terms of quality of service, notably for services that are easy to understand and user friendly.



* About the HDI (Help Desk Institute)
HDI is the world's largest membership group in the support services industry. HDI-Japan was established in Japan in 2001.

Customer Service

We will strive for
customer-oriented conduct to
fulfill our long-term coverage
obligations to customers.

Total Payments of Death and Other Claims,
Annuity Payments, and Health and
Other Benefits
Total for individuals and companies
(Nonconsolidated) **¥2,516.1 billion**
(Fiscal year ended March 31, 2020)



Recognition of the Business Environment and Basic Strategy

The environment surrounding the life insurance industry is constantly changing 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 with fewer children. Another factor is changing lifestyles and greater diversity in consumption patterns. These trends have been driven mainly by advances in digital technologies and cutting-edge IT. The environment has also been impacted by 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 term of a policy to the receipt of claims and benefits. In doing so, we seek to fulfill our coverage obligations to customers, which forms the unchanging foundation of the life insurance business.

In a fast-changing society with increasingly diverse customer needs, it is important for every employee to practice customer-oriented conduct at all times. For this reason, we have formulated our Customer-Oriented Operational Management Policy. Guided by this policy, we will continue to raise the sophistication of our service delivery platform.

Recognition of the environment

Shifting demographics

Changing lifestyles

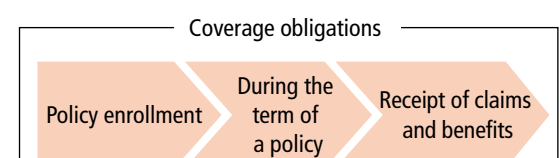
Diversifying consumption patterns

Diversifying customer needs

Basic strategy

Customer-oriented business operations

- Strive for customer-oriented conduct in all business operations, in order to continue to fulfill our long-term coverage obligations to customers



Review

Nippon Life has endeavored to make payments of claims and benefits accurately and quickly, in order to fulfill its coverage obligations. Moreover, we have taken steps to fully respond to customers impacted by natural disasters, such as the heavy rains that occurred in the fiscal year ended March 31, 2020, and the COVID-19 pandemic. For example, we swiftly introduced various

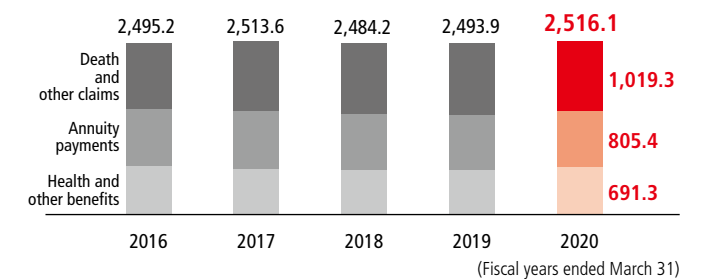
special handling procedures, including simplified procedures for requesting the payment of claims and benefits. As a result of these activities, total payments of death and other claims, annuity payments, and health and other benefits were ¥2,516.1 billion for the fiscal year ended March 31, 2020.

Main special handling procedures for events such as natural disasters

- (1) Exemptions of interest payable on policy loans (new loans)
- (2) Granting extensions of premium payment deadlines
- (3) Special handling of hospitalization benefits

Total Payments of Death and Other Claims, Annuity Payments, and Health and Other Benefits

(Unit: Billions of Yen)



Main Activities

Currently, we are implementing the following two measures to raise the sophistication of our customer service delivery platform: (1) Enhance support for customers and others and (2) Upgrade interfaces to address changes in lifestyles.

(1) Enhance Support for Customers and Others

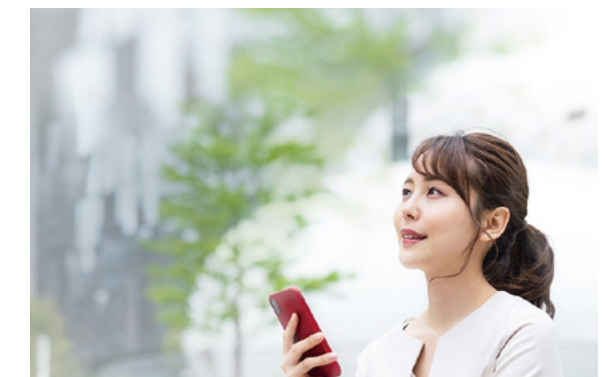
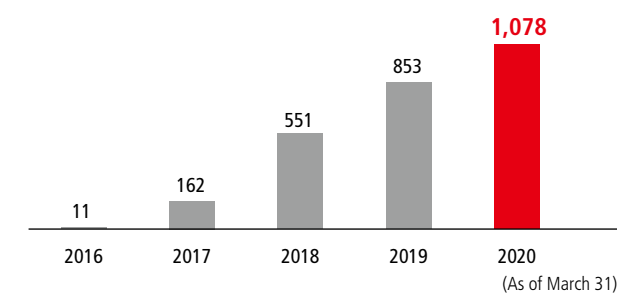
In April 2019, we introduced the new mobile device *TASKALL* for sales representatives. We made improvements such as an upgrade to make the screen easier to view. In addition, we are striving to offer more considerate and thoughtful support to elderly policyholders. For example, we recommend that a family member accompany an elderly customer when they carry out enrollment procedures. We also encourage elderly policyholders to register with the Family Contact Information Register. Such registration allows us to provide policy information to family members who have been registered in advance.

(2) Upgrade Interfaces to Address Changes in Lifestyles

In the fiscal year ended March 31, 2019, we began providing a smartphone app that customers can use to perform various procedures. In October 2019, we expanded the procedures that customers can perform using the app, such as the *Zutto Motto Service* and confirmation and changes to customer information. We have also further improved the user friendliness of the app for customers. Notably, in March 2020, we enabled customers to use the app to complete procedures to request payment of certain benefits.

Number of Registered Users of the Family Contact Information Register

(Unit: Thousands of People)



Customer Service

After-Sales Services Extending from Application through Receipt of Claims and Benefits

Nippon Life is committed to properly fulfilling its role as a life insurer by steadily meeting its coverage obligations to customers as its greatest social responsibility.

Accordingly, we work in many ways to enhance service levels to meet customer needs from enrollment through the receipt of insurance claims and benefits.

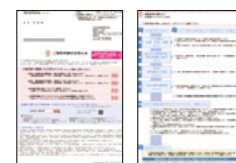
Application Procedures and Process

(1) Explanation of Important Matters	To prevent unreasonable loss for customers due to a lack of information, once they have decided on a plan, we explain to customers items we would especially like them to confirm including product details, disclosure obligations, and examples of when insurance claims and benefits cannot be paid.
(2) Confirmation of Customer Intention	After explaining the important matters, we ask customers to confirm that the product is what they really want.
(3) Disclosure	We ask customers to provide accurate and complete disclosures because an insurance policy or rider may be canceled on the grounds of nondisclosure in the event that facts are not disclosed or inaccurate information is provided, leaving us unable to provide payment of insurance claims and benefits.
(4) Guidance on Policies and Services	To ensure greater peace of mind for customers, customer service representatives may also visit customers to confirm application details. This service is provided in addition to the explanations offered by sales representatives.

Conclusion of a Policy

Policy Details Reminder

Once a year, information regarding the insurance policies in which customers are enrolled, confirmation of premiums and payouts, policyholder dividends and other topics is sent to customers by post. Customers can view the latest details of their policies in the Policyholder Services section of the Nissay website.



Policy Details Reminder

Policy Details Confirmation Activities

Sales representatives visit customers and confirm the details of their policies and note whether they have been hospitalized, had any surgeries or other medical procedures. Sales representatives also provide customers with useful information regarding healthcare and other topics.

Key details confirmed and information provided:

- Explanations about the policies in which customers are currently enrolled, reasons for payment of claims and benefits (whether the policyholder has been hospitalized or had surgery or other medical procedures), registered customer information including addresses
- Medical-related and other information that is useful to customers, information about Nippon Life's products and services
- Use of *Zutto Motto Service*, etc.



Policy details



Notices from Nippon Life

During the Term of a Policy

Confirmation of Policy Content on Website or App

Policyholders can access a variety of services by logging on to the Nissay website or Nippon Life app, such as confirming their policy content, procedures related to the *Zutto Motto Service*, changing addresses and withdrawals for policy loans.



Nissay website



Nippon Life app

Available Services

- Confirmation of the content of policies
- Request payment of hospitalization and/or surgery benefits (certain benefits only)
- *Zutto Motto Service* procedures and other items
- Various procedures, such as address changes
- Loans, withdrawals, repayments and payments

An Event Occurs That Is a Reason for Payment of Claims or Benefits

Requesting Payment of Insurance Claims and Benefits

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.

Guidance for Application Procedures

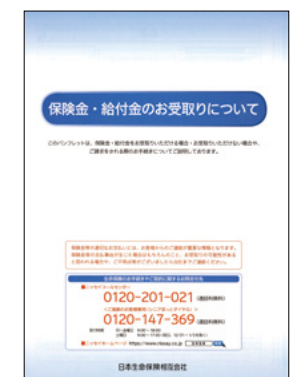
To ensure that customers receive full payments of claims and benefits, Nippon Life provides documents with information about the application procedure and related matters along with various booklets, pamphlets and videos.

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 a policyholder passes away. (Nissay Bereaved Relative Support Service^{*1})

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 the 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, we will refer you to an expert depending on the procedure and carry out various procedures on your behalf as well as submit an inheritance tax return and other tasks (subject to fees)^{*2}



^{*1} The Nissay Bereaved Relative Support Service is a service available to the recipients of death benefits.

^{*2} Depending on required services, 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.

Receiving Payment of Claims, etc.

Receipt of Claims and Benefits

Customer Service

Provide Simple Administrative Procedures and Services that Allow Customers to Execute Procedures Anytime and Anywhere

■ Nissay Website, Apps, and Call Centers

Nissay Website and Nippon Life App

The Nissay website provides information on how to complete various procedures, including how to file a policy claim and receive benefits. We have introduced a conversation-format inquiry response function utilizing AI.

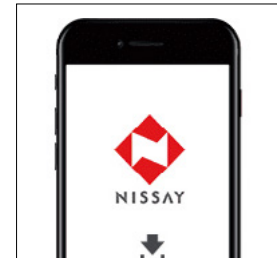
In addition, when customers log into the Nissay website or Nippon Life app, they can confirm their policy details and perform various procedures such as changing addresses. From March 2020, customers have been able to easily carry out procedures to request payment of certain hospitalization and surgery benefits.

Furthermore, customers can easily log into the Nippon Life app with biometric authentication.

Nissay Call Centers

We have specialist operators who answer calls from customers nationwide, handle all requests, such as for changing addresses as well as requests for insurance claims and benefits in a simple, convenient and efficient manner.

We also offer face-to-face services for assistance with an operator using a TV system at certain post offices, as well as a service in which operators help customers to navigate the Nissay website while being able to see the same screen as the customer.



Nippon Life app



Nissay call centers

What it means to “listen” to what customers have to say

At my first training session following my assignment to a call center, I was taught to listen attentively to what customers have to say. There are three types of listening. The first type of listening is to “listen with open ears,” so that you can hear a sound or voice. The second type is to “listen with an open mind,” so that you can ask about what the listener would truly like to know. The third type is to “listen with an open heart,” so that you can lend a sympathetic ear to your counterpart from his or her perspective.

Call centers require telephone representatives to communicate with customers primarily through the third type of listening. I strive to “listen with an open heart.” To do so, in every interaction over the telephone, I make a point of providing heartfelt and considerate customer service while thoughtfully listening to what each customer has to say. I try to imagine what things are like for the customer on the other end of the telephone. The Nissay call centers receive more than 1 million telephone calls every year. By “listening with an open heart” to each and every customer, my goal is for my call center to receive abundant voices of gratitude for serving as a familiar contact point for customers.



Yumi Shimono
Call Center (Fukuoka)

■ Ensuring Proper Underwriting and Claim Payments

Enhancing the Training of Assessment Specialists

Nippon Life has introduced a structured training system for developing assessment specialists responsible for policy underwriting and insurance claims. It also conducts in-house examinations and provides training in essential medical and legal knowledge.

Nippon Life encourages employees to take the Life Insurance Payment Specialist examination offered by the Life Insurance Association of Japan. As of March 31, 2020, the cumulative total of those who have passed the exam was 6,353.

Better Explanations for Customers

To ensure that policyholders receive all claim and benefit payments they are entitled to, Nippon Life has prepared booklets called About the Receipt of Insurance Claims and Benefits. We have also prepared materials that allow customers themselves to confirm that nothing has been overlooked when payment is requested and again when the payment is received. Through these services, we

provide better explanations to our customers. These activities demonstrate how we are doing what is needed to give customers full explanations. Nippon Life has a consultation counter for the receipt of payments of insurance claims and benefits by customers. The consultation counter allows customers to check decisions regarding the payment of insurance claims and benefits.

Upgrading Administrative Systems

In the fiscal year ended March 31, 2013, we commenced operation of the New Integrated System, which reflects a drastic overhaul of our existing main system and covers all areas and processes pertaining to customer service, from proposing and underwriting an insurance policy to receiving insurance claims and benefits. As a result, we have achieved more accurate and

faster underwriting and payment operations. In the fiscal year ended March 31, 2020, we made it possible for customers to perform procedures for requesting payment of certain hospitalization and surgery benefits from the Nissay website and Nippon Life app. In these and other ways, we are working to improve customer service.

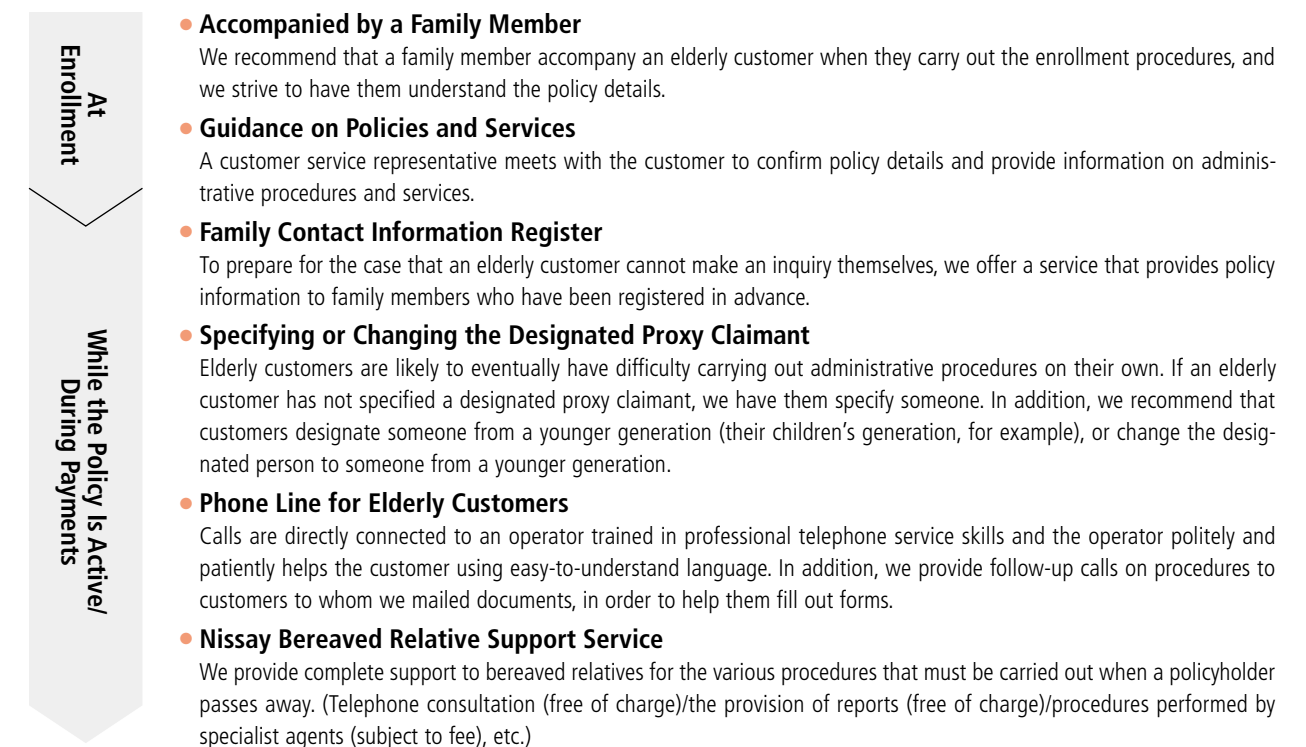
Strengthening Medical Research and Development

We analyze previously compiled medical data in addition to utilizing advanced IT and dispatching instructors to Osaka University's Graduate School of Medicine Faculty of Medicine to

conduct the latest research in the medical and nursing care fields while working to develop new products suited to customer needs and reviewing our underwriting standards.

■ Services for the Elderly

To ensure that customers are able to keep their policies with peace of mind, we are advancing initiatives based on the special needs of elderly customers throughout the policy lifecycle, including enrollment, after-sales services, and benefit payments.



Initiatives to Improve Services for Persons with Disabilities

Nissay Life Plazas are equipped with communication sheets (a tool to facilitate communication when conversation is difficult), table-top microphone and speaker systems, gentle slopes for wheelchairs, and other tools to help customers with disabilities receive services.



comuoon® (table-top microphone and speaker system)
A communication support device for people who have difficulty hearing speech due to hearing loss.
* comuoon® is a registered trademark of UNIVERSAL SOUND DESIGN Inc.

Customer Service

Feedback from Customers (Number of Complaints)

Guided by the “Voluntary Declaration of Customer Dedication” that outlines its philosophy and policy on activities towards customer-oriented management, Nippon Life treats customer feedback as a precious resource for improving services and works to improve its management and services from the customer’s perspective.

For customer feedback, Nippon Life defines a complaint as “any expression of dissatisfaction by a customer (regardless of

the facts).” The purpose of using this definition of a complaint is to incorporate a broad range of customers’ opinions and dissatisfaction and then make extensive use of this information for business improvement measures.

Besides working to resolve issues quickly in response to complaints, precipitating causes are analyzed, countermeasures are reviewed and steps are taken to prevent a recurrence.

■ Number of Complaints Received from Customers in the Fiscal Year Ended March 31, 2020

Content	Number	% of total	Primary examples
New policy related (Policy enrollment)	6,576	12.1	● Dissatisfaction concerning explanation when enrolling in an insurance policy ● Dissatisfaction concerning actions of sales representatives to sell policies
Receipt related (Payment of premiums)	4,242	7.8	● Dissatisfaction concerning remittances and automatic deductions
Maintenance related (Procedures after enrollment)	20,515	37.9	● Dissatisfaction concerning automatic transaction services ● Dissatisfaction concerning policy cancellation procedure
Claims and benefits related (Payment of insurance claims and benefits)	6,404	11.8	● Dissatisfaction concerning procedure for payment of claims and benefits ● Dissatisfaction concerning procedure for payment of maturity benefits
Others	16,436	30.4	● Dissatisfaction concerning after-sales services ● Dissatisfaction concerning the attitude, manners or behavior of sales representatives
Total	54,173	100.0	

Notes: 1. The number of customer communications (opinions, requests, consultations, dissatisfaction, positive feedback and other communications) was 2,140,974.
2. This information is based on the number and type of incidents when the communication is received and is categorized in accordance with standards of the Life Insurance Association of Japan.

Financial ADR System

The financial ADR system is a procedure for out-of-court settlement of disputes* in the field of finance. The system can be used when policyholders and other customers cannot satisfactorily resolve a problem between themselves and a financial institution, including a life insurance company, despite much dialogue.

In the life insurance industry, the Life Insurance Association of Japan has been designated by the Ministry of Finance as a Designated Dispute Resolution Organization for implementing out-of-court settlement procedures* relating to life insurance based on the ADR system.

Nippon Life has concluded a basic contract with the Life Insurance Association of Japan for implementing procedures relating to conflict resolution services.

* ADR procedures use a neutral and fair third party to help achieve a flexible solution to problems rather than making a judgment.

[Contact Points for Designated Dispute Resolution Organizations]
The Life Insurance Association of Japan Life Insurance Consultation Center

Tel.	+81-3-3286-2648
Location	3rd floor, Shin-Kokusai Building, 4-1 Marunouchi 3-Chome, Chiyoda-ku, Tokyo 100-0005, Japan
Reception hours	09:00–17:00 (except weekends and public holidays)
Website	https://www.seiho.or.jp/english/about/contact/

Note: You can have a consultation at your closest contact point.

Contact list
<https://www.seiho.or.jp/contact/about/list/>

Payments of Insurance Claims and Benefits

■ Number of Payments of Insurance Claims and Benefits, Payments Denied and Reasons—Fiscal Year Ended March 31, 2020 (Unit: Number of Cases)

	Insurance claims					Benefits						Total
	Mortality	Accident	Serious disability	Others	Total	Mortality	Hospitali- zation	Surgery	Disability	Others	Total	
Total payments made	86,917	547	1,875	23,146	112,485	6,334	623,020	510,853	930	334,214	1,475,351	1,587,836
Not categorized as a reason for payment	1	35	734	2,988	3,758	0	2,569	43,139	112	997	46,817	50,575
Categorized as an exemption	250	8	3	4	265	3	224	72	0	37	336	601
Cancellation of policies due to nondisclosure	30	0	1	32	63	0	137	111	0	12	260	323
Cancellation or invalidation due to fraud	0	0	0	0	0	0	0	0	0	0	0	0
Invalidation due to illegal acquisition	0	0	0	0	0	0	0	0	0	0	0	0
Cancellation due to serious matters	0	0	0	0	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0	0	0	0	0
Total payments denied	281	43	738	3,024	4,086	3	2,930	43,322	112	1,046	47,413	51,499

Notes: 1. The above represents the total for individual and group insurance policies upon which claims were filed.
2. Figures do not include policies that require no payment assessment, such as maturity benefits, survival benefits, single payments, annuities and other benefits.
3. The number of payments denied does not include applications for events that are obviously not covered, such as claims for which the number of hospitalization days is less than the minimum prescribed in the Policy Terms and Conditions, and no special payment investigation was performed as a result.
4. Regarding payments for group insurance underwritten by multiple companies, the figures include policies for which Nippon Life is the lead underwriter.
5. Figures in the above table are categorized based on standards of the Life Insurance Association of Japan.

■ Reasons for Denied Payments and Content

Reasons for Denied Payments	Content
Not categorized as a reason for payment	The Policy Terms and Conditions stipulate reasons for payment of respective claims and benefits. Payments of claims or benefits can be denied on an individual basis if the contents of the insurance claim made by the customer do not qualify for payment under the terms of the policy. Example: • Claim for payment of surgery that does not qualify for payment under the terms the policy
Categorized as an exemption	The Policy Terms and Conditions stipulate reasons why respective claims and benefits may not be paid. Payments of claims or benefits can be denied on an individual basis if the contents of the insurance claim made by the customer fall under one of these reasons. Examples: • Claim for payment of death benefit where death occurred due to the suicide of the insured within the period prescribed under the terms of the policy • Claim for payment of death benefit where death of the insured was due to an intentional act of the policyholder or the designated beneficiary of the policy
Cancellation of policies due to nondisclosure	An insurance policy or rider can be canceled in the event of any relevant fraudulent actions by the policyholder, the insured, or the recipient of the insurance claims or benefits. Insurance claims or benefits cannot be paid in such cases, but the surrender value of the policy is paid to the policyholder.
Cancellation or invalidation due to fraud	An insurance policy or rider can be canceled (or invalidated) in the event of any relevant fraudulent actions by the policyholder, the insured, or the recipient of the insurance claims or benefits. Insurance claims or benefits cannot be paid in such cases, and any premiums already paid will not be refunded.
Invalidation due to illegal acquisition	An insurance policy or rider can be rendered invalid in cases where the policyholder enrolls in a policy with the intention of gaining insurance claim payments or benefits illegally, either personally or through a third party. Insurance claims or benefits cannot be paid in such cases, and any premiums already paid will not be refunded.
Cancellation due to serious matters	An insurance policy or rider can be canceled in the event of the fraudulent staging of an accident with the aim of gaining related insurance claim payments or benefits, or of any other fraudulent related actions such as production of a forged medical diagnosis. Insurance claims or benefits cannot be paid in such cases, but the surrender value of the policy is paid to the policyholder.

Asset Management

Achieving stable growth of investment returns to fulfill our coverage obligations

General Account Assets

(Nonconsolidated) **¥67,868.7 billion**
(As of March 31, 2020)

Unrealized Gain/Loss on Securities

(Nonconsolidated) **¥ 9,583.5 billion**
(As of March 31, 2020)



Yosuke Matsunaga
Director and Senior Managing Executive Officer

Recognition of the Business Environment and Basic Strategy

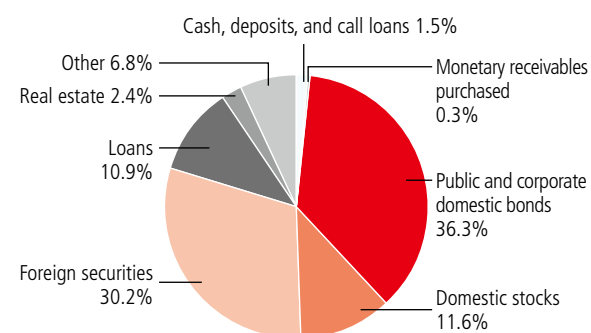
The asset management environment is expected to remain under pressure for the foreseeable future. This outlook comes against the backdrop of a high level of uncertainty in the financial and economic environment, reflecting factors such as the spread of COVID-19, in addition to continued ultra-low interest rates globally.

Even in such an environment, Nippon Life has been carrying out asset management with the mission of generating the returns promised to policyholders in a stable manner and steadily paying insurance claims and benefits in the future.

Specifically, we are working to build a balanced portfolio that gives consideration to diversification in terms of assets, countries, currencies and other factors, in line with an asset/liability management (ALM) approach, which is a method of comprehensively grasping 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 medium and long terms.

Moreover, given that ultra-low interest rates are expected to remain in place, we have based our asset portfolio management on Japanese government bonds and other yen-denominated fixed-income instruments. Concurrently, we are focused on investment, finance and related activities targeting corporate

Breakdown of General Account Portfolio



bonds, overseas real estate and infrastructure, which offer relatively higher yields.

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

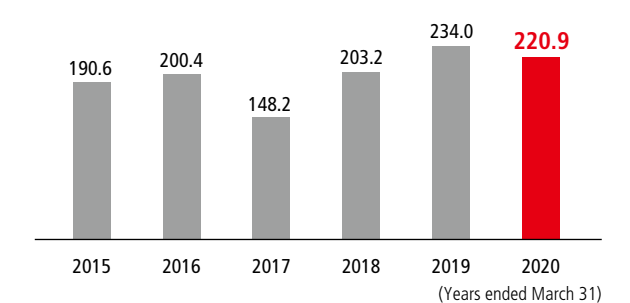
Moreover, in our investment activities, we strive to ensure that our investments serve the interests of policyholders from medium- and long-term perspectives. We carry out asset management in consideration of the public nature of our business, in addition to security, profitability, and liquidity.

Review

In the fiscal year ended March 31, 2020, the investment yield margin decreased, although a positive spread was generated for the tenth consecutive year. The main reason for the decrease was a decline in interest income from foreign bonds due to the impact of the yen's appreciation.

Even amid the continuation of an ultra-low interest rate environment, we will continue to work to improve our returns and strengthen risk management, with a view to generating a stable investment yield margin.

Investment Yield Margin



Main Activities

To fulfill our coverage obligations to policyholders even in a harsh environment with ultra-low interest rates, we are pursuing three priorities: (1) Ensure long-term stable investment returns, (2) Strengthen risk-response capabilities, and (3) Build a robust investment management foundation.

(1) To ensure long-term stable investment returns, we are working to bolster our investment and finance in new and growing fields*, including ESG investment and finance.

(2) To strengthen our risk-response capabilities, we are undertaking forward-looking risk management, where we identify potential risk concerns and study and implement any necessary countermeasures.

(3) To build a robust investment management foundation, each Group company, including our asset management companies, leverages its expertise to establish a unified Group-wide investment management structure. At the same time, we fulfill our social responsibilities as an institutional investor through stewardship and other activities.

Recognition of the environment

Continued ultra-low interest rate environment

High level of uncertainty in the market environment

Main points of activities

(1) Ensure long-term stable investment returns

(2) Strengthen risk-response capabilities

(3) Build a robust investment management foundation

*Approach to Investment and Finance in New and Growing Fields

Nippon Life is focusing on new fields that offer market growth potential and prospects for relatively high investment yields. These fields are defined as "new and growing fields." We are strengthening our activities in each of these fields.

Specific activities include infrastructure fund investment, project finance, investment and finance in emerging countries, and venture capital investment. ESG investment and finance are also a part of new and growing fields.

To ensure stable investment returns over the long term, we will continue to focus on investment and finance in new and growing fields.

<Main New and Growing Fields>

- ESG investment and finance
- Investment and finance in infrastructure fields
- Project finance
- Investment and finance in emerging countries
- Real estate investment in areas such as logistics
- Venture capital investment in Japan and overseas

Asset Management

Ensure Long-Term Stable Investment Returns

During the period of the medium-term management plan for the fiscal year ended or ending March 31, 2018–2021, we have been working towards a target of ¥2 trillion for investment and finance in new and growing fields. As a result of these efforts, we had executed investment and finance of approximately ¥2.2 trillion in these fields as of March 31, 2020. We achieved our target one

■ ESG Investment and Finance

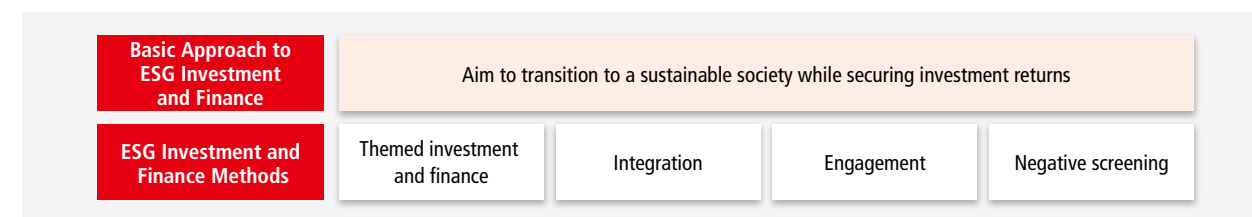
In addition to ESG-themed investment and finance, we are promoting activities through the use of various approaches, including the integration of ESG elements into the investment and finance decision-making process and engagement involving dialogue that includes ESG topics. In the fiscal year ended March 31, 2019, we announced a negative screening policy prohibiting investment and finance in companies that manufacture cluster munitions and

year ahead of schedule.

In April 2020, we also achieved our target for ESG-themed investment and finance, set at ¥700 billion, as a field of particular focus. We will proactively continue to invest in new and growing fields including ESG investment and finance.

prohibiting in principle new investment in coal-fired thermal power generation operations. In addition, in 2019, Nippon Life became the first insurance company in Asia to adopt the Equator Principles, a framework of international guidelines for considering environmental and social factors in project finance and related activities.

Note: For examples of investment and finance related to the climate change issue, please see p. 84.



Signing the United Nations Principles for Responsible Investment (PRI)*

Nippon Life, TAIJU LIFE and Nissay Asset Management have signed the PRI as part of the Nippon Life Group's commitment to the formation of a sustainable society. In its annual PRI assessment, Nippon Life has earned the highest assessment grade of "A+" in four categories, including "Strategy and Governance."



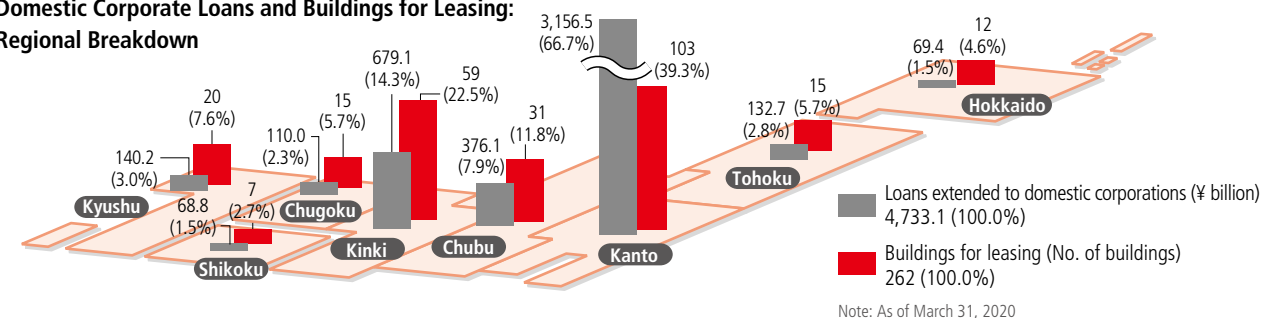
* The PRI are a set of principles aiming to realize a sustainable society by proposing that institutional investors incorporate ESG issues in their investment decisions.

■ Initiatives to Support the Growth of Local Communities and Society

Nippon Life has been conducting asset management from the viewpoint of making use of the long-term nature of its funds as a life insurance company to coexist with the environment, local communities and society, as well as steadily growing along with Japan's economy and companies.

For example, in loan transactions, we strive to support the development of regions and industries by extending loans to customers across Japan. We are also active in real estate investment. Through a broad range of investments in office buildings nationwide, we are contributing to regional development.

Domestic Corporate Loans and Buildings for Leasing: Regional Breakdown



Strengthening Our Ability to Respond to Risk

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

We are working to establish systems that enable us to respond swiftly to any environmental changes based on close monitoring of individual investees and the 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 we promote forward-looking risk management to study and implement any necessary countermeasures.

At Nippon Life, investment departments strive to limit exposure to risk by strictly selecting and diversifying investments, while risk management and assessment management departments provide checks by measuring the amount of risk in the portfolio and performing individual credit assessments and other tasks.

Constructing an Investment Management Foundation

■ Dialogue with Investee Companies to Promote Growth

Nippon Life has adopted Japan's Stewardship Code of Principles for Responsible Institutional Investors, and we are implementing 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, Nippon Life's 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 medium and long terms, and enhanced corporate sustainability. Based on this

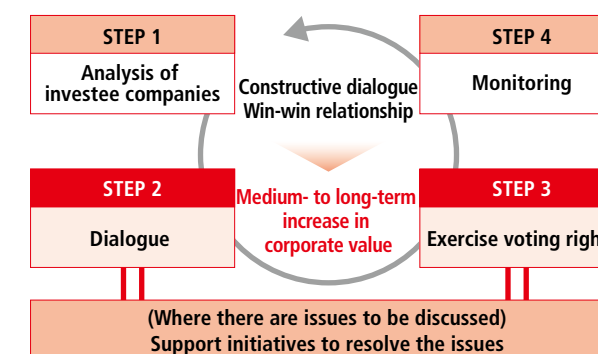
policy, engagement in constructive dialogue with investee companies has hitherto been a key priority.

When conducting dialogue with investee companies, we believe it is important to grow together by building win-win relationships based on mutual trust. In addition, when deciding whether to vote for or against proposals, we do not make sweeping decisions, but rather engage in dialogue to make detailed judgments based on our understanding of the individual status of each company and its initiatives for improvement.

Basic Stance Regarding Stewardship Activities

- We will engage in constructive dialogue with investee companies to raise their enterprise value over the medium to long term by continuously revisiting the content of the dialogue from a plan, do, check, act (PDCA) perspective.

Basic Cycle of Stewardship Activities



Main Initiatives Regarding Stewardship Activities

<Main Initiatives to Date>

- Engaged in dialogue with 758 companies, including companies with whom there were important issues to discuss in terms of shareholder returns, profitability, corporate governance and other factors.
- Enhanced disclosure of actual examples of dialogue and the exercise of voting rights, along with providing itemized disclosure of voting results.

<Near-Term Initiatives>

- Focus additionally on dialogue based on the themes of the environment (E) and society (S)

Note: Expand the scope of applicable assets under the Stewardship Code to domestic corporate bonds from the fiscal year ending March 31, 2021, based on the revision of the Stewardship Code.

Please see the Nissay website for more information on our efforts related to Japan's Stewardship Code, including actual examples of dialogue and achievements.

https://www.nissay.co.jp/kaisha/otsutaeshitai/shisan_unyou/ssc/

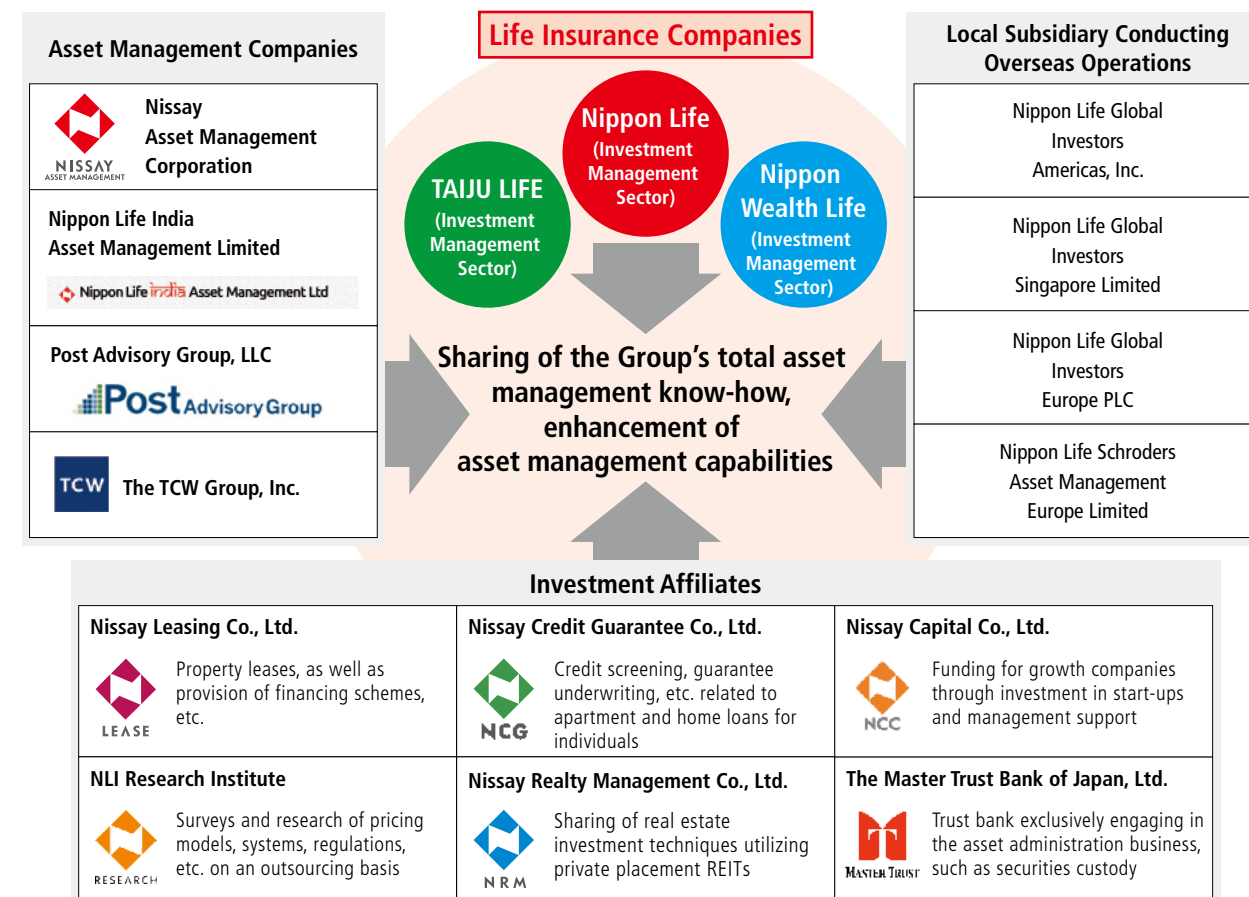
Asset Management

Group Investment Network

At the Nippon Life Group, we have built a global investment network that includes investment offices both in Japan and overseas. Through the network, we are working to utilize the Group's integrated asset management know-how and further bolster asset management capabilities while leveraging each

member of the Group's respective strengths.

In order to manage customers' valuable premiums, we utilize this Group investment network to globally diversify our assets as well as our sources of investment returns.



I would like to return to customers the benefits of asset management activities focused on both security and profitability.

The Foreign Equity & Alternative Investment Department mainly conducts fund investments in alternative assets such as hedge funds, private equity and infrastructure. We have been steadily increasing our investment balance in this sector. It is a priority field partly because it offers prospects for high investment yields amid the prolonged low interest rate environment in Japan.

Against this backdrop, my duties primarily involve credit fields such as high-yield bonds. I communicate with the overseas fund managers we have entrusted with these investments. Through this communication, I analyze investment performance and investment activity. This analysis paves the way for actual investment actions.

There are many attractive investment opportunities in the alternative investment sector. However, investment decisions in this sector require a high degree of specialization, which is needed to assess the risk-return efficiency of investments. I strive to remain strongly aware of the fact that Nippon Life is investing the valuable premiums entrusted to it by our customers. By successfully implementing asset management focused on both security and profitability, I'd like to play a part in returning positive investment results to customers.



Kazuo Abe
Foreign Equity &
Alternative Investment
Department

Asset Management Business

The asset management business has a close affinity with life insurance business, and we expect growth in the markets for asset management both in Japan and overseas. Nippon Life is developing the asset management business together with Group companies, centered on Nissay Asset Management Corporation, as well as overseas companies in which we have invested and alliance partners. We provide investment products in line with the

needs of Group life insurance companies. We also strive to capture various synergies worldwide. Measures include encouraging Group asset management companies to provide a mutual supply of products to one another and to conduct personnel exchanges. In the process, we will nurture these operations into a core pillar that will complement our life insurance business in the long term.

■ Nissay Asset Management Corporation



Nissay Asset Management is an asset management company that leverages its insurance asset management expertise to supply a wide range of investment products that fulfill customer needs for long-term, stable asset formation.

Country	Japan
Established	1995
Number of employees	545
Assets under management*	Approx. ¥13 trillion

* As of March 31, 2020

■ Nippon Life India Asset Management Limited



Nippon Life India Asset Management is a first-rate asset management firm with an expansive investment product lineup ranging from stocks to bonds in India's fund management industry, which continues to experience high growth.

Country	India
Established (Share acquisition period)	1995 (August 2012)
Number of employees	Approx. 1,020
Assets under management*	Approx. ¥3 trillion (approx. 2 trillion rupees)

* As of March 31, 2020

■ Post Advisory Group, LLC



Post Advisory Group is an asset management firm that provides investment products focused on high-yield corporate bonds, with a client base centered on US and Japanese institutional investors.

Country	US
Established (Share acquisition period)	1992 (April 2013)
Number of employees	Approx. 50
Assets under management*	Approx. ¥2 trillion (approx. US\$18.0 billion)

* As of December 31, 2019

■ The TCW Group, Inc.



The TCW Group is an asset management firm with especially strong fixed-income operations. It manages one of the largest investment trusts in the US and supplies investment products to the world's largest pensions and institutional investors.

Country	US
Established (Share acquisition period)	1971 (December 2017)
Number of employees	Approx. 630
Assets under management*	Approx. ¥24 trillion (approx. US\$220.0 billion)

* As of December 31, 2019

Notes: 1. The share acquisition period indicates the month and year of initial investment.
2. The number of employees represents figures as of March 31, 2020.

Overseas Business

We aim to maximize benefits for policyholders through Nippon Life's distinctive overseas business development.

**Group Company Net Income
(Overseas Group Companies)**
¥11.5 billion (As of March 31, 2020)



Yutaka Ideguchi
Director and Senior Managing Executive Officer

Recognition of the Business Environment and Basic Strategy

The business environment surrounding overseas business is expected to remain under pressure for the foreseeable future, due mainly to the impact of the global COVID-19 pandemic.

In this challenging business environment at present, Nippon Life, as a mutual company, has been working in overseas business to fulfill its mission to maximize policyholder interests even amid all types of environmental changes. In developing overseas business, we have three key objectives: (1) accrue earnings by tapping into growth in overseas markets, (2) stabilize the

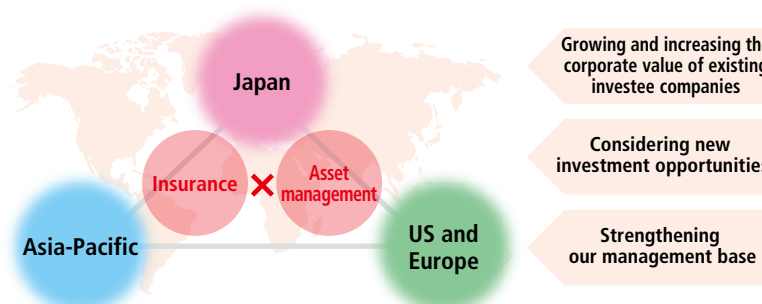
Company's operations through regional and business diversification, and (3) create synergies by mutually utilizing the products, services, and know-how of each company within the Group.

In growing overseas business, we will firmly maintain our basic strategy of forging strong relationships built on trust with local partners and management teams, and sharing and instilling Nippon Life's philosophy of customer-oriented operational management and conducting operations with a view to the long term.

Significance of Overseas Businesses



Strategy



Review

Through insurance and asset management business in the US, Europe and the Asia-Pacific region, Nippon Life has been building an earnings base to drive sustainable growth across the Group.

Although the profitability of MLC worsened in the previous fiscal year, we spurred the growth of other existing investee companies and expanded our business portfolio. As a result, Group company net income amounted to ¥11.5 billion.

We entered the life insurance market in Myanmar. With this step, Nippon Life's global overseas business network expanded to seven countries in the insurance business and four countries in the asset management business. In order to drive the growth of each company, Nippon Life is providing management support and

working to create synergies. Measures to create synergies include collaborations that harness the initiatives and expertise of Group companies. We are carefully considering new investments as a way to expand the business portfolio from a medium- and long-term perspective.

Further, we take steps to strengthen and enhance our management foundation that supports overseas business expansion, including advancing the Group governance framework and developing global human resources. We also actively research overseas trends, including regulations and the latest initiatives, through our representative offices.

Main Activities

We are working to expand earnings opportunities over the medium and long terms. For this, we are taking steps to provide business management and support and create business synergies, with emphasis on growing and increasing the corporate value of existing investee companies. Concurrently, we are implementing activities such as considering new investment opportunities and strengthening our management base.

Growing and Increasing the Corporate Value of Existing Investee Companies

In August 2019, Nippon Life made an additional investment in Reliance Nippon Life Asset Management Limited of India and turned the company into a subsidiary. In January 2020, it was renamed as Nippon Life India Asset Management Limited.

In December 2019, Nippon Life injected capital into MLC Limited in Australia in response to changes in the business environment. Along with initiating measures to improve governance structure, Nippon Life is undertaking company-wide efforts to restore MLC to an earnings path and increase its earnings over the mid to long term.

Considering New Investment Opportunities

In September 2019, Nippon Life acquired a 35% stake in Grand Guardian Life Insurance Company Limited, which is affiliated with the Shwe Taung Group, a major conglomerate in Myanmar. With this acquisition, Grand Guardian Life Insurance Company was renamed as Grand Guardian Nippon Life Insurance Company Limited.

Strengthening Our Management Base

Effective from the fiscal year ending March 31, 2021, the Global Business Risk and Control Office was reorganized and upgraded to the Global Business Risk and Control Department. Moreover, the Overseas Asset Management Business Department was newly established from the perspective of strengthening the business management platform related to overseas asset management.

Conversion of Nippon Life India Asset Management Limited (NAM India) into a subsidiary



Announcement of the name of a new fund

Investment in Grand Guardian Nippon Life Insurance Company Limited (GGNL)



With the presidents of the Shwe Taung Group and GGNL

Overseas Business

Overseas Business Development

Insurance Business

■ Nippon Life Insurance Company of America

Nippon Life Benefits®



Nippon Life Insurance Company of America mainly provides group medical insurance through our bases in New York, Los Angeles, Chicago and other cities. Under the motto, "Nissay even in America," we are working to expand the Nippon Life brand's reach in the US.

In particular, the firm has built a strongly favorable reputation among Japanese and South Korean companies that are operating in the US by offering customer service in Japanese and Korean.

Since its establishment, we have sent directors and other personnel from the

Company to Nippon Life Insurance Company of America, and we are striving to strengthen the earnings base by supporting business management, sales activities, and other functions.

Country	US
Established (Share acquisition period)	1972 (December 1991)
Main sales channels	Brokers
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥40.1 billion
Number of employees	Approx. 90

* January 2019 to December 2019

■ MLC Limited



In addition to managing and monitoring MLC through Nippon Life-appointed directors and employees, we are proactively capitalizing on our overseas business experience to date, providing our support and sharing business expertise throughout the Group.

Together with our partner National Australia Bank (NAB), we aim to realize MLC's vision to be "Australia's leading and most trusted life insurer."

Country	Australia
Established (Share acquisition period)	1886 (October 2016)
Main sales channels	Agencies and other channels
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥143.1 billion
Number of employees	Approx. 1,480

* January 2019 to December 2019

■ Reliance Nippon Life Insurance Company Limited



We are sharing our experiences and best practices as well as enhancing business management through directors and other personnel assigned from Nippon Life to the company. For instance, we are drawing attention in India by creating sales channels to service customers in a more detailed fashion, based on the activity model adopted by Nippon Life's sales representatives working in Japan.

Going forward, we will continue working to develop our collaborative frameworks together with Reliance Nippon Life Insurance.

Country	India
Established (Share acquisition period)	2001 (October 2011)
Main sales channels	Agents and sales representatives
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥68.8 billion
Number of employees	Approx. 12,580

* April 2019 to March 2020

■ Grand Guardian Nippon Life Insurance Company Limited



In September 2019, Nippon Life completed the acquisition of a 35% equity stake in Grand Guardian Life Insurance Company Limited (renamed as Grand Guardian Nippon Life Insurance Company Limited), which is affiliated with the Shwe Taung Group.

By sharing Nippon Life's experience and know-how in a broad range of fields, we will work to achieve the stable and sustainable growth of Grand Guardian Nippon Life

Insurance, while contributing to the development of the life insurance market in Myanmar.

Country	Myanmar
Established (Share acquisition period)	2019 (September 2019)
Main sales channels	Corporate agencies
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥0.2 billion
Number of employees	Approx. 170

* October 2018 to September 2019

■ Great Wall Changsheng Life Insurance Co., Ltd.



Established as the first joint venture in Shanghai between a Japanese life insurance company and a local firm, Great Wall Changsheng Life Insurance is currently developing its business activities in seven regions centered on the Yangtze River Delta region.

Nippon Life has sent directors and other personnel to Great Wall Changsheng Life Insurance to advance its business management and risk management. Along with this, Nippon Life is promoting collaborative

frameworks in areas such as bolstering agent organizations, cultivating business with local Japanese companies and actuarial operations.

Country	China
Established	2003
Main sales channels	Agents
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥25.6 billion
Number of employees	Approx. 710

* January 2019 to December 2019

■ Bangkok Life Assurance Public Company Limited



As customers' needs become increasingly diverse, Bangkok Life is focusing on growing the organization of agents possessing advanced consulting skills, in addition to expanding bancassurance, its core channel.

Along with sending directors and other personnel to Bangkok Life in order to strengthen its governance, Nippon Life is promoting collaborative frameworks to bolster actuarial operations and agent

organizations as well as cultivate business with local Japanese companies.

Country	Thailand
Established (Share acquisition period)	1951 (February 1997)
Main sales channels	Bancassurance and agents
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥125.6 billion
Number of employees	Approx. 1,170

* January 2019 to December 2019

■ PT Asuransi Jiwa Sequis Life



Sequis Life has strong financial soundness and offers high-quality services provided through sales agents. Nippon Life dispatches personnel such as a *komisaris* (commissioner) to share its expertise.

In addition, we will continue to contribute to further growth through collaborating with local Japanese companies, and also through initiatives such as supporting the development of the middle-income strata of society.

Country	Indonesia
Established (Share acquisition period)	1984 (October 2014)
Main sales channels	Agents
Premium revenue (fiscal year ended March 31, 2020)*	Approx. ¥25.0 billion
Number of employees	Approx. 820

* January 2019 to December 2019

Notes: 1. The share acquisition period indicates the month and year of initial investment.
2. The number of employees represents figures as of March 31, 2020.

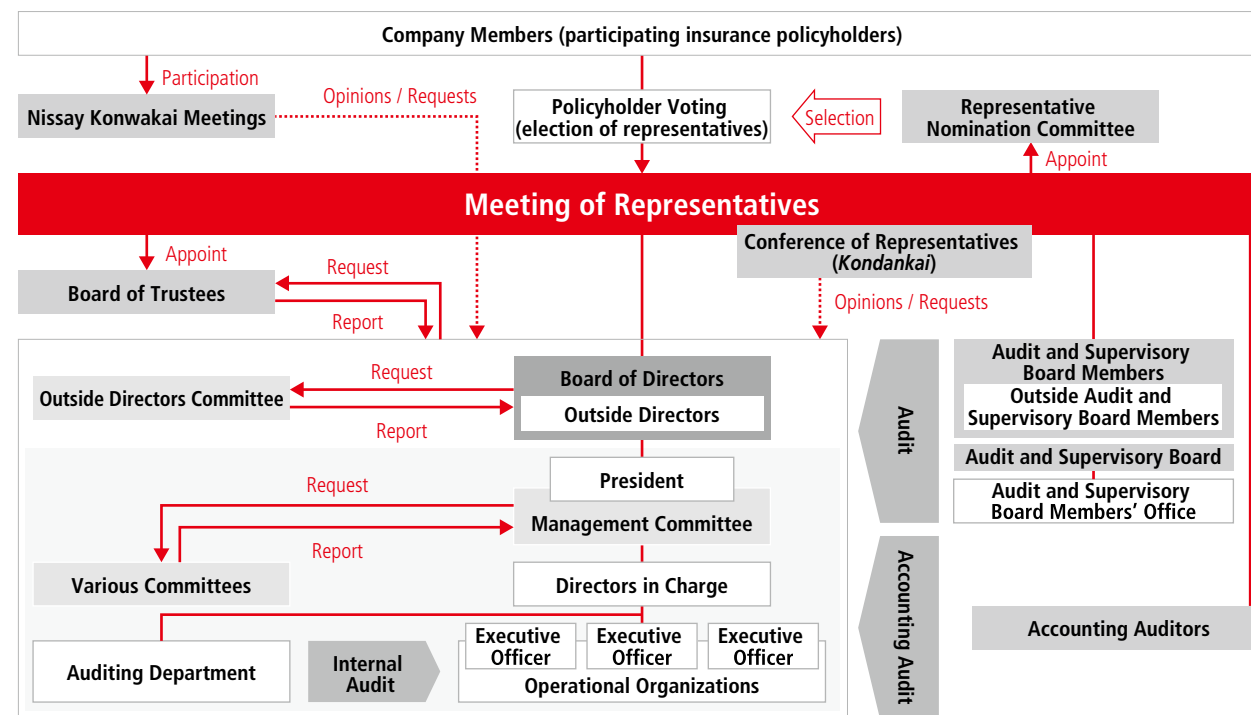
Corporate Governance and Internal Control

Mutual Company Management 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 further develop the corporate governance system it has established ensuring appropriate management and fostering greater transparency to continue to uphold its coverage responsibilities to customers 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 Management and Corporate Governance System

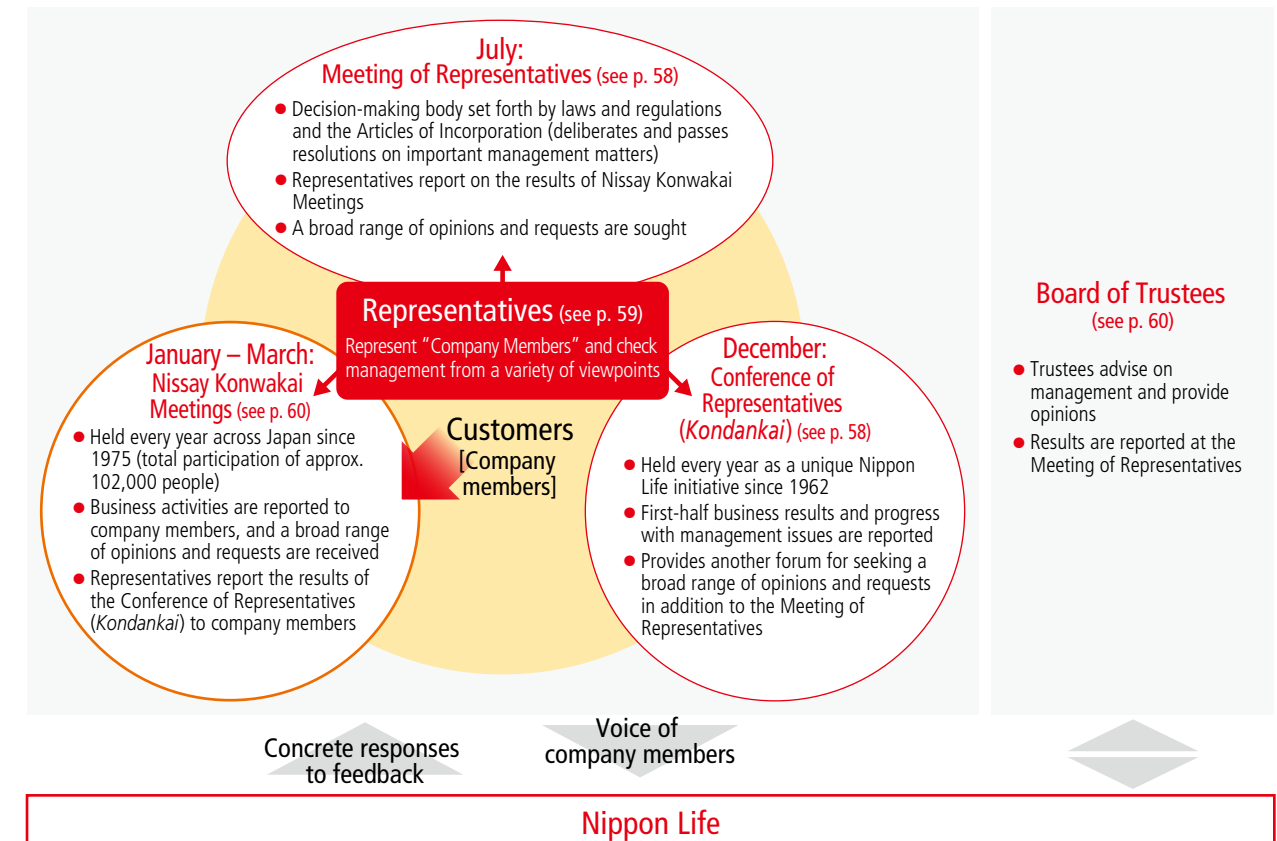


Mutual Company Framework

As a step to prioritize and maximize profits for company members (participating insurance policyholders) as a mutual company, Nippon Life incorporates the opinions of all company members in

management of the organization 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



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) 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, 2020, Nippon Life has total foundation funds (*kikin*) (sum of foundation funds (*kikin*) and reserve for redemption of foundation funds (*kikin*)) of ¥1,400 billion.

For transparency, we are improving corporate governance to make our management more transparent and enhancing public access to information about our operations through financial information meetings and on our 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 * Participating insurance policyholders are enrolled in insurance policies and at the same time become company members	Membership	Shareholders * Become shareholders through the acquisition of stock
General Meeting of Members (Meeting of Representatives)	Decision-making body	General Shareholders' Meeting
<div> <div>Surplus</div> <div>Implemented based on a resolution to appropriate surplus at a General Meeting of Members (Meeting of Representatives)</div> <div>Payout of dividends to members</div> <div>⇒To company members</div> </div>	<div> <div>Dividend distribution</div> <div>* This diagram is only meant to explain the dividend distribution system and is not intended to explain amounts of money or advantages and disadvantages.</div> </div>	<div> <div>Surplus</div> <div>Recorded in the provision for policyholder dividends in the statements of income based on a resolution at a Board of Directors meeting</div> <div>Distribution of dividends to participating insurance policyholders</div> <div>⇒To participating insurance policyholders</div> </div> <div> <div>Surplus</div> <div>Implemented based on a resolution to distribute the surplus at a General Shareholders' Meeting</div> <div>Dividends distributed to shareholders</div> <div>⇒To shareholders</div> </div>

Corporate Governance and Internal Control

Meeting of Representatives

Established to replace the General Meeting of Members, the Meeting of Representatives comprises policyholders selected to act as representatives. The Meeting of Representatives is equivalent to the general shareholders' meeting of a joint-stock

corporation and deliberates and passes resolutions, such as those for amending the Articles of Incorporation, approving proposals for the distribution of surplus, and nominating directors and Audit and Supervisory Board members.



The 73rd Meeting of Representatives



Please refer to pp. 96–101 for an overview of the 73rd Meeting of Representatives (July 2, 2020).

Note: Images and minutes of the proceedings of the Meeting of Representatives can be found on the Nissay website.

 <https://www.nissay.co.jp/kaisha/annai/sogo/sodaikai/>

Attendance System for the Meeting of Representatives

Company members may attend the Meeting of Representatives. Information on how to apply for admission is available on posters displayed at our offices and on our website in May and June.

Conference of Representatives (*Kondankai*)

The Conference of Representatives (*Kondankai*) was launched in 1962 as a unique initiative at Nippon Life to further enhance checks over management by the representatives. Held every year,

the conference provides a forum for management to report on first-half business results and progress with management issues to representatives and receive a broad range of opinions.

Note: For opinions received at the Conference of Representatives (*Kondankai*) for the fiscal year ended March 31, 2020 (held December 3, 2019), please see p. 102.

Representatives and Their Election

Representatives

According to the Articles of Incorporation, each representative's term of office is generally four years and can extend to eight years if they are selected for a second term. The number of representatives currently stands at 200.

Nippon Life selects policyholders as representatives, and, because they check management from diverse perspectives, they are chosen from among people in many occupations and ages and from many parts of the country. They participate in 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 level.

Election of Representatives

To represent the interests of all policyholders, representatives are chosen who have no ties to the interests of specific policyholders among the approximately 9.70 million policyholders, based on 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 selected from among policyholders who have participated in Nissay Konwakai Meetings (see p. 60), a forum where management receives opinions and requests from policyholders. Although we have not adopted a system in which policyholders desirous of becoming representatives can be directly selected as representative candidates, Nippon Life will proactively promote this method of selecting representative candidates from among policyholders who participate in the Nissay Konwakai Meetings and aims to diversify selection methods.

◎ Representative Nomination Committee

The Representative Nomination Committee is composed of members chosen from among participating insurance policyholders by the Meeting of Representatives. The Representative Nomination Committee decides on selection standards for representative candidates and selects representative candidates from a broad base of policyholders. In addition, the Representative Nomination Committee strives to ensure its independence from the Company, while working to enhance the fairness and 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 selected as representatives.

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 the life insurance business and the management of Nippon Life and has adequate insight as a representative
 - (2) Can be expected to actively participate as a representative in the Meeting of Representatives and other events
 - (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 selected from a broad base of policyholders with an emphasis placed on their ability to represent policyholders and evaluate management.

 - (1) We select representative candidates to ensure well-balanced policyholder representation in terms of geographic region, age and gender.
 - (2) We select representative candidates to ensure checks over management, specifically candidates who are able to check and advise on operations and advise management from diverse viewpoints, including from management, consumer, and specialist perspectives, while giving consideration to occupation, specialties and other factors.

Qualifications for Selecting 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 to manage company members' votes

Time of Policyholder Voting

Voting for representative candidates is held once every two years from August to September. Policyholder voting will be held in the fiscal year ending March 31, 2021 (voting slips will be sent out to all policyholders).

Corporate Governance and Internal Control

Nissay Konwakai Meetings

The Nissay Konwakai Meetings are held every year throughout Japan. These meetings provide opportunities for Nippon Life to explain its business activities and for policyholders to voice their opinions and requests on overall management as well as products and services. Nissay Konwakai Meetings have been held since 1975.

From among the opinions and requests (see p. 102) that we receive from participants, we identify and respond to those that are most frequently expressed. These items are then reported to the Meeting of Representatives and Board of Trustees. The participants include several representatives and directors, and we continue to work to improve ties between the Nissay Konwakai Meetings and the Meeting of Representatives.

Note: We seek participants in the Nissay Konwakai Meetings from a broad array of areas, including through the website, posters in branches and providing information through pamphlets that sales representatives provide to customers.

Status of the Nissay Konwakai Meetings in the Fiscal Year Ended March 31, 2020

From January through March 2020, we held Nissay Konwakai Meetings in 104 locations around Japan, receiving a total of 5,053 opinions and requests from a total 2,397 policyholders, including 155 representatives.

We strove to provide easy-to-understand explanations, using video and other materials, of performance in the first half of the fiscal

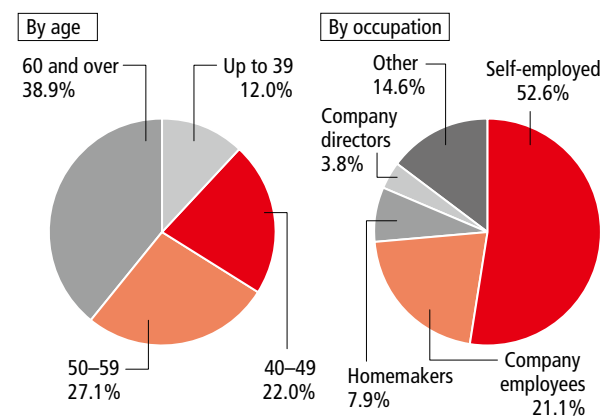


Nissay Konwakai Meetings (Fukushima Branch)

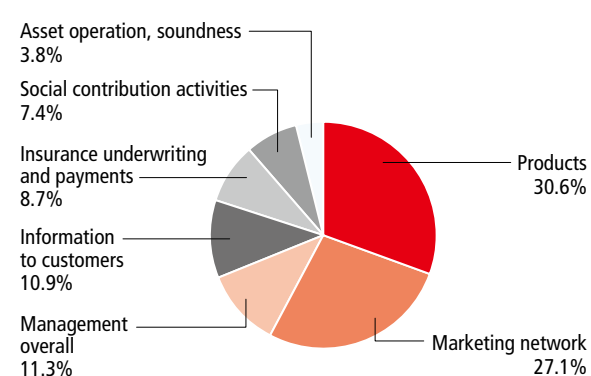
year ended March 31, 2020, and improvement initiatives based on customer feedback. Opinions and requests received at the Nissay Konwakai Meetings are thoroughly examined by the relevant departments and every effort is made to reflect them in management.

Due to the COVID-19 pandemic, 12 Nissay Konwakai Meetings held in March were conducted in writing.

[Description of Participants in the Fiscal Year Ended March 31, 2020]



[Categories of Opinions and Requests in the Fiscal Year Ended March 31, 2020]



Note: In addition to the above, we received 594 comments from participants in the Nissay Konwakai Meetings.

Please see pp. 102-103 for the main opinions and requests received at the Nissay Konwakai Meetings in the fiscal year ended March 31, 2020, and the Company's responses to them.

Note: The results of the Nissay Konwakai Meetings are available on the Nissay website.

<https://www.nissay.co.jp/kaisha/annai/sogo/konwakai/>

Board of Trustees

Nippon Life has a Board of Trustees that serves as a management advisory body to ensure the appropriateness of management. Trustees are elected at the Meeting of Representatives from among policyholders and academic experts. Trustees give

opinions on advisory matters and important management issues and deliberate on policyholder opinions regarding corporate management. The results of these opinions and deliberations are reported at the Meeting of Representatives.

Corporate Governance System

In line with the fundamental management principles that it has stipulated, Nippon Life has established a corporate governance system that ensures the appropriateness and improves the transparency of management to fulfill its long-term indemnity obligations to customers as a life insurance company. Nippon Life endeavors to

continuously develop its corporate governance system.

The Basic Policy for Corporate Governance* that we have instituted on the purpose of defining our basic approach to corporate governance and related systems stipulates the rationale behind the composition of our governance structures.

* Please see the Nissay website for its Basic Policy for Corporate Governance.

<https://www.nissay.co.jp/kaisha/csr/governance/pdf/kihonhoushin.pdf>

Governance Structures

Nippon Life has chosen the governance model based on an Audit and Supervisory Board. In this system, every part of the Company's business is assigned to a designated director, and directors with such executive responsibilities usually also serve as executive officers. The Board of Directors is the decision-making body with direct oversight over business execution, and the members of the Audit and Supervisory Board are charged with ensuring independent and effective oversight of the Board of Directors.

Multiple outside directors and outside members of the Audit and Supervisory Board are also appointed to give counsel from an objective perspective. In addition, an Outside Directors Committee has also been established to give management access to a broader wealth of expertise and to help improve transparency. This committee works to enhance oversight and business execution functions within the Board of Directors.

■ Directors and the Board of Directors

Duties of the Directors and the Board of Directors

The Board of Directors is responsible for determining important business matters in accordance with legal and regulatory requirements as well as the Articles of Incorporation and other internal rules. The board also supervises the performance of directors.

Directors participate in the execution of the duties of the Board of Directors making use of their experience and knowledge. Each executive director is delegated the authority to make decisions as required relating to the execution of one particular area of business and supervise business execution in that area.

Composition of the Board of Directors

Composed of no more than 25 directors, the Board of Directors aims to maintain a breadth of knowledge and experience covering the business areas of Nippon Life while also incorporating independent viewpoints that can provide an objective perspective and related counsel. At least two directors are outside directors who satisfy the relevant statutory requirements for outside directors with a degree of independence*¹.

As of July 2, 2020, the Board of Directors had 21 members, including 5 outside directors qualifying as independent members of the board*².

*¹ Details of these requirements are available on the Nissay website.

*² For details of the composition of the Board of Directors as of July 2, 2020, please refer to pp. 90-91.

https://www.nissay.co.jp/kaisha/csr/governance/pdf/dokuritsusei_handan.pdf

Appointment of Directors

Based on the selection criteria for candidates for appointment as directors as outlined below, the candidates for board appointments are confirmed by the Board of Directors based on the

deliberations of the Outside Directors Committee, and any appointments must be ratified by the Meeting of Representatives.

- All candidates must satisfy the eligibility criteria for directors as stipulated in Article 8-2 of the Insurance Business Act.
- Candidates for outside director should possess broad knowledge and experience as a corporate manager, academic, member of the legal profession, or other expertise.
- To contribute to the management of Nippon Life, candidates for non-outside director should have relevant extensive business knowledge and experience.

Corporate Governance and Internal Control

■ Outside Directors Committee

Duties of the Outside Directors Committee

The Outside Directors Committee is a consultative body that deliberates and reports to the Board of Directors on matters relating to the appointment of directors, executive officers and members of the Audit and Supervisory Board; the remuneration of directors and executive officers; and other important business matters. This structure is designed to improve the transparency of

the process for deciding executive appointments and remuneration, while also enabling Nippon Life to gain from the extensive knowledge of the outside directors in the deliberation of business plans, major investment deals, corporate governance, and other important business matters.

Composition of the Outside Directors Committee

The Outside Directors Committee is composed of all of the outside directors and any other directors appointed to it by resolution of the Board of Directors. The chair of the Outside Directors Committee

and a majority of its members must be non-executive directors. As of July 2, 2020, the Outside Directors Committee was comprised of the five outside directors, the chairman, and the president.

■ Audit and Supervisory Board Members and the Audit and Supervisory Board

Duties of the Audit and Supervisory Board Members and the Audit and Supervisory Board

Making use of their experience and knowledge, the Audit and Supervisory Board members attend meetings of the Board of Directors and other important business meetings, acting as an independent organ. They audit the business execution duties of directors based on the active and functional delegation of authority.

By formulating the standards, policies and plans that relate to auditing activities by its members, the Audit and Supervisory Board contributes to organizationally efficient auditing of Nippon Life's management.

Composition of Audit and Supervisory Board

The Audit and Supervisory Board has a maximum of six members, all of whom are required to possess the necessary independence, expertise and knowledge of Nippon Life's operations to gather information and conduct related auditing activities. Outside members are to form a majority of the Audit and Supervisory Board, and at least two outside members must

satisfy the relevant statutory requirements for independence. As of July 2, 2020, the Audit and Supervisory Board had six members*, including four outside members who qualified as independent.

* For details of the composition of the Audit and Supervisory Board as of July 2, 2020, please see p. 92.

Appointment of Audit and Supervisory Board Members

Based on the selection criteria for candidates for appointment to the Audit and Supervisory Board as outlined below, the candidates for Audit and Supervisory Board appointments are confirmed by the Board of Directors following discussion by the

- All candidates must satisfy the eligibility criteria for Audit and Supervisory Board members as stipulated in Article 8-2 of the Insurance Business Act.
- Candidates for outside member of the Audit and Supervisory Board should possess broad knowledge and experience as a corporate manager, academic, member of the legal profession, or other expertise.
- To contribute to the management of Nippon Life, candidates for non-outside members of the Audit and Supervisory Board should have relevant extensive business knowledge and experience.

Status of Audit by the Audit and Supervisory Board Members

Audit and Supervisory Board Members Audit, Organization and Procedures

The roles of the outside Audit and Supervisory Board members and the full-time Audit and Supervisory Board members are divided as follows for conducting Audit and Supervisory Board member audits.

Audit and Supervisory Board Member	Details of the Allocation of Audit Duties
Outside Audit and Supervisory Board Members (Part-Time)	Conduct audits and investigations regarding matters including the Company's social role, management, legal affairs, laws and compliance, and accounting and financial reporting. In addition, having obtained the necessary information, express an opinion from an objective and independent standpoint and offer advice.
Audit and Supervisory Board Members	Each auditor independently conduct audits and investigations from a Company-wide role, expresses opinions and offers advice. Visit locations where staff are assigned and attend important meetings and committees to conduct efficient organizational audits.

The Company has established the Audit and Supervisory Board Members' Office as an organization to assist the audit duties of the Audit and Supervisory Board members. The Audit and Supervisory Board Members' Office is composed of 13 Audit and Supervisory Board members' assistants (As of March 31, 2020, 12 of whom are exclusively appointed). The assistants have practical experience in sectors such as retail, international, investment management, information systems, legal and compliance, and business process services. They use their individual expertise to assist the Audit and Supervisory Board members' audits.

Status of Activity of the Audit and Supervisory Board Members and the Audit and Supervisory Board

During the fiscal year ended March 31, 2020, the Company's Audit and Supervisory Board held a total of 12 meetings*.

* The attendance status of individual outside Audit and Supervisory Board members is presented on p. 93.

At the Audit and Supervisory Board meetings, the members mutually confirmed the execution status of audits based on the audit policy and audit plan formulated at the start of the fiscal year, shared audit results, and exchanged opinions. They identified important management themes, received reports and explanations directly from directors and so forth, and exchanged opinions.

The Audit and Supervisory Board engaged mainly with the following items during the fiscal year ended March 31, 2020, having identified these as key audit items for focusing on during audits.

- Stance on responding to changes in the management environment and business domains
- Stance on executing business strategies for the Group
- Creation of social value and construction and reinforcement of a sustainable business model

The Audit and Supervisory Board members' activities included attending important meetings, exchanging opinions with the directors and executive officers, interviewing the executive divisions, examining important documents, visiting frontline organizations such as branch offices, coordinating with the Internal Auditing Unit, coordinating with the Accounting Auditors, coordinating with the department responsible for internal control functions, inspecting Group companies in Japan, coordinating with Group company Audit and Supervisory Board members, and visiting overseas Group companies.

In addition, MLC reported impairment losses for the fiscal year ended March 31, 2020. In addition to the audit activities described above, the assigned director and executive officer and other employees were required to give an explanation, and the Audit and Supervisory Board members attended the meeting as part of an intensive audit.

Moreover, the Audit and Supervisory Board will also confirm the Company's response following the COVID-19 pandemic.

■ Response to Japan's Corporate Governance Code

Applicable to listed Japanese companies from June 2015, the Corporate Governance Code defines the key principles for effective corporate governance based on the aims of supporting sustainable corporate growth and increases in enterprise value over the medium and long terms. We believe that the code and its aims are consistent with the basic corporate governance policy instituted by Nippon Life, and that efforts to institute and develop our corporate governance system on an ongoing basis constitute

effective compliance with the code (taking into due consideration the special characteristics of a mutual insurance company). We have provided further disclosures of our compliance with all of the principles of the Corporate Governance Code (excluding any not deemed to be applicable to mutual companies), including the status of relevant activities, in a separate corporate governance report*.

* Please refer to the Nissay website for this report on corporate governance.

 <https://www.nissay.co.jp/kaisha/csr/governance/pdf/houkokusho.pdf>

Corporate Governance and Internal Control

Enhancing the Internal Control System

To ensure that operations are appropriate and to raise corporate value, at a Board of Directors meeting we established the Company's Internal Control System Basic Policy. Based on this

policy, we have developed an internal control system that includes the following systems:

- Management control system
- (Internal) audit system
- Rapid decision-making and business execution structure based on an executive officer system
- Internal control over financial reporting
- Information management system
- Risk management system
- Compliance system
- Antisocial activities damage prevention system
- Conflicting interests management system
- Group company management system

Internal Audit System

■ System and Policy

The Auditing Department has been created as an independent unit as an internal audit organization that works separately from operating divisions. It conducts internal audits of all business processes at Nippon Life and at Group companies. (As of April 2020, the number of employees in the Auditing Department was 115).

The Board of Directors has approved a basic policy on internal auditing, which stipulates the basic approach, structure, and contribution to effective internal management system construction through internal audits.

Based on this policy, the Auditing Department conducts audits to verify the suitability and effectiveness of internal controls, risk

management systems, and corporate management systems, among other items. The internal audit results are reported to the Management Committee, the Board of Directors, the Audit and Supervisory Board, and related committees.

In addition, the Auditing Department, the Audit and Supervisory Board members, and the Accounting Auditors periodically exchange opinions regarding the audit plans, status of execution, results, and so forth, and the Auditing Department and the Accounting Auditors maintain close coordination, such as through attendance at Audit and Supervisory Board meetings.

■ Initiatives toward Advanced Internal Auditing

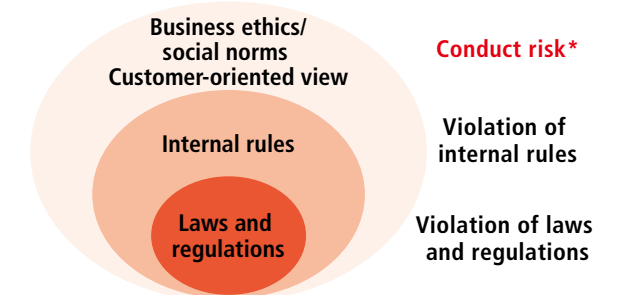
The Board of Directors has approved a medium-term auditing policy (2017–2020) for audits to contribute to realization of Medium-Term Management Plan *Zen Shin* –next stage–. Under

the policy, the board will focus on audits with a greater emphasis on risk and take steps to reinforce the audit system for Group companies.

Promoting Compliance

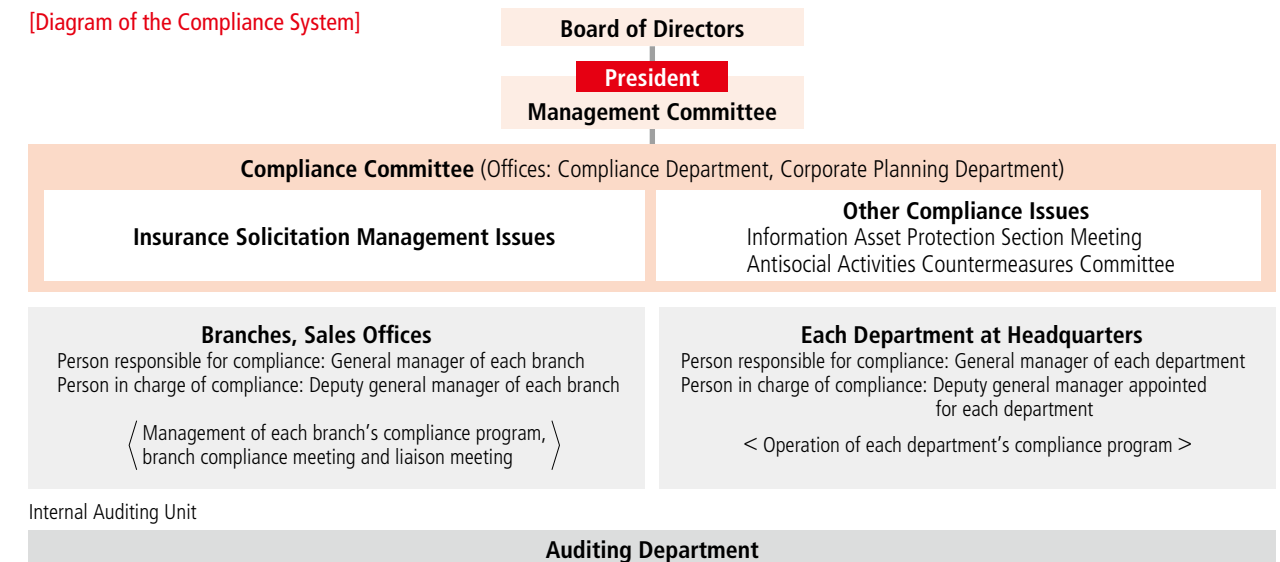
Compliance at Nippon Life goes beyond merely observing relevant laws and regulations, and extends to complying with all social norms, earning the trust of customers and society, and performing our work with sincerity. All directors and employees bear the responsibility of and strive to promote compliance throughout the Company based on the fundamental principle that compliance is a necessary condition 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 the 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 Information Asset Protection Section Meeting and the Antisocial Activities Countermeasures Committee were established as advisory bodies to investigate and implement specific countermeasures for every issue. Their duties include instituting and promoting an information asset protection system primarily for customers and conferring on measures for blocking antisocial forces, such as gangs, 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. Under this system, we have appointed individuals (compliance officers) at each branch and headquarters department to take charge of and follow up on compliance-related efforts, and any suspicious behavior is reported to the Compliance Department.

The Company formulated the Group Company Compliance Policy and carries out management and guidance to prevent illicit action and ensure compliance at Group companies by requiring them to establish autonomous compliance systems and monitoring the implementation status of these systems, among other measures. In addition, we exchange opinions with the responsible departments at Group companies and take steps to increase the level of compliance throughout the Nippon Life Group.

Corporate Governance and Internal Control

■ Formulating and Implementing the Compliance Program

In accordance with Nippon Life’s Basic Policy on Compliance and internal compliance regulations, the Board of Directors formulates compliance programs every year.

Each branch and headquarters department identifies its unique business issues, including conduct risks, and formulates its own branch or divisional compliance programs in response to

specific issues arising from its diverse operations and works to implement these programs in daily operations based on the Company-wide plan. The formulation and implementation status of these programs is routinely tracked and followed up by the Compliance Department and at the same time new issues are reflected in the programs.

■ Teaching and Entrenching Compliance Principles

Nippon Life has established a Code of Conduct that sets forth the principles and standards that all directors and employees must abide by in the course of daily business. The Code of Conduct is set out in the *Employee Handbook* so they can refer to it at any time in case they are uncertain whether the performance of their duties is in the best interest of customers, legally or socially acceptable, or infringes on human rights. We have also created a Compliance Manual that explains the Code of Conduct and the operations of each division from a compliance perspective and have thoroughly instilled their teachings in all directors and employees.

Nippon Life provides all directors and employees with training

on soliciting insurance policies and after-sales services, using compliance and business etiquette textbooks and various other training materials that reflect an industry-wide curriculum standard.

Legal and other compliance-related educational programs are provided regularly through internal satellite broadcasts (NICE-NET) for sales representatives who serve customers. Compliance quizzes regarding these programs are given to ensure that employees have understood the material.

Non-sales personnel undergo group training according to job category and receive training based upon the compliance programs of their departments in order to enhance their knowledge of compliance as it relates to their work.

■ Internal Reporting System

Nippon Life has put in place an internal reporting system and established a Compliance Consultation Office as a specialist organization. Specialists are assigned to an internal reporting hotline to receive confidential information from whistle-blowers or provide wide-ranging consultation on compliance issues. Facts are confirmed and action is taken as required to remedy situations under the direction of the Compliance Officer.

To enhance the effectiveness of the internal reporting system, the Company has documented internal rules to ensure that any whistle-blowers are not disadvantaged by their actions, and has contracted an independent law office to maintain an external reporting hotline in addition to the internal reporting hotline,

thereby establishing an environment where people can report issues with confidence. Details of the internal reporting hotline are included in the *Employee Handbook* that all executives and employees are obliged to carry. Nippon Life uses an internal satellite broadcasting system to provide education and training to all staff about the internal reporting system.

In addition, Group companies are also putting in place internal reporting systems to match those of Nippon Life. The Group has established a common hotline for internal reporting to enable Nippon Life to gather even more information about management risks at Group companies.

■ Harassment Countermeasures (Power Harassment, Sexual Harassment, and Maternity Harassment)

At Nippon Life, we see harassment as a human rights issue that constitutes an affront to personal dignity. We also treat it as a workplace environment issue that can impede workplace order and business processes. We have formulated a Code of Conduct and rules to prevent harassment and forbid all forms of

harassment. On this point, we work to help all executives and employees understand problems and countermeasures through training and publication in various forms of media, such as the *Employee Handbook* that they are obliged to carry.

■ Dealing with Antisocial Forces

Basic Rules Pertaining to Antisocial Forces

In the Code of Conduct, Nippon Life has established rules stating employees must not get involved with antisocial forces that pose a threat to social order and safety, such as organized crime. If a

person has knowingly had contact with antisocial forces, they must immediately report this contact to their superior, take a resolute stand and deal with the matter in a methodical manner.

Initiatives against Antisocial Forces

In the Company’s Internal Control System Basic Policy, Nippon Life has made a commitment to resolutely confront antisocial forces that pose a threat to social order and safety. We have also established an Antisocial Activities Countermeasures Committee to upgrade our internal system for addressing this issue. The Company promotes partnerships with external organizations, including the Life Insurance Association of Japan and the police, as well as discussions of countermeasures against

such antisocial influences and organized crime, and provides internal education.

The General Affairs Department has been positioned as the organization to deal with antisocial forces. A system of centralized control has been built to prevent damage from antisocial forces that enables employees to immediately report incidents, such as those involving undue claims, when they arise, to the General Affairs Department.

Inclusion of Provision to Reject Organized Crime in Policy Terms and Conditions

The Life Insurance Association of Japan has written the following reference provision that allows member companies to cancel an insurance policy for the purposes of preventing any relationships whatsoever with antisocial forces and preventing the flow of funds associated with antisocial forces and any related entities. A policy can be canceled if a policyholder, insured party or

beneficiary of an insurance policy is recognized as an antisocial force, as well as in certain other cases, while the policy is in force.

Nippon Life is reinforcing measures to prevent relationships with antisocial forces such as by including the association’s reference provision in its policy terms and conditions starting in April 2012.

Basic Policy Terms: Cancellation due to Serious Matters

- Nippon Life can cancel for the future an insurance policy or any attached riders if any of the following occur.
(Section omitted)
- If any of the following items applies to a policyholder, insured party or beneficiary of an insurance policy
 - Recognition as an organized crime group, member of the group (including individuals who ceased to be a member within the past five years), a secondary constituent member of or a company associated with the group, or any other antisocial force (collectively “antisocial forces” hereafter)
 - Recognition of involvement in provision of funds or any other form of assistance for antisocial forces
 - Recognition of improper use of antisocial forces
 - When the policyholder or beneficiary is a company, recognition that the company is controlled by antisocial forces or an antisocial force is effectively involved in the company’s management
 - Recognition of any other relationship with an antisocial force that should be subject to social criticism
- (Section omitted)

■ Solicitation Policy

In order to further advance our customer first policy, we established Nippon Life’s Solicitation Policy as the Company’s approach to the sale of insurance and other financial products, and publish this on our website, among other places.

■ Efforts Related to the Protection of Personal Information

Nippon Life is entrusted with the important personal information of customers. We have established and published the Personal Information Protection Policy, are working on employee training and improving our information security system, and will continue to ensure appropriate management.

Note: For information about our Solicitation Policy and Personal Information Protection Policy, please see pp. 20–21 of the Company Information section.

Corporate Governance and Internal Control

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 cyber-attacks. We recognize that the correct identification and appropriate management of risks caused by these various factors

■ Risk Management System

Risk management at Nippon Life is based on a risk management framework set forth in its Internal Control System Basic Policy. Under the risk management framework, the Risk Management Committee, an advisory body to the Management Committee, manages each type of risk appropriately according to its profile, and conducts integrated management of the overall impact of the various types of risk on operations.

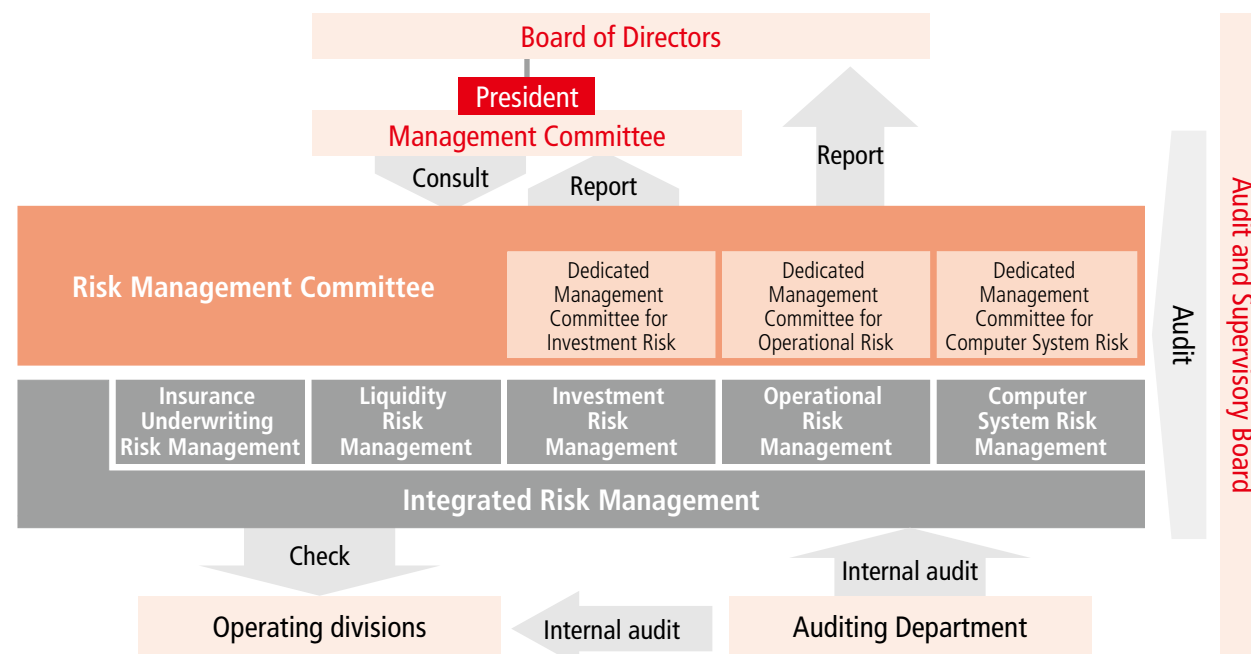
are of utmost importance and are promoting forward-looking risk management.

Based on this recognition, Nippon Life continues to develop its risk management systems, including at Group companies, and operates these systems appropriately while also working to increase their sophistication.

The status of risk management is reported to the Management Committee and the Board of Directors.

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

[Risk Management System]



■ Integrated Risk Management

We take an integrated approach to managing the various risks that affect Nippon Life. We manage each type of risk centrally across all Group divisions in a coordinated way, while using

statistical risk measurement methods to manage the overall risk at the Group level appropriately.

Implement Stress Tests

We consider the potential for risks that cannot be prepared for using statistical risk measurement methods. To compensate, we implement "stress tests" that assume such scenarios as a dramatic deterioration in the operating environment or increased payments for claims and benefits due to a major earthquake or other

disasters. We then analyze the effects of these scenarios on the financial soundness of the Company. The results of the stress tests are reported to the Risk Management Committee and are useful when considering such actions as strengthening the financial foundation.

■ Insurance Underwriting Risk Management

Insurance underwriting risk can give rise to losses when such factors as economic conditions, the incidence of insured events, investment results and operational expenses do not match the predictions made when premiums were set.

A life insurance company must fulfill its responsibility to bear the risk it assumes on behalf of customers for long periods

extending over many decades. This requires the setting of reasonable premium rates that enable the stable payment of insurance claims and an appropriate level of risk control for upholding our coverage responsibilities based on examination and assessment of the health condition of the insured at the time of insurance underwriting.

Dealing with Risks in Setting Premiums

Nippon Life sets insurance premiums after expert staff who hold qualifications as doctors or actuaries (experts who use mathematical techniques to set insurance premiums and ensure financial soundness) have analyzed reliable statistical data indicating

the frequency ratios of the incidence of insurance claims and other payments. We also conduct numerous simulations based on the set premiums to verify whether or not we will be able to meet future coverage obligations for customers.

Responding to Risk Related to Policy Selection and Benefit Settlement Assessments

When Nippon Life considers underwriting a new policy, medically qualified staff or staff with medical expertise conduct a medical examination and assessment while other expert staff perform an additional assessment from the perspective of moral risk. Depending on the results of this process, we may choose to impose special conditions, such as increased premiums, that will allow us to offer a wide variety of fairly priced insurance products

to as many customers as possible.

We are also diligent about managing risks related to paying out insurance claims and benefits. We undertake sufficient risk management, including the assessment of payments by medically qualified staff or staff with medical expertise and other measures.

Reinsurance Policies

Nippon Life reinsures as one strategy for diversifying risk. In such cases, we determine the ceded and assumed reinsurance details by means of a review conducted by the Risk Management Committee after considering the types and characteristics of risks.

Moreover, in reinsurance transactions, we evaluate the creditworthiness of each reinsurer based on rankings provided by major ranking agencies and other factors, and manage accounts so that transactions do not focus excessively on specific reinsurers.

Corporate Governance and Internal Control

■ Liquidity Risk Management

Liquidity risk consists of cash flow risk and market liquidity risk.

Cash flow risk refers to the risk of incurring losses from a worsening cash flow caused by an unexpected outflow of funds due to an event such as a major natural catastrophe, which would force the disposal of assets at extremely low prices. Nippon Life deals with cash flow risk via investment plans and daily cash flow management that together ensure that highly liquid assets

■ Investment Risk Management

Investment risk is the risk of loss arising from changes in the value of the Company's assets and liabilities. It can be categorized into market risk, credit risk and real estate investment risk. The long-term nature of life insurance policies requires a long-term approach based on liability characteristics when managing risks associated with investment.

Market Risk Management

Market risk refers to the risk of losses incurred when the market value of invested assets and liabilities declines due to such factors as fluctuations in interest rates, exchange rates or stock prices. To avoid excessive losses from financing and investment transactions, the Company manages market risk by setting and monitoring investment limits for each type of asset and holding purpose as necessary. In doing so, we strive to build a portfolio

Credit Risk Management

Credit risk refers to the risk of incurring losses when the value of assets, primarily loans and bonds, declines or is entirely eliminated due to the deterioration of the financial condition of the party to whom credit has been extended. In managing credit risk, the Company continues to build a sound portfolio through rigorous examinations of each transaction by the Credit Department, which is independent of the department handling investment and finance activities, and setting and monitoring credit ceilings to

Real Estate Investment Risk Management

Real estate investment risk refers to the risk of reduced returns caused by such factors as rent fluctuation as well as losses incurred when real estate values decline due to market deterioration and other factors. Our approach to managing real estate investment risk involves the rigorous examination of each

exceed a given threshold.

Market liquidity risk refers to the risk of incurring losses from being unable to make transactions due to market confusion or other factors or being forced to make transactions at extremely unfavorable prices. Nippon Life deals with market liquidity risks by establishing appropriate transaction limits for each type of asset in line with market conditions.

Hence, we seek to manage our portfolio efficiently based on risk-return analyses that emphasize the importance of generating investment returns over the medium and long terms. In addition, we strive to stabilize and increase our long-term earnings through attentive monitoring of our portfolio and market trends.

that gives due consideration to the diversification of risk.

To control market risk for our overall portfolio, we use statistical analysis to reasonably calculate the amount of risk and loss due to changes in the market environment. We also implement monitoring for market value-at-risk on a continuous basis to ensure it stays within appropriate bounds.

ensure that credit risk is not excessively concentrated in a particular company, group, or country.

To control credit risk for our overall portfolio, we use statistical analysis to reasonably calculate the amount of risk and loss due to worsening conditions in the financial position of credit risk counterparties. We also implement monitoring for market value-at-risk on a continuous basis to ensure it stays within appropriate bounds.

investment by the Credit Department, which is independent of the department handling the investments. We have also set up a system involving warning levels for investment returns and prices as part of our monitoring activities.

■ Operational Risk Management

Operational risk refers to the risk of customers or other external parties being adversely affected or the Group incurring losses due to any administrative error, negligence or malfeasance on the part of Nippon Life executives or employees or insurance agents contracted by Nippon Life.

To control operational risk, we are taking steps to clearly

■ Computer System Risk Management

Computer system risk refers to the risk of losses from computer system defects, faulty computer system operation and illicit use.

In managing computer system risk, we set our own safety standards for planning, development, operation and use of computer systems; conduct related compliance checks; and provide periodic instruction and guidance on appropriate usage.

To deal with the risk of computer system failure, we have developed Company-wide contingency plans to enable quick emergency response and established backup centers to prepare for area-wide disasters.

understand Company-wide risk by gathering and analyzing information on instances of operational errors. Based on this, we are formulating measures to avoid the recurrence of such instances and confirming their effectiveness. We are working to improve our administrative processes by providing administrative training and guidelines.

We have also implemented a wide variety of multi-layered security measures to deal with potential defects, faulty computer system operation, and illicit use. We have put measures in place to counter cyberattacks and related issues, and are continually working to strengthen these with multi-layered protection and detection measures, thorough education and training on information security for all executives and employees, cooperation with external expert organizations, promotion of security countermeasures at Group companies, and so forth.

Nippon Life Natural Disaster Countermeasures

We have formulated a business continuity plan (BCP) so that we can provide various types of services, etc. to customers even in the event of a major earthquake or pandemic. We also regularly work on natural disaster countermeasures, such as conducting drills on how to escort customers to evacuation areas and inspecting our stockpile of goods for use in disasters or other emergencies in preparation for an earthquake or tsunami during business hours.

In response to COVID-19, Nippon Life set up the

Disaster Response Headquarters led by the President. While we make preventing the spread of infection among all executives and employees our top priority, we are also working on continuing important tasks such as insurance payments in order to fulfill our social responsibilities and mission as a life insurer.

We continue to refine the BCP in consideration of our experiences with various natural disasters such as storm and flood damage, which have grown more severe in recent years.

Prior Initiatives by the Nippon Life Group Related to COVID-19

Customers

<Special handling of policies and exemption of interest payable on policy loans (new loans)>

- Extension of period for insurance payment
- Fast and simplified payment of insurance claims, benefits and policy loans
- Retroactive support of policy renewal procedures
- Exemption of interest payable on new policy loans (stopped handling on June 30, 2020)

<Payment of insurance claims and benefits to customers who contracted COVID-19>

- Payment of hospitalization benefits will apply even in cases where a customer receives treatment at home, a facility deemed equivalent to a hospital, etc.
- Regarding payment of deaths caused by disaster, etc. customers will be eligible for payment, such as through the accident rider with extra premium and injury rider (new), even in the event that they pass away as a direct result of COVID-19

Communities and Society

<Support for medical institutions, etc.>

- Conducted an internal blood drive at the Osaka Head Office and Tokyo Headquarters to contribute to the Japanese Red Cross Society's Blood Center
- Donated ¥100 million to medical-related institutions
- Donated 10,000 face shields to medical front lines, etc.

<Contributions through investment>

- Invested AUD 140 million (approximately JPY 10.4 billion) in a Sustainable Cities Bond issued by the Inter-American Development Bank
- Invested USD 20 million (approximately JPY 2.1 billion) in a fund managed by TPG (start of impact investment)
- Invested AUD 200 million (approximately JPY 13.1 billion) in a Social Bond issued by the International Finance Corporation

ERM

ERM Management

■ ERM

The Nippon Life Group formulates its management strategy based on Enterprise Risk Management (ERM). Under ERM, all risks associated with a company's operations are identified in a comprehensive and systematic manner in order to achieve corporate targets. These risks are managed and controlled by using an integrated and strategic

■ 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 investment risks to increase returns.

Under our basic policy on risk, we have established our medium-term risk preferences based on the environment surrounding the life insurance industry, highlighted by the historically low interest rates and medium- to long-term demographic changes. In accordance with these risk preferences, we formulate specific strategies that form our management plan.

Specifically, our core medium-term risk preferences include:

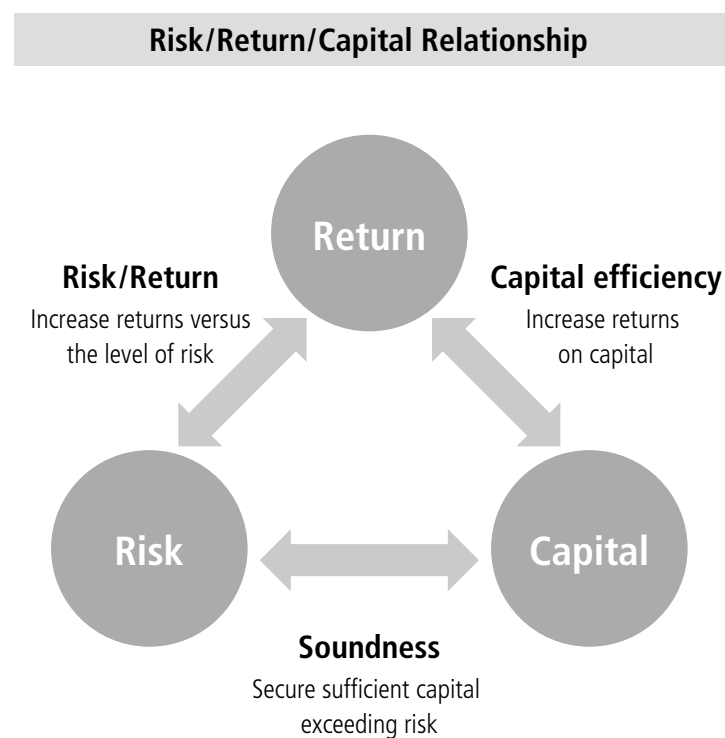
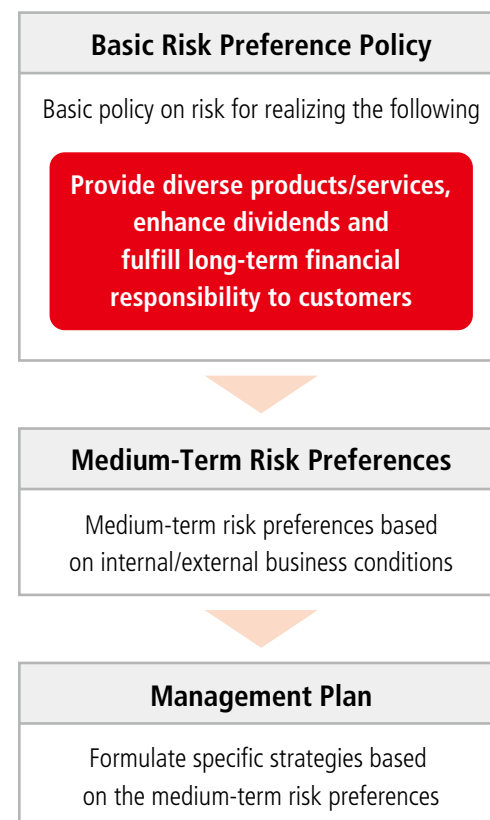
- 1) Provision of insurance products matching the diverse needs of customers and securing profitability through appropriate pricing;
- 2) Improvement in investment yield over the medium- to long-term

approach. The ultimate objectives of ERM are to consistently increase earnings over the long term and ensure financial soundness. (For more information about Integrated Risk Management, please refer to p. 69)

horizon while controlling investment risks; 3) Ensuring Group earnings through such means as business investment utilizing capital; and 4) Increasing the Group's financial soundness further by steadily accumulating capital, including external fundraising proceeds. By executing our plan based on these preferences, we aim to increase capital efficiency and ensure soundness.

With regard to capital efficiency and soundness, we take the economic value based approach into account to make comprehensive management judgements.

By promoting ERM, our goal is to facilitate the supply of a wide range of products and services and to deliver stable dividends to customers, while fulfilling our long-term coverage obligations.



Strengthening Equity

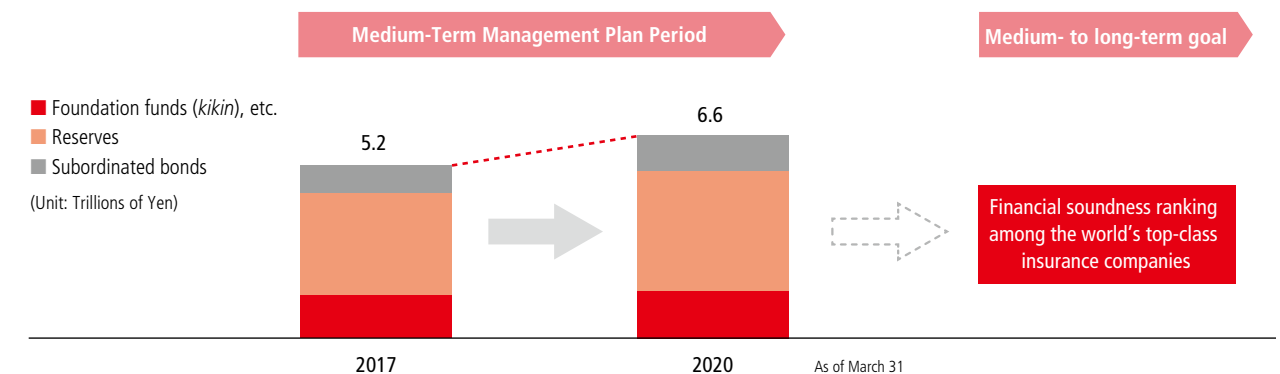
■ Steady Growth in Equity

Equity is the sum of foundation funds (*kikin*) and the reserve for redemption of foundation funds (*kikin*), which are included in net assets on the balance sheets, and the contingency reserve and reserve for price fluctuations in investments in securities plus subordinated bonds, which are included in liabilities on the balance sheets.

We have been working to enhance equity by steadily strengthening our foundation funds (*kikin*) and reserves, using annual earnings to increase reserves and issuing foundation funds (*kikin*), which are the core capital of a mutual company. In addition, we have procured funds

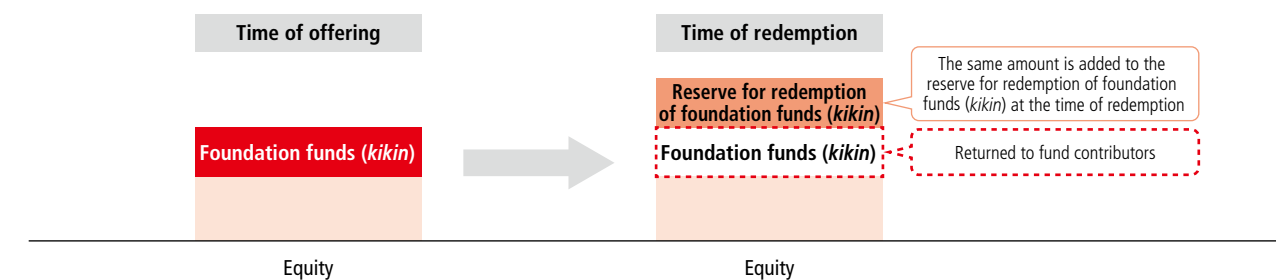
through subordinated bonds since the fiscal year ended March 31, 2013, and we have also worked on diversifying how we procure funds.

Although we have achieved our Medium-Term Management Plan target for equity of ¥6.5 trillion ahead of schedule, we plan to continue to strengthen equity while paying steady dividends to customers. This is in order to "secure a level of financial soundness that ranks among the highest of the world's top-class insurance companies," which is our medium- to long-term goal under the ERM framework.

■ 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. The funds are similar to a loan in that interest payments and redemption dates must be specified at the time of offering, but in the event of a bankruptcy or other insolvency, repayments of the principal and interest are subordinated to the interests

of ordinary debt holders, insurance payments to customers and other obligations. In addition, upon the redemption of foundation funds (*kikin*), mutual companies are required to make an addition to the reserve for redemption of foundation funds (*kikin*), which serves as retained earnings, that is equal to the amount redeemed. As a result, the full amount of foundation funds (*kikin*) remains in equity even after redemption.



■ Subordinated Bonds

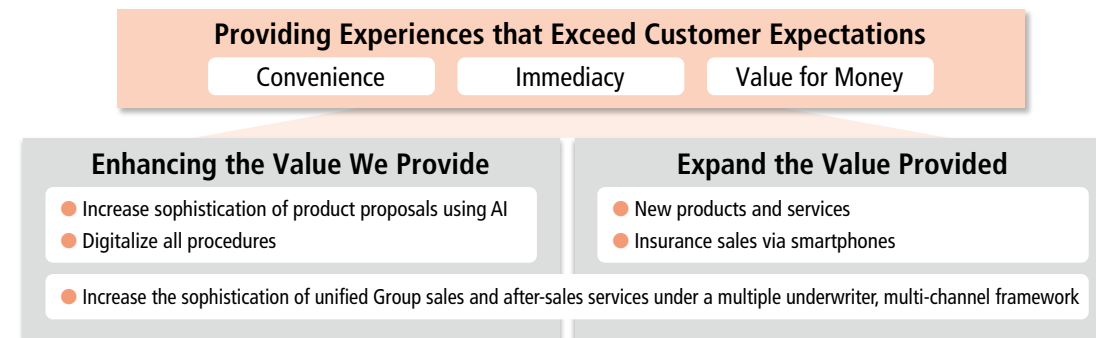
Subordinated bonds are unsecured debt whose owners can only be repaid in the event that the issuer goes bankrupt after payments to ordinary debt holders, insurance payments to customers and other obligations.

These characteristics make this type of debt similar to equity. As a result, life insurers are allowed to incorporate subordinated debt to some degree in the calculation of their solvency margins.

Advanced IT Utilization

Strategy and Basic Policy

Digital technology is being more widely used in sales methods, customer service, and products, which are increasingly valued for their higher levels of convenience, immediacy, and value for money. In this environment, to provide customers with experiences that exceed their expectations, from the fiscal year ended March 31, 2020 we have been actively promoting advanced IT utilization in accordance with the new Nippon Life Digital 5-Year Plan.



Initiatives Utilizing Advanced IT

Aiming to improve customer service and increase the sophistication of our business operations, we are working on field trials in each domain and incorporating technologies using advanced IT into our operations.

Going forward, we will continue to collect information and carry out research, and work quickly to incorporate new technology into our management.

■ Initiatives to Enhance Customer Service and Raise the Level of Customer Satisfaction

AI-Based Display of Advice Messages and Selection of Customers to Visit

We introduced a service that sends advice messages directly to customers after using AI to analyze big data including information received from customers, sales representatives' visiting activities, and their history of proposals to customers. In order to strengthen our consulting capabilities, we have also introduced a function that uses this big data to recommend the best timing and most suitable tools, and so forth, for providing information and insurance proposals depending on the customer's status.

Moreover, Nippon Life has been working to raise the sophistication of its customer response capabilities further, including its ability to respond promptly to customer inquiries. This has been achieved through the introduction of smartphones fitted with sales support functions.



■ Efforts to Make Operations More Sophisticated and Efficient

Robotic Process Automation (RPA)

RPA has achieved higher operational efficiency by streamlining approximately 190,000 work-hours per year. The use of RPA is progressing throughout the Company (at around 70 organizations as of March 31, 2020).

We will continue to step up the effective use of RPA in conjunction with advanced IT such as AI and business process improvements.

Initiatives to Drive Innovation

We are working to plan and develop unprecedented new businesses and services through such means as advanced IT utilization and the monitoring of trends in industry transformation in the insurance and financial sectors.

Promoting New Business Development

In the fiscal year ended March 31, 2019, we established the Innovation Office. This office has been leading efforts to collect relevant information and collaborate with start-up companies. It has also been planning and developing new businesses and services that could only be realized through advanced IT.

Apart from this, in April 2020, we established Nippon Life X as an open innovation* hub that will create new businesses in a way that will progressively develop the activities we have undertaken so far.

From its four global corners in Tokyo, Silicon Valley, London, and Beijing, Nippon Life X will collaborate with various operating companies outside Nippon Life, such as start-up companies. It will also flexibly and repeatedly conduct proof-of-concept trials, keeping in mind that this will be used in business. Through these activities, Nippon Life X will realize business development activities in a distinctively Nippon Life manner and that are difficult for Nippon Life to accomplish alone. We aim to become a presence supporting society in an era when many will live to be 100 years old by creating new value for customers and society.

* A system that does not rely solely on management resources or technologies within a company, but collaborates with outside companies to share technologies, expertise, and ideas to create innovative businesses and services



Research, Investment and Proof-of-Concept Trials for Overseas Case Studies

For the purpose of researching overseas case studies, exploring start-up companies and examining business collaborations, we have dispatched staff to Silicon Valley from the fiscal year ended March 31, 2017, and to London and Beijing from the fiscal year ended March 31, 2020.

In the fiscal year ended March 31, 2020, we set up a new office in Silicon Valley, in order to step up collaboration with local companies.

We are also pushing ahead with investments in venture capital and start-up companies, with a view to exploring and promoting collaboration with start-up companies in various regions.

Moreover, we are actively conducting proof-of-concept trials eyeing advanced IT utilization. For example, in Silicon Valley, we are pursuing research into the possibilities for new services and business processes, among other areas, through proof-of-concept trials with a start-up company that possesses strengths in AI for natural language analytics. Furthermore, we aim to put these research accomplishments to good use in raising the sophistication of our current insurance operations.



Silicon Valley Office

I would like to harness open innovation even further and provide new value to customers.

As Nippon Life's first staff member to be dispatched to Silicon Valley, I have carried out networking activities with innovative local companies and research into the latest technologies and insurance businesses.

Since returning to Japan in the fiscal year ended March 31, 2020, I've been working on new business development by implementing the latest techniques and processes such as design thinking and lean startup. In the process, I've sought to make the most of what I have learned in Silicon Valley.

Currently, Nippon Life X is operating an internal entrepreneurship project marking the culmination of the knowledge and experience it has gained to date. This project uncovers business ideas that Nippon Life's employees may have and realizes these ideas together with the originators in an open innovation format. I'm determined to work with a strong sense of mission so that the entire Nippon Life Group can work together to drive innovation and deliver new value.





Hidetaka Kaneko
Innovation Office,
Corporate Planning
Department

Human Resource Development

Human Value Improvement Project

The “Human Value Improvement Project” was launched in the fiscal year ended March 31, 2016. In this project, we are promoting the concept of having employees possess their own individual strengths that they should take pride in, and be robust personnel who can support the Nippon Life Group and thrive in the workplace throughout their lives.

■ Overview of the Human Value Improvement Project

Human resource development	Work style reform	Diversity promotion
Support future Group businesses with diverse, individual strengths	Increase productivity and efficiency by putting work-life management into practice	Promote opportunities for diverse personnel based on the Diversity Promotion Policy
<p>Received the Grand Prize in the Good Career Company Award 2019 (The Minister of Health, Labour and Welfare's Award)</p> <p>Nippon Life received the Grand Prize (The Minister of Health, Labour and Welfare's Award) in the Good Career Company Award 2019 carried out by the Ministry of Health, Labour and Welfare.</p> 	<p>Won First Place in the Work-Life Balance Category of “100 Best Companies Where Women Actively Take Part” in the June 2020 issue of Nikkei Woman</p> <p>Nippon Life won first place in the Work-Life Balance category of “100 Best Companies Where Women Actively Take Part” in the June 2020 issue of <i>Nikkei Woman</i>, remaining in first place for two consecutive years.</p>	<p>Received Japan's Minister of State for Special Missions Prize (Gender Equality) at the “Advanced Corporation Awards for the Promotion of Women”</p> <p>Nippon Life received Japan's Minister of State for Special Missions Prize (Gender Equality) at the “Advanced Corporation Awards for the Promotion of Women” conducted by the Cabinet Office.</p> 

Human Resource Development

■ Using Diverse, Individual Strengths to Nurture Personnel Supporting Future Business

Strengthening Initial Development

In order to develop business professionals who have a wide range of knowledge and perspectives, advanced expertise, and the ability to achieve success, we are working to raise the basic skills of employees at all levels by enhancing initial-stage development through group training and other initiatives.

Enhancing Development of Highly Specialized Personnel

By establishing a system that allows the personnel division and specialized training teams to work closely together, we will develop skills systematically and nurture professionals who will lead the Company's future business development. In addition, through training and consultations with our internal career consultants certified by the government, we help employees develop their own career vision and encourage them to acquire expertise from an early stage in their career.

<Enhancing Development of Highly Specialized Personnel — Specific Examples>

Field	Initiative Details
IT	<ul style="list-style-type: none"> Established an “IT Strategy Course” that can be taken separately for those aiming to work in IT Establishment of skills standards that define the necessary skills in each field Implement on-the-job training (OJT) and off-the-job training (OFFJT) in line with skills standards
Asset Management	<ul style="list-style-type: none"> Established an “Asset Management Course” that can be taken separately for those aiming to work in asset management Have employees do short-term overseas training assignments and otherwise increase the number of people with overseas work experience, with the aim of raising the level of global investment personnel Utilize outside schools (enrollment in schools)



Promoting Opportunities for Senior Employees

We have developed systems and training to enable committed, skilled people to continue working for Nippon Life as senior employees.

- Sales representatives can defer their retirement to age 65, and we also have a post-retirement re-employment program for employees aged 65 and above.
- Non-sales personnel can utilize our elder employee system, which has an enhanced post-retirement re-employment program, to continue working while leveraging their accumulated experience and skills. In addition, the retirement age will be extended to 65 from the fiscal year ending March 31, 2022. In anticipation of this change, we are offering training programs that enable senior employees to design their career paths.

Developing Global Human Resources

Eyeing future overseas business expansion, we are building a framework to systematically develop global human resources.

Global Leadership Program	This program offers training for those setting off to assignments at overseas subsidiaries, in combination with language training programs in Japan and abroad, with the aim of fostering Nippon Life's future leaders.	
Global Development Program	Short-term study abroad programs at overseas graduate schools are offered together with language training in Japan and abroad, with the aim of fostering Nippon Life's future leaders.	
Global Internship Program	This program offers internships at overseas subsidiaries and overseas offices, with the aim of fostering personnel with a global perspective.	
Global Challenge Program	This program provides opportunities in Japan for employees to enhance their English proficiency and supports their personal growth. Options include online English conversation classes and TOEIC preparation courses taught by outside instructors.	

“I would like to support personnel so that they can fully harness their diverse, individual strengths and succeed with a strong sense of fulfillment.”

I'm involved in the development of “personnel who can be successful throughout their lives” through the planning and operation of training seminars and educational programs for those in area operations positions. These personnel support customer service operations nationwide.

I respect each and every staff member, each of whom has different views on careers and work styles. In addition to creating and revising programs, I have conducted activities such as providing new web-based learning materials. Also, I make a point of striving to explore possibilities in all things, and to flexibly incorporate changes, in order to foster personnel who can lead robust and full lives in this new era.

I will continue working to provide support so that each and every person in area operations positions can fully harness their diverse, individual strengths and demonstrate their abilities with a strong sense of fulfillment. I will continue doing my best to carry out my duties in human resource development, which is the foundation for all of the activities of the Nippon Life Group, with responsibility and pride.



Yoshiko Fujii
Human Resource
Development Dept.

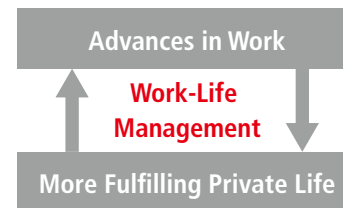
Human Resource Development

Work Style Reform

■ Work Style Reform to Support Diverse Working Styles and Energize Employees at All Levels

Increase Productivity and Efficiency by Putting Work-Life Management into Practice

Looking beyond simply creating harmony and balance between work and private life, we seek to manage both by creating positive feedback cycles, in which people pursue working styles that allow them to be more productive and efficient at work. This enables them to use the private time gained through these practices to further their personal growth, which can then be used to help them work even more productively.



Advances in Work

Targets for Raising Operating Efficiency and Enhancing Productivity	Under the target management system, we have established targets for raising operating efficiency and enhancing productivity. Each individual will take specific actions to achieve the targets and realize high productivity.
Personal Development Day	The monthly "Personal Development Day" encourages employees to take a day off or leave work early to make time for personal growth.

More Fulfilling Private Life

Nissay After-School	Nippon Life offers programs that help employees to develop skills by making effective use of time outside of work. The program aims to increase awareness about self-development, broadening one's horizons, and to support all employees actively working on those fronts. In addition, we started Nissay After-School Online, which allows employees to view online training videos on various topics on their personal PCs, smartphones or other devices.
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Nippon Life's Version of "IkuBoss"

From the fiscal year ending March 31, 2021, we have been working to strengthen engagement by deepening activities to enhance work satisfaction in addition to making it easier for employees to work, with an emphasis on work-life management. By supporting each individual's efforts to enhance their productivity further, we are working to create workplaces where everyone can work positively and energetically.

Supervisors who will take primary responsibility for these efforts will be nurtured and supported as Nippon Life's version of "Ikubosses" (bosses who understand and encourage the diversity of lifestyles, employees and ideas) through level-specific training ("Ikuboss seminars") and other programs.

Initiatives for Work Style Reforms

We formulated the Work Style Reform Action Plan and established indicators (KPI) to measure how well the reforms are taking hold. Going forward, we will continue to promote efforts based on this action plan, and will further accelerate work style reform.

Nippon Life's KPI for the Work Style Reform Action Plan

1) Correct long working hours	By the fiscal year ending March 31, 2021 → 20% reduction in monthly average overtime work compared to the fiscal year ended March 31, 2017
2) Encourage taking annual leave	By the fiscal year ending March 31, 2021 → 70% of vacation days taken (at least 14 days per year on average)
3) Promote flexible working styles	100% of male employees taking paternity leave and continuation of actions by all employees to address the issue of nursing care

Promotion of Diversity

Under the Diversity Promotion Policy*, we are taking steps towards "promoting participation of diverse personnel" and "cultivating a culture of accepting diverse personnel" (promotion of diversity and inclusion) as management strategies.

* For details on the Diversity Promotion Policy, please see the Nissay website.

<https://www.nissay.co.jp/kaisha/csr/jugyoin/index.html#diversity-policy>

■ Promoting Opportunities for Women

We provide a wide range of support to women so that they can design and realize their careers with a medium- to long-term vision.

As an initiative to support people in balancing work with life events, we disseminate information about issues occurring in pre-maternity leave, during maternity and childcare leave, and upon returning to the workplace. We also hold events such as seminars on diversity management for managers.

Nippon Life has set new targets for the appointment and development of women in management positions. We aim to raise the ratio of management positions filled by women to 30% in the 2020s, and to increase the ratio of women in positions equivalent to department manager to around 10%* by the start of the fiscal year ending March 31, 2031. We will take steps to encourage even greater participation of women in management.

* The ratio of women in positions equivalent to department manager stood at 6.1% as of the beginning of the fiscal year ending March 31, 2021 (19 people).



Mentoring by executives



Seminar for preparing employees to return to work from maternity leave (online)

■ Support for Balancing Work with Life Commitments

When employees need to attend to childcare, nursing care, or their own hospital treatment and so forth, we aim to support them in balancing their work and life commitments. To this end, we promote awareness and work to create mutual acceptance of one another at workplaces.

With respect to nursing care, since the fiscal year ended March 31, 2017 we started "nursing care participation" for all employees, working to increase everyone's knowledge about nursing care through morning meetings, seminars, and other means. At the same time, we hold workplace meetings and other initiatives that include not only those involved in balancing work and life commitments, but the entire workplace.



Nursing care seminar

■ Supporting Opportunities for People with Disabilities

We are extending the fields of opportunity for people with disabilities to participate, including through special subsidiary NISSAY NEW CREATION CO., LTD. We also encourage people to watch sports events for those with disabilities and participate in seminars with a view to fostering a deeper understanding of disabilities.



Seminar on understanding disabilities

■ Initiatives Related to LGBT

Nippon Life is promoting initiatives aimed at becoming an LGBT-friendly company. These include dealing with customers as well as promoting understanding through participation in internal and external seminars and events. Moreover, we began treating same-sex partners as spouses for some of the purposes of benefit systems.

In the fiscal year ended March 31, 2020 Nippon Life was awarded a gold ranking again on the PRIDE Index* operated by work with Pride.

* PRIDE Index: An index that evaluates initiatives related to LGBT, operated by the private organization work with Pride



Rainbow parade

Human Resource Development

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 positioned health promotion measures for executives and employees, as well as work-life management, as part of Kenko-Keiei®, and are implementing Kenko-Keiei® activities.

* Kenko-Keiei® is a registered trademark of the Workshop for the Management of Health on Company and Employee.

Health and productivity management	Improving health promotion initiatives for executives and employees
	Practice work-life management
Promote health improvement of customers and society	Contribution through products and services
	Health initiatives with deep connections to the community

■ Health and Productivity Management Vision

Nippon Life has formulated its Health and Productivity Management Vision, which presents its basic stance on health and productivity management, and is implementing activities based on this vision.

1. Advance the health literacy of individual directors and employees

The Company will actively support initiatives to help individual directors and employees have high health literacy and maintain and promote their own health.

2. Development of the Company through creation of healthy, comfortable workplace environments

Through the implementation of work-life management, such as work style reforms, the Company will create environments that enable individual employees to realize their full potential. We aim to see further growth of the Company through health promotion and self-actualization by employees and directors.

3. Contribute to the community and society by extending healthy lifespans

Through health and productivity management initiatives, the Company will strive to develop human resources who are able to remain in good health and work actively over the long term, thereby contributing to communities and society at large.

The Company will collaborate and cooperate with Group companies regarding promoting initiatives on health and productivity management.

■ Health and Productivity Management Initiatives

Working toward a Target for Everyone at Nippon Life

As its target for everyone at Nippon Life, the Company is working to have all directors and employees implement individually suited health activities. We are working to achieve this target mainly through the following initiatives.

● Provide opportunities for exercise to improve lifestyle habits

— Hold walking events and other activities that people can implement with their co-workers, in order to instill good exercise habits

● Promote non-smoking out of consideration for personal health risks as well as impact on others

— Implement a full non-smoking policy at all Company sites

— Offer non-smoking education through video training materials that take into account passive smoking, customer etiquette and other considerations

● Initiatives for health literacy

— Issue Health and Productivity Management Reports intended to instill principles and activities related to the Company's health and productivity management

Initiatives for Improving the Workplace Environment

Based on the results of stress checks, we offer feedback guidance to managers.

External Evaluation

Nippon Life has been recognized for four consecutive years by the 2020 Certified Health and Productivity Management Outstanding Organization Recognition Program (“White 500” organization in the Large Enterprise Category). This program is jointly run by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi.



Investors and Investor Relations (IR)

■ Domestic IR

Initiatives for Domestic Investors

Nippon Life has organized twice-yearly earnings and business strategy IR briefings for domestic institutional investors and analysts to provide IR updates on investment policies, performance, and the status of company operations.

These IR briefings are aimed at providing a better understanding of Nippon Life's business strategy, finances and operating results in the interests of greater transparency. Going forward, we aim to earn the continued trust of institutional investors.

Attendance at Nippon Life Earnings and Business Strategy IR Briefings

Briefings	Date	Number in attendance
Fiscal Year Ended March 31, 2020 1H Briefing	December 2, 2019	96
Fiscal Year Ended March 31, 2020 Briefing	June 11, 2020	127

Note: The earnings and business strategy IR briefing for the fiscal year ended March 31, 2020 was held via videoconference on June 11, 2020.



Selected from earnings and business strategy IR briefing materials from June 11, 2020

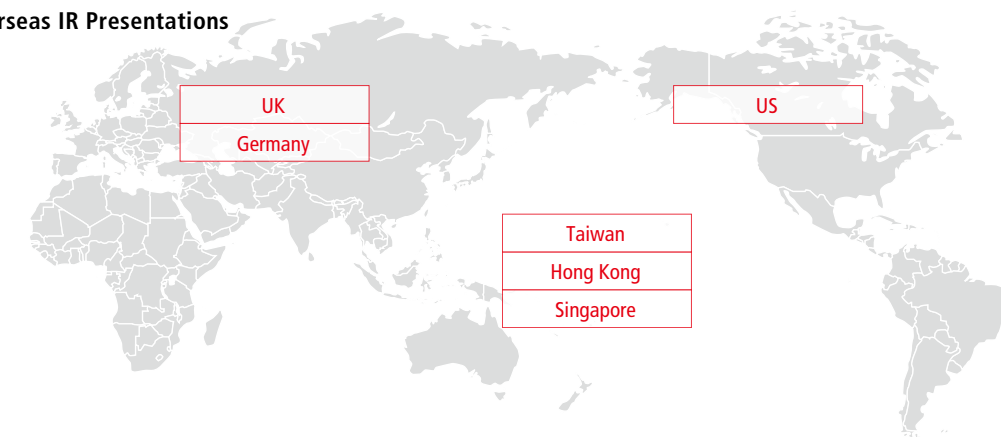
■ Overseas IR

Initiatives for Overseas Investors

Since our inaugural issuance of subordinated notes in the fiscal year ended March 31, 2013, we have conducted an annual IR roadshow to engage in dialogue with investors in the US, Europe and Asia, irrespective of the status of Nippon Life's overseas bond issuance.

These IR presentations are targeted not only at existing investors, but also at other potential investors. By providing regular updates on results and business strategies, we hope to build relationships with a broader investor base.

Main Overseas IR Presentations



Contribution to Communities, Society and the Environment

Initiatives for the Development of Communities and Society

Under a corporate philosophy of “co-existence, co-prosperity and mutualism,” Nippon Life is working to realize a sustainable society by undertaking various social contribution activities together with Group companies and foundations.

■ Initiatives with Deep Connections to Communities and Society

Partnering with Local Governments

Nippon Life is promoting initiatives to contribute to local communities through public-private sector partnerships. These include comprehensive partnership agreements with prefectural governments and individual partnerships with municipal governments.

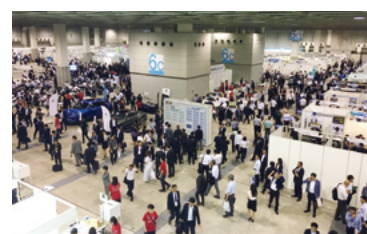
After concluding the agreements, we work on detailed initiatives. For example, as a part of regional economic revitalization, we held a large business matching and forum event in the Kansai region in September 2019 (venue: INTEX Osaka).

With the cooperation of 13 supporting organizations and 379

companies with booths, this event became one of the largest events ever held by Nippon Life in its history. In the fiscal year ended March 31, 2020, we established the Regional Revitalization Support Office and redoubled our efforts to contribute to communities and society in collaboration with local governments. Nippon Life and its Group companies will continue to contribute to energizing local communities in a wide range of fields, such as the supply of products and services, improved health, support for child-raising and healthy development of children and young people.



Right: Shingo Mimura, Governor of Aomori Prefecture
Left: Masaru Nakamura, Director and Executive Vice President, Nippon Life



NISSAY Business Matching & Forum
— So (Create)!! 2019 in Kansai —

Comprehensive
partnership agreements
concluded with
31 prefectures
As of July 2020

Action CSR-V: Social Contributions by 70,000 People

Nippon Life has proactively engaged in a variety of social contribution activities since its founding with the hope of realizing a sustainable society.

The significance of these activities is shared by executives and employees alike, and we have recently launched the “Action CSR-V: Social Contributions by 70,000 People” campaign in which all of our approximately 70,000 executives and employees carry out social contribution activities. We hope that by further accelerating efforts to develop human resources capable of helping customers, communities and society, we will make Nippon Life the most familiar and approachable life insurance company.

100% participation
rate among all
executive officers and
employees for the
fifth consecutive year



Community cleanup activities (Saga Branch)

■ Contributions to the Healthy Development of Children and Young People

Visiting Lessons and In-House Lessons for Students at Junior and Senior High Schools

Nippon Life seeks to support children in thinking about their own future and to develop the power to create lifestyles for themselves. To this end, our employees become teachers in either “visiting lessons” or “in-house lessons” on themes such as life design, managing a household budget, mutual support and more.

In 9 years,
685 schools,
67,947
participants



Visiting lesson (Kochi Branch)

Nissay Group Summer Vacation Independent Research Project Festival

Nissay Asset Management / Nissay Information Technology / NLI Research Institute / NISSAY NEW CREATION / Nippon Life Saiseikai Foundation / Nissay Seirei Health & Welfare Foundation / Nissay Green Foundation

With the cooperation of our Group companies and foundations, we held the Nissay Group Summer Vacation Independent Research Project Festival, as a forum for elementary school students to get tips on their summer vacation research. The event was held in the three cities of Tokyo, Osaka, and Kanagawa.

In the fiscal year ended March 31, 2020, the event was held for the fourth consecutive year. The 461 parents and children who participated engaged in experiences related to insurance, nursing care, the environment, IT, and other themes at various special booths provided by the Group companies and foundations, which displayed their respective unique business characteristics.



Learn about nursing care at the Nissay Group Summer Vacation Independent Research Project Festival (Nissay Seirei Health & Welfare Foundation)

In 4 years,
1,682
participants



Nissay Masterpiece Series Classic Concert with Story
“Aladdin and the Magic Violin” (Photo: Chikashi Saegusa)

In 56 years, about
7.95 million
children were invited
to Masterpiece
Theatre and
Masterpiece
Series shows

Initiative to Foster and Enrich Taste for the Arts through Theatre

Nissay Culture Foundation

Through the “Nissay Masterpiece Theatre”, which started in 1964, sixth grader children have been invited to watch musicals at the theatre, hoping to foster in them good taste for the arts.

Today, the Nissay Theatre presents theatre pieces spanning various genres, mainly in the “Nissay Masterpiece Series”. In addition, the “Nissay Theatre Family Festival” provides families with the opportunity to experience real performing arts.

Grant for the Healthy Development of Children and Young People (Goods Grant)

Nippon Life Foundation

Since its inception in 1979, the Nippon Life Foundation has been supporting groups across Japan that are engaged in the healthy development of children and young people, by donating goods needed by their activities through grants. In the past 41 years, it has provided grants valued at over ¥120 million in each of all 47 prefectures in Japan.

In 41 years, grants
valued at approx.
¥8.4 billion
were provided to
13,400 groups



The Center for Outdoor Recreation and Education
in Yamanashi (Yamanashi Prefecture)
Goods donated through grant: camping tents

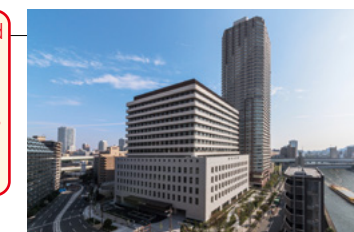
■ Contributions to the Fields of Medicine and Aging

Nippon Life Hospital

Nippon Life Saiseikai Foundation

Nippon Life Hospital had a new start in April 2018 after being relocated and reopened. To practice the basic philosophy of *saisei rimin* (“help people by saving lives and providing relief”), the hospital has been providing regional comprehensive medical care combining “prevention, treatment, and home nursing care” through the Preventive Medicine Center, which conducts health check services, and the Visiting Nurse Station, which provides in-home nursing care services.

Number of hospitalized
patients **Approx.**
110,000 per year
Number of outpatients
Approx.
240,000 per year



External view of Nippon Life Hospital

Nissay Eden-no-Sono

Nissay Seirei Health & Welfare Foundation

Nissay Eden-no-Sono are comprehensive health and welfare facilities (opened in 1992 in Nara and 1997 in Matsudo) for senior citizens that include such provisions as retirement homes (fee-based), illness prevention centers, and general welfare centers. Both facilities aim to promote the health and vitality of local senior citizens, and to help create communities where they can live in security.



External view of Nara Nissay Eden-no-Sono
(Fee-based retirement home)

Recognized by the Ministry
of Health, Labour and
Welfare for
“Promoting health
and longevity in
21st century
hometowns”

Contribution to Communities, Society and the Environment

Initiatives for the Global Environment

We are advancing environmental protection initiatives in three main areas, specifically initiatives for “climate change,” “marine plastics,” and “biodiversity.” Through these initiatives,

we aim to pass on our irreplaceable global environment to the next generation.

<<Initiatives for Climate Change>>

Climate change is truly an urgent priority, with global warming driving a rise in the frequency of natural disasters. We will make even greater efforts than before to uphold our responsibility to

society as a corporation, taking into consideration the Paris Agreement adopted in 2015.

■ Response to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Nippon Life declared its agreement with the recommendations of the TCFD, which was established by the Financial Stability Board in December 2018. The TCFD recommendations call for corporations to autonomously monitor and disclose the financial impacts of risk and opportunities created by climate change.



Governance

Based on the Environmental Charter that it formulated in 2001, Nippon Life recognizes that preserving the global environment is the top priority for all people and companies. We strive to consider the environment in our business activities in every field. In 2017, we formulated our “Policy on ESG Investment and Financing,” which is aimed at contributing to the formation of a sustainable society, including responses to climate change, through asset management.

The Sustainability Management Promotion Committee, which is an advisory body to the Management Committee, has identified “Initiatives for climate change” as an important sustainability priority, and has been carrying out PDCA cycles of initiatives to reduce environmental impact. At the end of every fiscal year, the Sustainability Management Promotion Committee reports its initiatives to the Management Committee and the Board of Directors.

Strategy

Nippon Life recognizes the risks and opportunities of climate change as follows:

Life insurance business	<p>Given that life insurance policies have long-term coverage periods, Nippon Life recognizes as a physical risk the impact that higher average temperatures and extreme weather will have on people’s health over the medium and long terms.</p> <p>At present, we have commenced scenario analysis to evaluate these impacts. We are investigating and researching the impact of an assumed increase of 2°C and 4°C in average temperatures on hospitalization and mortality rates.</p>
Asset management	<p>Nippon Life undertakes medium- and long-term investment and finance to match the duration of its insurance policies. We recognize that climate change presents the risk of physical damage to investment and finance assets and the risk of impairment in the value of investment and finance assets associated with the transition to a low carbon society.</p> <p>On the other hand, we believe that green finance in companies, technologies, and projects that contribute to a low-carbon society will lead to an increase in investment and finance opportunities. For the Medium-Term Management Plan period from fiscal 2017 to fiscal 2020, we have set a quantitative target for ESG-themed investments and finance of ¥700 billion and are actively working to achieve this target.</p> <div> <div> <p><Example of investment and finance in the environmental field></p> <p>In February 2020, Nippon Life signed a syndicated loan agreement for an offshore wind farm project in Akita Prefecture. This project is Japan’s first commercial offshore wind farm project and will support the expanded use of renewable energy in Japan.</p> </div> <div>  <p>© 2020 Akita Offshore Wind Corporation. All Rights Reserved. Rendering of completed offshore wind farm</p> </div> </div>

Nippon Life will also support positive initiatives by investee companies by conducting dialogue related to climate change. Through these efforts, Nippon Life will strive to improve the corporate value of investee companies and reduce the climate change risk of its investment and finance portfolio.

<Conduct dialogue related to climate change>

Nippon Life is conducting dialogue focused on the specific theme of the environment with business sectors responsible for large amounts of CO₂ emissions. We are carrying out interviews about the status of their activities. We are also encouraging investee companies to provide disclosure of information in line with management policies and other matters at each individual company, and to establish key performance indicators (KPI). (For details on dialogue activities, please see p. 49.)


Risk Management

Nippon Life recognizes that climate change presents risks that could impact the life insurance business and asset management. Accordingly, Nippon Life is conducting risk management through the following activities:

Life insurance business	Nippon Life is investigating and researching the impact on insurance claim payments of changes in the frequency and scale of natural disasters, and the medium- to long-term impact on hospitalization, mortality rates and other parameters due to higher average temperatures.
Asset management	<p>Nippon Life has formulated a “Policy on ESG Investment and Financing.” It has also embraced a policy not to engage in new investment and financing, in principle, in coal-fired power generation projects, which have a large impact on climate change. In 2019, we adopted the Equator Principles, which are international guidelines for reflecting environmental and social considerations in project financing.</p> <p>Moreover, we are working to lay the groundwork for performing an impact analysis of our investment and finance portfolio, among other priorities.</p>

Indicators and Targets

In order to help solve climate change issues, we have established the following CO₂ emissions reduction targets for Nippon Life (nonconsolidated):

<p>Fiscal year ending March 31, 2031: 40% reduction</p> <p>Fiscal year ending March 31, 2051: 80% reduction (Base year: fiscal year ended March 31, 2014)</p> <p>Note: For our CO₂ emissions track record, please see the Nissay website.</p> <p> https://www.nissay.co.jp/kaisha/csr/kankyo/</p>

Additionally, in asset management, we have carried out ESG-themed investments and finance of approximately ¥490 billion in the environmental field in the three-year period up to the fiscal year ended March 31, 2020.

Contribution to Communities, Society and the Environment

■ Initiatives to Reduce CO₂ Emissions

Nippon Life aims to reduce CO₂ emissions from its business activities through various initiatives eyeing the solution of climate change issues.

Initiatives to Conserve Energy at Sales Offices

In July 2018, the newly built Yuki Sales Office of the Nippon Life Oyama Branch became the first Nippon Life sales office to obtain the ZEB Ready*¹ certification, the highest BELS*² ranking.

Nippon Life owns approximately 1,500 sales offices throughout Japan. When constructing new sales offices due to the aging of buildings and other factors, Nippon Life plans to construct all new sales offices to ZEB Ready standards, in principle, with the aim of continuing to reduce its environmental impact further. (Construction of 23 sites had been completed as of March 31, 2020.)

*¹ ZEB stands for Net-Zero Energy Building. ZEB Ready refers to one of the grades that can be assigned during BELS evaluations. The ZEB Ready grade is assigned to buildings deemed to have an energy-efficiency performance at least 50% higher than ordinary buildings, mainly due to high thermal insulation, solar shading, and high-efficiency equipment, in tandem with maintaining a comfortable indoor environment.

*² BELS stands for Building-Housing Energy-Efficiency Labelling System. Based on the guidelines on energy-efficiency performance labelling for buildings stipulated by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), third-party institutions objectively evaluate the energy-efficiency performance of buildings according to a labelling scheme based on five levels.



External view of the Yuki Sales Office of the Oyama Branch

Introducing Various Facilities to Nippon Life-Owned Buildings

Nippon Life is working to conserve energy and reduce CO₂ emissions in Company-owned buildings. We aim to reduce our environmental impact through various measures. In newly constructed buildings, we have adopted LED lights and introduced highly energy-efficient facilities. In addition, we have introduced renewable energy at certain buildings such as our Osaka Head Office and Tokyo Headquarters through the installation of solar panels.



Rooftop solar panels at the Osaka Head Office (East Building)

Providing Policy Clause—Bylaws/Terms and Conditions Materials on the Nissay Website

From October 2, 2019, Nippon Life has been providing Policy Clause—Bylaws/Terms and Conditions materials on the Nissay website, in principle. This policy has reduced the number of pages in booklets given to customers when they submit applications for insurance to 20% of the previous number of pages (an 80% reduction), helping to mitigate our impact on the environment further.



New booklet (cover)

Energy- and Resource-Saving Initiatives at Offices

Nippon Life has implemented measures to save electricity, such as adjusting lighting, switching lights off during the day, and adjusting the air conditioning levels. We also take proactive steps to thoroughly separate waste, promote green procurement and provide environmental education to employees. Furthermore, we set up a recycling system whereby used paper is taken from our Osaka Head Office and Tokyo Headquarters and transported to paper mills.



Recycling station (Marunouchi Building)

Apart from those initiatives, we will test, study and promote initiatives to reduce CO₂ emissions from many different angles, such as company vehicles, logistics, and work styles. Through these efforts, we will work to achieve our target of reducing the amount of CO₂ emissions by 40% in 2030 compared with the fiscal year ended March 31, 2014.

«Initiatives for Marine Plastics»

Plastic waste flowing into the world's oceans has become a global problem. In this environment, Nippon Life has been promoting initiatives to reduce marine plastic waste.

■ Endorsement of “the Plastic Smart Campaign” of the Ministry of the Environment

Nippon Life endorses the Plastic Smart Campaign undertaken by the Ministry of the Environment.

Nippon Life is producing eco-friendly reusable shopping bags featuring the Plastic Smart logo for employees in an effort to foster an awareness of the importance of reducing plastic shopping bags.



■ Participation in “Zero Marine Waste Week”

Nippon Life participates in Zero Marine Waste Week, a joint project of the Ministry of the Environment and the Japan Foundation. As part of this project, Nippon Life has conducted cleanup activities throughout Japan.

«Initiatives for Biodiversity»

The blessings of the natural world serve an essential bedrock for the survival of society as a whole. For this reason, Nippon Life strives to protect nature and preserve biodiversity through a variety of social contribution activities.

■ Planting Forests for Future Generations

Nissay Green Foundation

Friends of Nissay Forests Association has been working with the Nissay Green Foundation to support the planting of forests since 1992 in order to help preserve our irreplaceable environment for future generations. More than 1.36 million trees have been planted since this program started, with the Nissay Forests Association now stretching across 200 sites in 46 prefectures (as of July 2020).

Nippon Life employees also participate along with local volunteers in Nissay Forests Association's tree-planting and nurturing activities, including the clearing of vines and cutting back of undergrowth. These activities have also heightened the environmental awareness of employees.



Activities to foster tree growth at “Nissay Kamo Forest” (Hiroshima Prefecture)

Environmental Contributions of the Nissay Forests Association Assessed (Fiscal Year Ended March 31, 2020)

The Forestry Agency assessed the contribution of the Nissay Forests Association as follows:

- Absorbed and balanced CO₂ emissions of approx. 5,247 people
- Prevented erosion of enough soil to fill approximately 1,001 10-ton dump trucks
- Stored and purified annual drinking water for approximately 216,542 people
- Total economic value of approximately ¥98,785 thousand

■ Biodiversity Preservation Activities Across Japan

Nippon Life's employees are taking part in biodiversity preservation activities closely tied to communities across Japan.



Removing non-native plant species from Shunkuni-tai, a wetland site registered under the Ramsar Convention (Doto Branch)



Participation in “the Lake Kojima Catchment Cleanup Campaign” in Okayama Prefecture (Kurashiki Branch)

Contribution to Communities, Society and the Environment

Initiatives for the Olympic and Paralympic Games Tokyo 2020

As a gold partner (life insurance category) of the Olympic and Paralympic Games Tokyo 2020, Nippon Life seeks to share the importance and fun involved in supporting the development of athletes. We are promoting a variety of initiatives throughout Japan under the slogan, "Play, Support."



<<Nippon Life Insurance Country-wide Caravan for All 2020>>

The caravan is a joint project of Nippon Life and the Tokyo Organising Committee of the Olympic and Paralympic Games, designed to publicize the Olympic and Paralympic movement throughout Japan.

The caravan offers Olympic and Paralympic experiences for people in a wide range of age groups. It features a booth where

visitors can try a race against track and field athlete Yoshihide Kiryu and a booth for experiencing wheelchair basketball.

The caravan started traveling around all 47 prefectures of Japan in September 2018, and as of March 2020 has had some 283,000 visitors at 46 venues.



Tokyo 2020 mascots



Challenge & Fun!
Wheelchair basketball!



Commemorative photo
with Olympic Relay Torch

<<Initiatives for the Invigoration of Communities and Society>>

Nippon Life is undertaking various initiatives nationwide to support the sound development and better health of children and young people. Approximately 57,000 people have participated over the 16 years since the start of these initiatives (as of March 31, 2020).

- Sprinting workshop with track and field athlete Yoshihide Kiryu
- Table tennis workshop by Nippon Life's women's table tennis club
- Baseball workshop by Nippon Life's baseball club
- "Beauty Karate Exercise" incorporating karate movements



Sprinting workshop led by Yoshihide Kiryu



Table tennis workshop



"Beauty Karate Exercise"

<<Initiatives to Promote Paralympic Sports>>

Nippon Life is engaged in the following initiatives for increasing recognition and widening the fan base for the Paralympic Games.

■ Widening the Circle of Spectators and Supporters

Nippon Life Directors and Employees Watch and Support Games

Nippon Life is encouraging people to watch and support Paralympic sports, especially wheelchair basketball. Approximately 20,000 Nippon Life directors and employees have attended games as spectators and supporters over the 5 years since the start of these initiatives (as of March 31, 2020).

Widening the Circle of Support for Local Customers

In the local areas hosting supported tournaments, Nippon Life strives to inform its customers about the tournaments through face-to-face activities by its employees.

■ Wheelchair Basketball Experience Events Held Nationwide

To provide more opportunities for as many people as possible to experience the excitement of wheelchair basketball, we provide wheelchair basketball experience events at game venues and in lessons for elementary and junior high school students.



Watching and supporting wheelchair basketball



Wheelchair basketball experience event

Initiatives as a Tokyo 2020 Olympic Torch Relay Presenting Partner

Nippon Life and the Tokyo Organising Committee of the Olympic and Paralympic Games have concluded a Tokyo 2020 Olympic Torch Relay Presenting Partnership Agreement, the highest level of the Tokyo 2020 Olympic Torch Relay Sponsorship Program. This right has been granted to just four of the Tokyo 2020 Games sponsors, and Nippon Life is the first domestic life insurance company to receive it.

From June to the end of August 2019, we held a campaign to call for Tokyo 2020 Olympic torchbearers, as well as events that give people the chance to actually touch the Tokyo 2020 Olympic Torch across Japan. Looking ahead, Nippon Life will contribute to the success of the main Olympic and Paralympic Games by stimulating interest in the Olympic Torch Relay among as many people as possible and publicizing the Olympic and Paralympic movement throughout Japan.



Right: President Yoshiro Mori of the Tokyo Organising Committee of the Olympic and Paralympic Games
Left: Official Ambassador Tadahiro Nomura (Olympian) for the Olympic Torch Relay
Center: President Hiroshi Shimizu of Nippon Life Insurance Company



Nippon Life's press conference for a campaign calling for Tokyo 2020 Olympic torchbearers



Arrival ceremony for the Tokyo 2020 Olympic flame

Corporate Officers (As of July 2, 2020)

■ 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)

**Yosuke Matsunaga****Director and Senior Managing Executive Officer**

Supervises: Investment Management Sector
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., Finance & Investment Planning Dept.
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 (present)

**Yuji Mikasa****Director and Senior Managing Executive Officer**

Responsible for: IT Planning Dept., IT Promotion Dept., Customer Service Headquarters (Service Planning Dept., Service Operations and Training Dept., Customer Service Dept.)
Position: General Manager of Customer Service Headquarters
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 (present)

**Takeshi Furuichi****Vice Chairman**

In charge of: Osaka Head Office
Responsible for: Auditing Dept.
Aug. 21, 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. 2012 Director and Executive Vice President
Jul. 2016 Vice Chairman (present)

**Masaru Nakamura****Director and Executive Vice President**

In charge of: Agency Marketing Headquarters
Responsible for: Metropolitan Area Headquarters, Tokai Regional Headquarters, Kinki Regional Headquarters, Sales Representatives Training Dept., Sales Representatives Operations Management Dept., General Insurance Planning & Operation Dept., Service Network Development Dept., Corporate & Worksite Marketing Dept.
Position: Senior Manager of Regional Branch Administration, General Manager of Business School for Sales Managers, General Manager of General Insurance Planning & Operation
Oct. 4, 1960 Born
Apr. 1984 Joined Nippon Life Insurance Company
Mar. 2011 Executive Officer
Mar. 2015 Managing Executive Officer
Jul. 2015 Director and Managing Executive Officer
Mar. 2018 Director and Senior Managing Executive Officer
Mar. 2019 Director and Executive Vice President (present)

**Yutaka Ideguchi****Director and Senior Managing Executive Officer**

Responsible for: Global Insurance Business Dept., Global Asset Management Business Dept., Global Representative Office, Global Business Planning Dept.
Sep. 4, 1963 Born
Apr. 1986 Joined Nippon Life Insurance Company
Mar. 2013 Executive Officer
Mar. 2017 Managing Executive Officer
Jul. 2018 Director and Managing Executive Officer
Mar. 2020 Director and Senior Managing Executive Officer (present)

**Nobuto Fujimoto****Director and Managing Executive Officer**

Responsible for: Secretarial Dept., Affiliated Business Dept., Human Resource Planning Dept., Human Resource Development Dept., Personnel Dept., General Affairs 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 (present)

**Tomiji Akabayashi****Director and Executive Vice President**

In charge of: Financial Institution Relations Headquarters
Responsible for: 1st to 3rd Corporate Marketing Dept., 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
Aug. 6, 1960 Born
Apr. 1984 Joined Nippon Life Insurance Company
Mar. 2012 Executive Officer
Jul. 2014 Director and Executive Officer
Mar. 2015 Director and Managing Executive Officer
Apr. 2016 Director and Executive Officer
Jul. 2016 Executive Officer
Mar. 2018 Senior Managing Executive Officer
Jul. 2018 Director and Senior Managing Executive Officer
Mar. 2019 Director and Executive Vice President (present)

**Akito Arima****Director**

Sep. 13, 1930 Born
Apr. 1989 President, the University of Tokyo
Oct. 1993 President, RIKEN
Jul. 1994 Audit and Supervisory Board Member, Nippon Life Insurance Company
Jul. 1998 Retired from Audit and Supervisory Board Member
Member of the House of Councilors and Minister of Education
Jan. 1999 Minister of Education and Minister of Science and Technology
Jun. 2000 Chairman, Japan Science Foundation
Apr. 2006 Chancellor, Musashi Academy of the Nezu Foundation (present)
Jul. 2007 Director, Nippon Life Insurance Company (present)
Apr. 2010 President, Shizuoka University of Art and Culture (present)

**Satoshi Asahi****Director and Managing Executive Officer**

Responsible for: Corporate Planning Dept., Group Business Dept., Public & Investor Relations Dept., Planning and Research Dept., Head Office Public Affairs Dept., Actuarial Dept., Legal Dept.
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 (present)

**Chizuru Yamauchi****Director and Managing Executive Officer**

Responsible for: Olympic & Paralympic Games Promotion Dept., Public Affairs Dept., CSR Promotion Dept., Health Management Dept.
Position: General Manager of Health Management
Feb. 25, 1957 Born
Apr. 1975 Joined Nippon Life Insurance Company
Mar. 2015 Executive Officer
Mar. 2019 Managing Executive Officer
Jul. 2019 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)

**Kazuo Imai****Director**

Jul. 30, 1950 Born
Apr. 1983 Attorney (present)
Jul. 2008 Director, Nippon Life Insurance Company (present)

**Hirohiko Iwasaki****Director and Managing Executive Officer**

Responsible for: Data Business Planning and Development Dept., Product Planning Dept., Marketing Planning Dept., Channel Development Dept., Sales Representatives Human Resource Dept.
Sep. 18, 1964 Born
Apr. 1987 Joined Nippon Life Insurance Company
Mar. 2015 Executive Officer
Mar. 2019 Managing Executive Officer
Jul. 2019 Director and Managing Executive Officer (present)

**Toshihiro Nakashima****Director and Managing Executive Officer**

Responsible for: Treasury & Capital Markets Dept., Equity Investment Dept., International Investment Dept., Foreign Equity & Alternative Investment Dept., Credit Investment Dept., Separate Account Investment Dept.
Jun. 19, 1963 Born
Apr. 1988 Joined Nippon Life Insurance Company
Mar. 2016 Executive Officer
Mar. 2020 Managing Executive Officer
Jul. 2020 Director and Managing Executive Officer (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)

**Naoki Akahori****Director and Executive Officer**

Responsible for: Agency Marketing Headquarters, Financial Institution Relations Headquarters, Agency Operations Dept., Financial Institution Relations Dept.
Position: General Manager of Agency Marketing Headquarters
Aug. 13, 1964 Born
Apr. 1988 Joined Nippon Life Insurance Company
Mar. 2017 Executive Officer
Jul. 2020 Director and Executive Officer (present)

**Kazuo Sato****Director and Executive Officer**

Responsible for: Legal Dept., Compliance Dept., Risk Management Dept., Global Business Risk and Control Dept.
Feb. 16, 1966 Born
Apr. 1989 Joined Nippon Life Insurance Company
Mar. 2017 Executive Officer
Jul. 2020 Director and Executive Officer (present)

**Tetsuaki Ogami****Director and Executive Officer**

Responsible for: Credit Dept., Securities Operations Dept., Customer Service Headquarters (Policy Dept., Policy Management Dept., Claims-Related Services Dept., Group Life & Pension Dept., Financial Institution Relations Policy Dept.)
Position: Deputy General Manager of Customer Service Headquarters
Feb. 17, 1966 Born
Apr. 1988 Joined Nippon Life Insurance Company
Mar. 2018 Executive Officer
Jul. 2019 Director and Executive Officer (present)

Note: Akito Arima, Shin Ushijima, Kazuo Imai, Satoshi Miura, and Tetsuro Tomita are outside directors and are also independent corporate officers satisfying the Company's Criteria for Independence of Outside Corporate Officers.

Corporate Officers

Audit and Supervisory Board Members



Takashi Imai

Audit and Supervisory Board 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 (present)
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 of NIPPON STEEL CORPORATION (present)



Kantaro Toyoizumi

Audit and Supervisory Board Member
Oct. 17, 1945 Born
Apr. 1970 Attorney (present)
Jul. 2004 Audit and Supervisory Board Member, Nippon Life Insurance Company (present)



Keiichi Tadaki

Audit and Supervisory Board 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 from Prosecutor-General
Jul. 2008 Attorney (present)
Jul. 2009 Audit and Supervisory Board Member, Nippon Life Insurance Company (present)



Ryoji Sato

Audit and Supervisory Board 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 (present)



Kazuo Kobayashi

Senior Audit and Supervisory Board Member
Dec. 8, 1955 Born
Apr. 1980 Joined Nippon Life Insurance Company
Mar. 2007 Executive Officer
Mar. 2010 Managing Executive Officer
Jul. 2010 Director and Managing Executive Officer
Mar. 2012 Director and Senior Managing Executive Officer
Mar. 2016 Director and Executive Vice President
Mar. 2019 Director
Jul. 2019 Senior Audit and Supervisory Board Member, Nippon Life Insurance Company (present)



Koki Utsumi

Audit and Supervisory Board Member
May 8, 1963 Born
Apr. 1986 Joined Nippon Life Insurance Company
Mar. 2017 Executive Officer
Jul. 2018 Audit and Supervisory Board Member (present)

Notes: 1. Takashi Imai, Kantaro Toyoizumi, Keiichi Tadaki, and Ryoji Sato are outside Audit and Supervisory Board members and are also independent corporate officers satisfying the Company's Criteria for Determining Independence of Outside Corporate Officers.
2. Kazuo Kobayashi and Koki Utsumi are full-time Audit and Supervisory Board members.

Reasons for Appointment as Outside Corporate Officers

Director

Akito Arima

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 12 out of 15 meetings

Mr. Arima has been appointed as an outside director to reflect his input in the Company's management, including supervision and checks on management, as well as advice, from an objective standpoint based on his broad experience and knowledge as an experienced academic. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Director

Shin Ushijima

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings

Mr. Ushijima has been appointed as an outside director to reflect his input in the Company's management, including supervision and checks on management, as well as advice, from an objective standpoint based on his broad experience and knowledge as a lawyer. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Director

Kazuo Imai

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings

Mr. Imai has been appointed as an outside director to reflect his input in the Company's management, including supervision and checks on management, as well as advice, from an objective standpoint based on his broad experience and knowledge as a lawyer. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Director

Satoshi Miura

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings

Mr. Miura has been appointed as an outside director to reflect his input in the Company's management, including supervision and checks on management, as well as advice, from an objective standpoint based on his broad experience and knowledge as a business manager. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Director

Tetsuro Tomita

Mr. Tomita has been appointed as an outside director to reflect his input in the Company's management, including supervision and checks on management, as well as advice, from an objective standpoint based on his broad experience and knowledge as a business manager. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Audit and Supervisory Board Member

Takashi Imai

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 13 out of 15 meetings
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2020 12 out of 12 meetings

Mr. Imai was appointed as an outside Audit and Supervisory Board member because the Company expects him to conduct audits based on his broad knowledge, including his perspectives from both corporate and social roles he has had throughout his career as a business manager. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Audit and Supervisory Board Member

Kantaro Toyoizumi

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2020 12 out of 12 meetings

Mr. Toyoizumi was appointed as an outside Audit and Supervisory Board member because the Company expects him to conduct audits based on his broad knowledge, including from a management and legal perspective developed throughout his career as a lawyer. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Audit and Supervisory Board Member

Keiichi Tadaki

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2020 12 out of 12 meetings

Mr. Tadaki was appointed as an outside Audit and Supervisory Board member because the Company expects him to conduct audits based on his broad knowledge, including from a legal and compliance perspective developed throughout his career as a lawyer. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Audit and Supervisory Board Member

Ryoji Sato

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2020 15 out of 15 meetings
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2020 12 out of 12 meetings

Mr. Sato was appointed as an outside Audit and Supervisory Board member because the Company expects him to conduct audits based on his broad knowledge, including from a corporate accounting perspective developed throughout his career as a certified public accountant. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers since he is not considered to have any conflicts of interest with general policyholders.

Executive Officers

Executive Officers

Senior Managing Executive Officer Seiji Kito	Position: General Manager of Head Office Osaka Corporate Marketing Dept. Nov. 3, 1962 Born Apr. 1985 Joined Nippon Life Insurance Company Mar. 2012 Executive Officer Jul. 2014 Director and Executive Officer Mar. 2016 Director and Managing Executive Officer Apr. 2017 Director and Executive Officer Jul. 2017 Executive Officer Mar. 2019 Senior Managing Executive Officer (present)	Senior Managing Executive Officer Junjiro Tabata	Position: General Manager of Metropolitan Area Headquarters, General Manager of Metropolitan Area Headquarters Tokyo Corporate & Worksite Marketing Dept. Oct. 1, 1963 Born Apr. 1986 Joined Nippon Life Insurance Company Mar. 2013 Executive Officer Mar. 2017 Managing Executive Officer Mar. 2020 Senior Managing Executive Officer (present)	Executive Officer Keizo Hasehira	Position: General Manager of Head Office 2nd Corporate Marketing Dept. Apr. 28, 1964 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)	Executive Officer Chiaki Osone	Position: General Manager of Group Business Dept., Adviser (Corporate Planning Dept.) Dec. 29, 1966 Born Apr. 1990 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)
Managing Executive Officer Masakazu Omura	Position: General Manager of Head Office 1st Corporate Marketing Dept., General Manager of 3rd Corporate Marketing Dept., General Manager of Head Office East Japan Corporate Marketing Dept. May 16, 1963 Born Apr. 1987 Joined Nippon Life Insurance Company Mar. 2015 Executive Officer Mar. 2019 Managing Executive Officer (present)	Managing Executive Officer Kazuyuki Saigo	Position: Head of Asia Pacific, Head of India, Adviser (Global Insurance Business Dept., Global Asset Management Business Dept., Global Business Planning Dept.) Jul. 31, 1964 Born Apr. 1988 Joined Nippon Life Insurance Company Mar. 2016 Executive Officer Mar. 2020 Managing Executive Officer (present)	Executive Officer Minoru Kimura	Position: Head of the Americas and Europe, Adviser (Global Insurance Business Dept., Global Asset Management Business Dept., Global Business Planning Dept.) Jun. 20, 1967 Born Apr. 1990 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)	Executive Officer Yasutoyo Takada	Position: Adviser (Group Business Dept.) Jul. 6, 1967 Born Apr. 1990 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)
Managing Executive Officer Hideki Ohno	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. 14, 1965 Born Apr. 1988 Joined Nippon Life Insurance Company Mar. 2016 Executive Officer Mar. 2020 Managing Executive Officer (present)	Executive Officer Hiroshi Ozeki	Position: Adviser (Finance & Investment Planning Dept., Global Asset Management Business Dept.) Nov. 25, 1964 Born Apr. 1987 Joined Nippon Life Insurance Company Mar. 2014 Executive Officer Jul. 2014 Director and Executive Officer Mar. 2018 Director and Managing Executive Officer Jul. 2018 Managing Executive Officer Mar. 2020 Executive Officer (present)	Executive Officer Takayuki Maeda	Position: Deputy General Manager of Metropolitan Area Headquarters, Deputy General Manager of Agency Marketing Headquarters (Kanagawa), Deputy General Manager of Financial Institution Relations Headquarters (Kanagawa), General Manager of Market Development (Kanagawa), Adviser (Corporate Sales Promotion Dept.) Feb. 5, 1967 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)	Executive Officer Eiichi Hanawa	Position: General Manager of Planning and Research Dept. Aug. 24, 1967 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)
Executive Officer Kazuhide Toda	Position: Adviser (Global Insurance Business Dept., Global Business Planning Dept.) Jun. 10, 1963 Born Apr. 1986 Joined Nippon Life Insurance Company Mar. 2015 Executive Officer Jul. 2018 Director and Executive Officer Mar. 2019 Director and Managing Executive Officer Mar. 2020 Director and Executive Officer Jul. 2020 Executive Officer (present)	Executive Officer Yasushi Sasaki	Position: Deputy General Manager of Head Office East Japan Corporate Marketing Dept., Deputy General Manager of Agency Marketing Headquarters (Hokkaido), Deputy General Manager of Financial Institution Relations Headquarters (Hokkaido), General Manager of Market Development (Hokkaido), Adviser (Sales Representatives Operations Management Dept.) Jan. 6, 1962 Born Apr. 1985 Joined Nippon Life Insurance Company Mar. 2017 Executive Officer (present)	Executive Officer Tetsuya Ueda	Position: General Manager of IT Promotion Dept., Head of Digitalization Office Sep. 23, 1967 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)	Executive Officer Seiichi Tachi	Position: General Manager of Corporate Planning Dept., Adviser (Group Business Dept., CSR Promotion Dept.) Dec. 5, 1967 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)
Executive Officer Tatsuya Haraguchi	Position: General Manager of Marketing Planning Dept., General Manager of Channel Development Dept. Jan. 20, 1967 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2017 Executive Officer (present)	Executive Officer Kazuya Kishibuchi	Position: General Manager of Service Planning Dept. Feb. 6, 1967 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2017 Executive Officer (present)	Executive Officer Yoshitaka Nakamura	Position: General Manager of Human Resource Planning Dept., General Manager of Personnel Dept. Feb. 26, 1969 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)	Executive Officer Naoki Akiyama	Position: Adviser (Group Business Dept.) Mar. 28, 1969 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2019 Executive Officer (present)
Executive Officer Mitsugi Iwasaki	Position: General Manager of Financial Institution Relations Headquarters, Deputy General Manager of Agency Marketing Headquarters Jul. 25, 1965 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2017 Executive Officer (present)	Executive Officer Kazuyuki Tanaka	Position: General Manager of Head Office Kyushu Corporate Marketing Dept., Deputy General Manager of Agency Marketing Headquarters (Kyushu), Deputy General Manager of Financial Institution Relations Headquarters (Kyushu), General Manager of Market Development (Kyushu), Adviser (Sales Representatives Operations Management Dept.) Jun. 28, 1958 Born Apr. 1981 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)	Executive Officer Akihiro Maeda	Position: General Manager of Sales Representatives Training Dept., Head of Shin Ikusei Program Promotion Office, Adviser (Sales Representatives Operations Management Dept.) Feb. 2, 1963 Born Apr. 1986 Joined Nippon Life Insurance Company Mar. 2020 Executive Officer (present)	Executive Officer Shinji Kuge	Position: General Manager of Finance Planning & Management Dept. Jul. 11, 1965 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2020 Executive Officer (present)
Executive Officer Akiko Osawa	Position: General Manager of Risk Management Dept. Oct. 12, 1965 Born Apr. 1988 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)	Executive Officer Norihiro Fujimasa	Position: General Manager of Kinki Regional Headquarters, Deputy General Manager of Head Office Osaka Corporate Marketing Dept. (Kinki) Feb. 11, 1967 Born Apr. 1989 Joined Nippon Life Insurance Company Mar. 2018 Executive Officer (present)	Executive Officer Takahiro Miyajima	Position: General Manager of Auditing Dept. Apr. 14, 1966 Born Apr. 1990 Joined Nippon Life Insurance Company Mar. 2020 Executive Officer (present)	Executive Officer Shinichiro Ito	Position: General Manager for Sales Representatives Operations Management Dept. Mar. 23, 1969 Born Apr. 1991 Joined Nippon Life Insurance Company Mar. 2020 Executive Officer (present)
Executive Officer Shinichi Okamoto	Position: General Manager of Finance & Investment Planning Dept. Jun. 4, 1969 Born Apr. 1992 Joined Nippon Life Insurance Company Mar. 2020 Executive Officer (present)						

■ Composition by Gender Ratio

Directors and Audit and Supervisory Board Members	Executive Officers
Males: 26 / Females: 1 (Ratio of females: 3.7%)	Males: 40 / Females: 2 (Ratio of females: 4.8%)

Overview of the Regular Meeting of Representatives

Overview of the 73rd Meeting of Representatives

On July 2, 2020, the 73rd Meeting of Representatives was held at the RIHGA Royal Hotel Osaka located at 5-3-68 Nakanoshima, Kita-ku, Osaka.

The 57 representatives that attended the meeting on the day (198 individuals including those attending by proxy) discussed agenda items after reporting items were explained. Moreover, in the current fiscal year, we gave top priority to ensuring the safety of representatives and Nippon Life’s executives and employees, and to matters of legal security, in consideration of the spread of COVID-19. In keeping with the fundamental purpose of a mutual company, we also sought to operate the meeting so as to enable as many representatives as possible to participate in the event. To do so, we made Nippon Life’s branches and other sites throughout Japan available as venues for the meeting, and 117 representatives were able to participate in the meeting from those branches and other sites. Nippon Life received various opinions and questions from representatives at the Meeting of Representatives.

In addition, 10 company members (participating insurance policyholders) attended the Meeting of Representatives.

Reporting Items	Agenda Items
<ul style="list-style-type: none">● The fiscal year ended March 31, 2020 business report, nonconsolidated balance sheets, nonconsolidated statements of income, nonconsolidated statements of changes in net assets, consolidated balance sheets, consolidated statements of income, and consolidated statements of changes in net assets● Report on the results of the Nissay Konwakai Meetings held and advisory matters for the Board of Trustees	<ul style="list-style-type: none">● Approval of proposed appropriations of surplus for the fiscal year ended March 31, 2020● Allocation of policyholder dividends based on the fiscal year ended March 31, 2020 performance● Appointment of 11 directors● Appointment of 3 Audit and Supervisory Board members● Revision of the amount of remuneration, etc. for directors and Audit and Supervisory Board members● Provision of retirement or severance allowance for directors and Audit and Supervisory Board members and termination payment in connection with the abolition of the retirement benefit plan for directors and Audit and Supervisory board members

In response to questions received in advance in writing and other means from the representatives, Nippon Life distributed handout materials with answers to all of the questions. The chairperson and the relevant executives provided responses to the major themes brought up by the questions.

Q1. Has the spread of COVID-19 brought any issues to the fore, or reaffirmed their importance, at Nippon Life? If so, could you please describe the issues, and also explain how you will address them going forward?
Q2. What are your predictions for the duration and extent of the impact of the COVID-19 pandemic on Nippon Life’s business? Also, what kinds of response measures are you considering?
Q3. Are there any matters that have been improved upon or matters that Nippon Life can assess positively as a result of its response to COVID-19?

- A
- We believe that the spread of COVID-19 has impacted Nippon Life’s businesses primarily in three areas.
 - The first area is insurance sales. Under the state of emergency declaration, Nippon Life had taken precautions such as refraining from visiting customers from the standpoint of preventing infections. During this time, sales representatives made inquiries about the health condition of customers via telephone, email and other means. They confirmed whether or not there were any grounds for claims or benefit payments. They also explained special handling procedures for policies and related matters.
 - In comparison with disasters that have occurred in the past, among other events, Nippon Life has accepted a tremendously large amount of requests for special handling procedures for policies and related matters. This trend reaffirms our view that the impact of COVID-19 has spread widely to the daily lives of every customer.
 - Therefore, we believe it is crucial to continue to make inquiries about the situation of each customer, empathize with how customers are feeling, and provide services closely attuned to their needs.
 - Meanwhile, the handling of new policies has decreased sharply because of precautions taken such as refraining from visiting customers.
 - Following the lifting of the state of emergency declaration, we have resumed visits to customers after obtaining their consent. Going forward, we will strive to enhance customer service and drive a recovery in sales of new policies by putting together a custom-made mix of services according to the preferences of each customer. In the process, we will harness digital technologies and other advances, in addition to visits to customers.
 - The second area is asset management. In our financial results for the fiscal year ended March 31, 2020, we incurred a loss on valuation of securities due to changes in the market environment in connection with

- COVID-19. However, the impact was limited owing to measures such as the replacement of foreign bonds aimed at improving yields and the use of derivative transactions that we have undertaken to date.
- On the other hand, COVID-19 infections are still spreading around the world, and there are no prospects for an end to the pandemic. Uncertain economic conditions and financial market volatility are expected to continue for the foreseeable future.
 - In this environment, Nippon Life will strive to generate stable returns over the medium and long terms. To this end, we would like to continue to conduct activities as before, such as building a portfolio with a focus on diversification, selecting investment projects and identifying risk events.
 - The third area is work styles. Since the state of emergency declaration was issued, Nippon Life has worked to balance both COVID-19 mitigation measures and corporate business activities through a shift-work schedule and telework even at locations such as its headquarters and nationwide branches, in addition to refraining from having sales representatives visit customers.
 - On the other hand, we have found that issues pertaining to information systems and related areas have emerged in the course of implementing telework. Looking ahead, we believe that it is imperative to step up the diversification of work styles and the development of infrastructure to enable digitalization and other advances that will make such diversification of work styles possible.
 - It is currently difficult to foresee the duration and extent of the impact of the COVID-19 pandemic on Nippon Life’s business. For this reason, we would like to address the situation by revising our management plan as necessary after analyzing conditions.

Q4. With the spread of COVID-19, I believe that it must have been difficult for Nippon Life to conduct face-to-face customer service. What is your position on customer service in the future, including your thoughts on accelerating the introduction of advanced IT?
Q5. People are being requested to adopt a “new normal” in daily life due to COVID-19. Have there been any changes to Nippon Life’s face-to-face sales activities?
Q6. In conducting face-to-face activities, what measures are you taking to prevent the spread of COVID-19? Also, could you please discuss your plans for future activities?
Q7. In the future, sales methods may need to anticipate a second wave of COVID-19. What is your thinking on such sales methods? For example, are you considering carrying out face-to-face sales activities through online videoconferencing systems?
Q8. While sales representatives were standing by at home in response to COVID-19, how did they carry out sales activities and follow up on customers?
Q9. Now that the spread of COVID-19 has made many people keenly aware of the importance of health, I believe that these are times when life insurance is urgently needed. What steps are you taking both to prevent the spread of COVID-19 infections and to carry out face-to-face activities?
Q10. Why not consider holding insurance seminars and promoting sales using videoconferencing tools as a new method of customer service by the sales representatives?
Q11. Face-to-face sales activities by sales representatives are a key feature of Nippon Life. With this in mind, could you please tell us your measures to address new sales methods and work styles that consider the safety and security of customers and sales representatives, as you work to prevent the spread of COVID-19?

- A
- <Activities during the state of emergency declaration>**
- The state of emergency declaration was issued on April 7 and was lifted at the end of May. During this period, Nippon Life requested sales representatives, who normally carry out face-to-face sales activities by visiting customers, to work from home. Nippon Life refrained from carrying out sales activities such as encouraging customers to enroll in new policies.
 - While working from home, sales representatives conducted activities such as confirming whether there are any grounds for claims or benefit payments according to customer circumstances via telephone, email, post and other means; explaining special handling measures for policies and related matters; and providing information useful to preventing the spread of COVID-19. Concurrently, sales representatives studied at home, with a view to honing their consulting skills.
 - Moreover, sales representatives carried out procedures for claim and benefit payments by post, in principle, in order to balance the fulfillment of coverage obligations and the prevention of the spread of COVID-19.
- <Activities after the lifting of the state of emergency declaration>**
- From June 1, we have successively resumed sales activities such as visits to customers after giving full consideration to safety while monitoring conditions in society.
 - Specifically, when visiting customers, sales representatives adhere to strict protocols for temperature checks, wearing face masks, and disinfection (handwashing and gurgling, etc.). They only visit customers after obtaining the consent of each customer for the visit.
 - For customers who would prefer not to have sales representatives visit them at home, Nippon Life serves these customers at its over-the-counter service locations, while taking the necessary precautions for preventing the spread of COVID-19. Acrylic partitions and other dividers are set up as part of COVID-19 countermeasures.
 - In addition, Nippon Life has been developing the workplace environment in connection with the work of sales representatives. Notably, we have instituted a shift-work schedule divided between morning and afternoon shifts, and provided seating arrangements that allow for social distancing.
- Moreover, Nippon Life has been successively deploying smartphones to sales representatives. We are also undertaking the following sales activities utilizing LINE WORKS and other services:
 - Information gathering activities that can be completed without face-to-face interaction (campaign planning and communication)
 - Proposal-based activities using email
 - Online accompaniment of sales representatives by instructor staff on customer visits (for following up on entry-level sales representatives who have recently joined the Company)
 - Introduction of online training using smartphonesand other initiatives
- <Initiatives ahead>**
- Through these activities, Nippon Life has reaffirmed the view that the impact of COVID-19 has spread widely to the daily lives of every customer. This view is supported by trends such as our acceptance of a tremendously large amounts of requests for special handling procedures for policies and related matters.
 - Therefore, in order to provide thoughtful and considerate services to customers, we believe that it is crucial for sales representatives to continue to empathize with how customers are feeling, and to provide services closely attuned to their needs on a face-to-face basis.
 - Meanwhile, some customers find it convenient to contact Nippon Life via online channels and other such means. For this reason, we recognize that it is important to foster staff who can use these channels freely at will and provide services tailored to the preferences of each customer.
 - In addition to the face-to-face activities undertaken thus far, we would like to make use of digital technologies and other advances in implementing measures to address diversifying needs, including those of new customers who we have previously been unable to approach.

Overview of the Regular Meeting of Representatives

Q12. COVID-19 has made Nippon Life's response to digital transformation a crucial management priority. In this context, what is your strategy for business models in the future?

- A**
- Nippon Life believes that digitalization and the use of advanced IT have immense power to raise the sophistication of its operations and generate new value. Based on this belief, we have proactively pushed ahead with the following initiatives for some time now:
 - Fiscal year ended March 31, 2013: Introduced REVO wireless devices for sales representatives, capable of communications from outside the office, and paperless processing of new policy procedures
 - Fiscal year ended March 31, 2017: Introduced paperless processing of policy maintenance procedures using devices for sales representatives
 - Fiscal year ended March 31, 2017: Automated business processes through the Company-wide deployment of Robotic Process Automation (RPA)
 - Fiscal year ended March 31, 2020: Introduced *TASKALL* tablet devices for sales representatives and character reading functions using cameras
 - We are also gathering information and researching new technologies related to advanced IT by establishing the Innovation Office and sending personnel to several overseas sites, including Silicon Valley in the US.
 - In this environment, we initiated the new Nippon Life Digital 5-Year Plan in the fiscal year ended March 31, 2020. Under the plan, we have been pursuing two major themes: raise the sophistication of existing insurance services (operational transformation) and drive innovation to provide new value (business transformation).
 - The first theme of the plan is to raise the sophistication of existing insurance services (operational transformation). For this, we are taking steps to improve the consulting capabilities of sales representatives and other staff, and to enhance convenience for customers.
 - Specifically, smartphones for sales representatives have been successively introduced since January 2020, as part of efforts to improve the consulting capabilities of sales representatives using AI. Another priority has been to enhance convenience for customers. To this end, we have been making efforts to upgrade the functionality of our smartphone app, such as introducing biometric authentication and expanding procedures that can be completed fully on the app. Going forward, we will continue to develop these sorts of activities.
 - The second theme of the plan is to drive innovation to provide new value (business transformation). For this, we seek to develop new products and services using big data and to create new business models.
 - In the healthcare field, Nippon Life is currently obtaining health check-up and related data through the Nissay Health Promotion Consulting Service (Wellness-Star☆). Going forward, we will consider ways to raise the sophistication of the insurance business, through such means as expanding the scope of insurance underwriting through the use of the aforementioned data.
 - Additionally, we launched Nippon Life X in April 2020. Nippon Life X has accelerated innovation activities by strengthening its framework of collaboration with external companies through open innovation.
 - Through these digitalization initiatives, we intend to undertake structural reform for businesses, such as raising the efficiency of existing business and entering new businesses, and turn these efforts into a new engine for growth.

Q13. Is Nippon Life considering forming partnerships with relevant companies, including foreign companies, to promote digital transformation?

- A**
- We believe that it is necessary to proactively apply new technologies and solutions in order to promote digital transformation and innovation. Based on this belief, we are implementing the following measures to collect information about and collaborate with companies that provide those technologies and solutions.
 - In 2015, we concluded a capital and business alliance with Nomura Research Institute (NRI). We are advancing the alliance by cooperating with NRI on raising the sophistication of systems and studying new insurance business models through the use of advanced IT.
 - In 2016, we became a member of the Plug and Play Tech Center, a global accelerator headquartered in Silicon Valley. We are implementing activities to survey start-up companies worldwide and collaborate with promising companies.
 - Nippon Life entered the healthcare field in 2017. In this field, we have implemented measures in cooperation with companies such as MICIN, INC., which supplies remote communication apps, and Abbott Japan LLC, which supplies devices that allow vitals data to be collected easily, among other products.
 - In addition to the initiatives described above, Nippon Life has stationed six employees in Silicon Valley, one employee in London and one employee in Beijing. From a framework of four global corners including Tokyo, we are gathering information about advanced IT and pursuing research into new technologies.
 - We will continue to identify promising companies and flexibly form partnerships and make investments to promote digital transformation and innovation.

Q14. How is Nippon Life recruiting personnel to promote digital transformation? Also, does Nippon Life provide executives and employees with training, education and other learning opportunities through arrangements such as partnerships with universities and relevant companies?

- A**
- The use of digital technology is essential to Nippon Life's sustained growth. Therefore, Nippon Life is working to secure and foster personnel who can play a leading role in digital transformation (DX). These efforts are undertaken based on the priorities of securing highly specialized personnel and improving Company-wide digital literacy.
 - The first priority is to secure highly specialized personnel. Here, we have established an IT strategy course for new graduate recruits, and have bolstered the recruitment of personnel with a high degree of IT aptitude. At the same time, we strive to ensure that we have personnel who have development experience in areas such as programming necessary to advance DX. For this, we assign around 20 young individuals to IT departments including those at Group subsidiary Nissay Information Technology Co., Ltd. every year.
 - Moreover, Nippon Life is taking steps to refine the skills of these specialized personnel. We have built a unified Group-wide training system in coordination with Nissay Information Technology. Additionally, in digital technology and advanced IT areas where technical progress is particularly rapid, the knowledge of universities and relevant companies is essential. For this reason, Nippon Life sends staff to the University of Tokyo Mathematics and Data Science Consortium and DX-related companies.

- The second priority is to improve Company-wide digital literacy. We hold in-house seminars on trends in technologies such as advanced IT and case studies of technology applications in cooperation with external institutions such as NLI Research Institute. In addition, as part of the initial training of young employees, all employees must possess the digital literacy needed to address social changes and obtain the skills needed to create new value. From this perspective,

training on basic subjects such as programming and data analysis is mandatory.

- We would like to continue to implement activities to secure and foster personnel who can play a leading role in DX. Efforts will be made to address the priorities of securing highly specialized personnel and improving Company-wide digital literacy.

In addition to the foregoing questions and answers, Nippon Life responded to the following pre-submitted questions in the handout materials.

Q15. I found the exemptions of interest payable on new policy loans in connection with COVID-19 to be a highly effective support measure. In preparation for a second wave of COVID-19 infections, I would like Nippon Life to grant an extension of the period and reduce interest rates on policy loans.

- A**
- The policy loan program is an arrangement where if a policyholder has temporary funding requirements, a life insurance company can provide a loan to a policyholder within a prescribed amount, according to the policy details. In the fiscal year ended March 31, 2019, before the outbreak of COVID-19, a large number of Nippon Life policyholders made use of this program, with approximately 800,000 loans issued during the year.
 - Interest payable is charged for loans under this program. In life insurance, premiums are discounted by a rate of return promised in advance. The premiums are invested, taking into consideration security, profitability and other factors. Because life insurers must prepare to pay out claims and benefits in the future, interest payable is charged on policy loans for this purpose.
 - When major natural disasters such as the Great East Japan Earthquake and the Kumamoto earthquakes have occurred in the past, Nippon Life has implemented special response measures in the form of exemptions of interest payable on policy loans for policyholders in the applicable regions under the Disaster Relief Act. These measures have been implemented out of a desire to reduce, as much as possible, the burden of policyholders who are experiencing financial hardship.
 - With the current COVID-19 pandemic, in light of the sizable impact of the spread of infections, Nippon Life has implemented the same special response measure to provide exemptions of interest payable on policy loans. As the issuance of state of emergency declarations expanded to regions nationwide, a large number of policyholders have been making use of this relief.
 - Recently, the state of emergency declarations and the temporary business closure requests made by local governments have been successively lifted. In this environment, Nippon Life had decided to accept requests for exemptions for interest payable on policy loans up to the end of June. This decision took into consideration the desire to reduce the burden of policyholders facing financial issues, and factors such as the need to secure the rate of return promised to policyholders, given that policy loans are a means of investing premiums.
 - Meanwhile, as you pointed out, there are concerns about a possible second wave of COVID-19 infections. Accordingly, Nippon Life will consider its response according to the circumstances, while carefully monitoring factors such as social conditions and future national and local government policies.

Q16. Amid the spread of COVID-19, could you please tell us the items or activities you have implemented or plan to implement based on comprehensive partnership agreements with local governments?

- A**
- The Company has concluded comprehensive partnership agreements with 31 prefectures, in order to help invigorate communities. We endeavor to solve issues in response to the actual circumstances of each community.
 - Amid growing infections in the current COVID-19 outbreak, Nippon Life has implemented the following measures based on requests from each local government with whom it has concluded a comprehensive partnership agreement.
 - Local governments are striving to widely communicate information about support measures such as loans for companies and COVID-19-related information to individuals, such as measures to stop the spread of infections. Sales representatives are cooperating with these efforts and are supplying this information to community members through email, post and other means.
 - Various local governments operate websites featuring local specialty products. To support local specialty product merchants, Nippon Life has made these websites available on its internal website. By doing so, we put an environment in place where Nippon Life employees can support communities by purchasing these products.
 - While continuing to make inquiries into the intentions of local governments, Nippon Life will consider how it can best serve each community as a company. In the process, we will seek to undertake activities that lead to a positive contribution to the community.

Q17. In response to COVID-19, Nippon Life used digital technology to hold this year's Meeting of Representatives as an event accessible from multiple sites spread out across Japan, including regional locations. I'd like Nippon Life to evaluate and summarize the main points of the event and then put the findings to good use in considering how to hold these events in the following and subsequent years.

- A**
- For the Meeting of Representatives this year, we gave top priority to ensuring the safety of representatives and Nippon Life's executives and employees, and to matters of legal security, in consideration of the spread of COVID-19. In keeping with the fundamental purpose of a mutual company, we also sought to operate the meeting so as to enable as many representatives as possible to participate in the event. To do so, we made Nippon Life's branches and other sites throughout Japan available as venues for the meeting.
 - At branches and other venues nationwide, we wanted to ensure that representatives could participate in the meeting as if they were at the main venue as much as possible. To this end, Nippon Life created an environment where representatives could view the proceedings of the meeting in real time through its internal satellite broadcasting system and then use a PC-based system to ask questions and provide feedback.

Overview of the Regular Meeting of Representatives

- As you suggested, we will seek opinions, comments and other feedback from the representatives about the operation of this year's meeting, which was our first initiative of this kind. Within the Company too, we will review the event in meetings of executives and at our nationwide branches, offices and other sites, and then evaluate and summarize the main points. We would like to put the findings to good use in the meetings of representatives in the following and subsequent years.
- As a mutual company, Nippon Life believes that it is crucial for the representatives, who represent company members, to decide on proposals based on thorough deliberation with management on a face-to-face basis. With this thinking at the core, we will focus on the perspective of how we can evolve the operation of the Meeting of Representatives. From this perspective, we will conduct analyses and studies, while closely monitoring advances in technologies, the communications environment, examples of other companies' practices, and the status of the development of laws.

Q18. Could you please discuss Nippon Life's outlook for its Australian subsidiary MLC Limited?

- A**
- In October 2016, Nippon Life acquired MLC Limited in Australia and made it a subsidiary. Since then, we had been developing a business framework and steadily generating earnings at MLC through the fiscal year ended March 31, 2019.
 - However, since the fiscal year ended March 31, 2020, an increase in claims payments and other items for income protection products has been an industry-wide challenge in Australia. MLC offers income protection products as one of its mainstay products, so it has been heavily impacted. As a result, MLC's profitability deteriorated, with the company recording a loss in its fiscal year ended December 31, 2019.
 - Moreover, since March 2020, there has been a rising need to address risks of downward pressure on MLC's business performance in response to the impact of the spread of COVID-19.
 - In order to enhance the profitability and soundness of MLC, Nippon Life has carried out two capital injections in MLC. We conducted capital increases of approximately ¥17.4 billion in December 2019 and approximately ¥24.0 billion in June 2020.
 - Regrettably, these developments have caused concern among the representatives. At present, Nippon Life has bolstered support and strengthened the governance system of MLC and is working to execute MLC's Three-Year Plan (2020–2022). Notably, Nippon Life and MLC have been working closely together to build a framework for improving MLC's profitability.
 - We believe that the main themes that MLC should address in its Three-Year Plan are as follows:
 - Take actions, such as raising premiums and revising products, to restore the profitability of income protection insurance, the main reason for the recent deterioration in business performance
 - Reduce business costs, which are a structural issue
 - Build innovative system infrastructure that will contribute to stronger product and service development capabilities, while raising administrative and cost efficiencies
 - If business conditions remain under pressure in the future, we expect additional capital support measures to become necessary at MLC. For this reason, Nippon Life will continue to provide support to MLC, along with cooperating closely with the company and monitoring the situation carefully.
 - In addition, we believe that improving the profitability and corporate value of MLC will take a certain amount of time. We are firmly committed to steadily addressing this priority. We would also like to revise plans and make other adjustments whenever necessary, according to the changing conditions.
 - The Australian life insurance market is expected to expand as Australia's population increases over the medium and long terms. For this reason, MLC and Nippon Life will work hand in hand to return MLC to a growth trajectory and drive its medium- and long-term earnings growth.

Q19. I have heard that as the Chairman of the Life Insurance Association of Japan, the President of Nippon Life has been working to introduce a sales certification program for foreign currency-denominated insurance products. I've seen recent reporting in the news media on this issue, and I'm very concerned about the situation. Could you please explain what has been happening?

- A**
- Complaints received about foreign currency-denominated insurance products in the bancassurance channel are an issue for the life insurance industry as a whole. Nippon Life takes these complaints very seriously as a company.
 - In the fiscal year ended March 31, 2020, the number of complaints about foreign currency-denominated insurance products received by Nippon Life was 516. This number increased by 89 from the previous fiscal year, in line with an increase in the number of policies in force. The rate of incidence of complaints was mostly unchanged from the previous fiscal year.
 - The complaints made by customers mostly consist of customer inquiries related to the fact that the amount they would receive if they were to surrender the policy would be less than the principal. In response, we believe that it is crucial to enhance explanations offered when soliciting enrollment in policies and to strengthen periodic after-sales services considering the long-term nature of the term of life insurance policies.
 - In order to enhance explanations when soliciting enrollment in policies, Nippon Life continues to improve product brochures and other materials. We have tried to make these materials even easier for customers to understand, taking into consideration the opinions of the financial institutions soliciting policy enrollment. Moreover, since April 2020, Nippon Life has provided a video explaining the risks of foreign currency-denominated insurance products. The video is accessible from a QR Code* printed on product brochures and through other means.
 - In order to strengthen periodic after-sales services, since April 2020, Nippon Life has developed new information materials that enable financial institutions to explain policy details and related matters to customers. These materials are timed to coincide with the period when customers receive regular annual notices from Nippon Life. In this manner, Nippon Life has developed an environment where timely information can be provided to customers.
 - The Life Insurance Association of Japan has added a foreign currency-denominated insurance sales certification test to its industry-wide training system. This is to ensure that insurance agents at financial institutions can provide careful, thoughtful and extensive explanations, based on the characteristics and key points of foreign currency-denominated insurance products. The test is scheduled to be offered from October 2020.
 - Through dialogue with financial institutions, Nippon Life will continue to make constant efforts to reduce and mitigate complaints about foreign currency-denominated insurance products.

* QR Code® is a registered trademark of DENSO WAVE INCORPORATED.

In response to the questions received at the meeting, the chairperson provided answers to the following questions.

[Agenda Item Proposal No. 6]

Q20. Nippon Life has decided to provide a retirement allowance to Mr. Makoto Yagi, the former Chairman of the Board of the Kansai Electric Power Co., Inc. (KEPCO). Last year, Mr. Yagi resigned from his position as outside director of Nippon Life partway through his term of office due to an incident of misconduct that occurred at KEPCO. Hasn't Mr. Yagi caused some trouble for Nippon Life? Furthermore, an action to enforce liability has been filed in response to a report by the Director Liability Investigation Committee of KEPCO. In these circumstances, is it appropriate for Nippon Life to pay the retirement allowance to Mr. Yagi in accordance with the rules on retirement or severance allowance? Wouldn't it be prudent for Nippon Life to consider options such as reducing the retirement allowance or recommending that the recipient decline to receive it?

- A**
- Mr. Yagi, the former Chairman of KEPCO, served as a director of Nippon Life for two years and three months from 2017. He has provided the Board of Directors and other forums with a broad range of opinions.
 - Specifically, Nippon Life has received useful opinions from Mr. Yagi, based partly on his experience. His opinions have covered matters such as Nippon Life's management stance and the specific points it should consider as it develops its Group business overseas. Notably, we have referred to Mr. Yagi's insights in the process of developing Nippon Life's Group businesses, in areas such as the principles we should share internally and within the Group, the numerical targets and indicators that overseas subsidiaries should focus on, and the perspectives we should keep in mind when thinking about withdrawing from a business.
 - The provision of this retirement allowance is intended solely to recognize Mr. Yagi's achievements at Nippon Life. We believe that it bears no direct relationship to the incident of misconduct at KEPCO. We would like to provide this retirement allowance to Mr. Yagi in recognition of the distinguished service he provided to Nippon Life during his term of office.

[After Deliberation of Proposals]

Q21. When conducting life insurance sales amid the spread of COVID-19, I believe it is crucial to continue to carry out compassionate, considerate and earnest sales activities on a face-to-face basis, while making use of AI and other advanced technologies. I would like Nippon Life to pioneer and promote sales activities that are responsive to a variety of changes in the environment in a new era.

- A**
- At Nippon Life, we will continue to position face-to-face sales as our core activity, as we develop a sales representative channel that can use digital technologies and other advances freely at will.
 - When we contacted customers using digital technologies and other advances during the recent state of emergency declaration, it is true that customers found this means of contact to be convenient.
 - Meanwhile, we believe that customers and sales representatives can deepen their level of trust in one another by meeting in person. Trust is deepened by sharing the same time and space together and understanding one another through each other's facial expressions, gestures and other characteristics. In addition, we conduct consulting after exploring customer needs and preferences in depth. We believe that technology has not yet advanced to the point where it can replace all of the effectiveness of face-to-face meetings. We are convinced that the power of communication unique to face-to-face interactions will continue to be important.
 - Looking ahead, while confirming customer preferences, we would like to freely combine the face-to-face sales activities of sales representatives, based on the Fundamental Management Principles of Nippon Life, which we have cherished for more than 130 years, with digital technologies. By doing so, we will create a new style of sales. In the process, we would like to develop Nippon Life and its sales representatives so that they are accepted and trusted by customers.

Q22. I think it was outstanding that Nippon Life provided video streaming of the previous fiscal year's Meeting of Representatives at a later date. I would like Nippon Life to continue this video streaming.

- A**
- In the Meeting of Representatives, we would like to seek a variety of opinions and questions directly from the representatives, and put this feedback to good use in Nippon Life's management.
 - Moreover, we will continue striving to hold an even more open and accessible Meeting of Representatives in order to obtain a wider range of opinions.

Opinions from the Conference of Representatives (Kondankai) and Nissay Konwakai Meetings

Opinions Expressed on the Day of the Conference of Representatives (Kondankai) for the Fiscal Year (December 3, 2019)

- In order to push ahead with remote work, it is essential to raise the efficiency of operations using the internet and other means. How are you maintaining a high level of information security?
 - Could you please discuss improvements made on the sales front lines through the introduction of new mobile devices for sales representatives?
 - What kinds of strengths does Nippon Life have that will allow it to rise above competing life insurance companies in Southeast Asia?
 - What are your thoughts on the potential of the Chinese market?
 - In an aging society, dementia has become a social problem. For this reason, I would like Nippon Life to consider offering insurance products for those with dementia.
 - In the event of a natural disaster, I'd like Nippon Life to work to provide support to areas that require personnel, through such means as sending volunteers.
 - I have heard that Nippon Life signed a comprehensive agreement with the Little Women Project (Wakakusa Project) in October. I would like Nippon Life to spread the word widely across society that the challenges faced by young women are caused by society. Additionally, could you please discuss what kinds of specific initiatives you would like to undertake moving forward?
- Company-managed daycare centers are a highly significant initiative in terms of addressing issues such as the low birthrate. Meanwhile, Nippon Life faces challenges in areas such as securing adequate personnel and quality of service. How will Nippon Life continue to develop this business? In addition, how will Nippon Life support the daycare center needs of small and medium-sized enterprises, among others?
 - It is possible that Nippon Life may end up not carrying out ESG investment and finance in specific areas. There may be concerns over this approach being too radical. How will you approach these activities?
 - In the course of promoting customer-oriented business operations, I believe that it is crucial to instill employee awareness. You have said that you are fostering a shared awareness through Our Pledge. I believe that the starting point for this awareness is to have employees take pride in working at Nippon Life, as a company that supports an era with an average life expectancy of 100 years. I'd like Nippon Life to thoroughly instill this sense of pride among all employees.

Note: The results of holding the Conference of Representatives (Kondankai) can be viewed on the Nissay website.

Main Opinions and Requests at Nissay Konwakai Meetings for the Fiscal Year and Our Responses

Q. *NEW in 1* is a good product that fits the current times and needs. I expect Nippon Life to continue to develop these sorts of products going forward.

- A

 - Thank you very much for highly commending Nippon Life's product.
 - According to statistics issued by the Ministry of Health, Labour and Welfare, the number of hospitalization days have tended to decrease due to advances in medical technologies and other factors. Approximately 60% of patients leaving hospitals have done so in 10 days or less after being hospitalized. Meanwhile, there has been an increase in the number of outpatients before and after hospitalization. In addition to hospitalization, surgery and so forth, preparing for hospitalization, outpatient treatment before and after hospitalization and the like can also be costly. For this reason, out-of-pocket expenses can be expensive even for short-term hospitalizations.
 - In addition, the national health insurance system does not cover advanced medical treatment, which an increasing number of patients have been receiving. For this reason, the out-of-pocket expenses can sometimes run into several millions of yen. Moreover, only a few medical institutions offer certain forms of advanced medical treatment, such as heavy particle treatment. This means that in addition to high technical fees, patients may also have to bear transportation and lodging expenses.
- Against this backdrop, Nippon Life launched *NEW in 1* in April 2019. This product covers costs such as large out-of-pocket expenses that may be incurred even with a short-term hospitalization and costs incurred when care based on advanced medical treatment is received.
 - Sales of this product have surpassed 1 million policies in just around 1 year since its launch. The product has proven highly popular, with customers offering positive feedback. Notably, one customer who had actually requested payment of benefits said, "I was able to receive a lump-sum payment even with only a single-day hospitalization. This removed my worries about money, so I was able to receive treatment with peace of mind."
 - Looking ahead, we will continue to closely monitor the current times and needs as we work to supply even better products.

Q. I would like Nippon Life to continue to strengthen the consulting capabilities of sales representatives and thereby provide appropriate proposals and information.

- A

 - Customer needs are diversifying in step with factors such as the continuing aging of society with fewer children, the diversification of lifestyles, and advances in medical technologies. In addition to providing their families with coverage for unexpected events, customers are providing coverage to themselves for their own injuries or illnesses, preparing funds for life after retirement in anticipation of living longer, and preparing for the need for nursing care and the risk of dementia.
 - Based on these assumptions, Nippon Life is striving to enhance its product lineup, along with carefully and thoughtfully making inquiries into matters such as customers' values, their life stages, family composition and status of enrollment in life insurance. We are undertaking the following measures in order to strengthen the consulting capabilities of sales representatives, so that they can provide each customer with appropriate proposals and information on the coverage customers need and other matters.
 - To impart the knowledge and skills that will form the basis of consulting, Nippon Life works to enhance educational materials and training seminars, and to carry out more practical training, such as encouraging role-playing training that envisions actual interaction with customers. In addition, Nippon Life implements internet-based tests once a month, in order to confirm each employee's progress on mastering knowledge and skills, and it has a system in place to follow up on those who are showing insufficient progress. Moreover, we are also working to enhance sales representatives' knowledge and skills in the area of financial planning. We believe that Nippon Life has achieved steady results in this area. As of April 2020, 30,036 sales representatives (approximately 60% of all sales representatives) held qualifications as financial planners.
- From the fiscal year ended March 31, 2020, we have revised how we train sales representatives in order to realize careful, thoughtful and flexible training tailored to the pace of growth of every sales representative. Specifically, we have revised the training system by clearly classifying the necessary knowledge and skills, and sales activities, into three stages and then regularly assessing the progress of sales representatives based on these stages. This allows us to provide training tailored to the pace of growth of each sales representative. Moreover, we have flexibly extended the training period for each sales representative from two years previously to a maximum of five years according to the progress of each sales representative.
 - We have introduced *Mirai Consultant* as a system-based support tool. *Mirai Consultant* performs simulations of the amount of necessary coverage according to four risks* for each customer. It is used by sales representatives to provide consulting services to customers on a daily basis. In addition, in March 2019, we introduced the new mobile device *TASKALL* for sales representatives. *TASKALL* is fitted with functions to display AI-driven optimal advice messages to customers based on a variety of information, depending on customers' circumstances. In these ways, we have enhanced our system-based support.
 - Going forward, we will continue to strengthen our consulting capabilities to ensure that we can address a diverse array of customer needs.

* (1) Death risk, (2) Risk of serious diseases and nursing care, (3) Medical risks, (4) Risk of requiring accumulated funds for old age and other risks

Other Opinions and Requests

- [Products and Services/Sales Networks, etc.]

 - There are many young people who have not enrolled in life insurance. My suggestion to Nippon Life would be to try to provide young people with insurance products with low premiums or information that stimulates an interest in insurance.
 - I would like Nippon Life to expand the lineup of products focused on an era with an average life expectancy of 100 years—products that everyone, including seniors, can enroll in.
 - I would like Nippon Life to provide services to support people's health, and offer products where policyholders can receive discounts and premium refunds depending on their health condition.
 - I would like Nippon Life to develop products that capture the needs of business owners.
 - I would like Nippon Life to continue its face-to-face activities even as progress continues with the use of IT.
 - Please hold more seminars on pensions and seminars for young employees working at companies.
- While paperless processing has made things convenient, I would like Nippon Life to also give consideration to senior citizens who do not use the internet.
 - I would like Nippon Life to more widely publicize the functions of its website and smartphone apps and to upgrade and expand them further.
 - I think Nippon Life's commercial on the theme of "I love your smile" is a moving and wonderful commercial. With regard to products, my suggestion to Nippon Life would be to run product commercials that highlight product details more specifically.
- [Management Overall, etc.]

 - What is your future investment policy, taking into consideration conditions such as the ultra-low interest rate environment?
 - Could you please go over your SDGs initiatives?
 - Could you please discuss the status of the use of advanced IT, such as AI, and your future policy on the use of this technology?

If you have any opinions or requests concerning mutual company management, including the number of representatives and their selection method, please send them in writing to the following address.
Public Affairs Department, Nippon Life Insurance Company, 1-6-6 Marunouchi, Chiyoda-ku, Tokyo 100-8288, Japan

Initiatives toward Important Sustainability Priorities

Field	Important sustainability priority	Initiatives/Targets in the medium-term management plan	Results for FY2019	Action policies for FY2020
Customers/Communities and society	Improve customer satisfaction and enhance the provision of information	■ Formulate the Customer-Oriented Operational Management Policy and further develop its initiatives	<ul style="list-style-type: none"> • Achieved consistent high customer satisfaction rating at 90.9% 	<ul style="list-style-type: none"> • Promote customer-oriented business operations in all fields
	Address social issues through provision of products and services	<ul style="list-style-type: none"> ■ Provide products and services that contribute to solving social issues in Japan ■ Provide a broad range of support that transcends the insurance field 	<ul style="list-style-type: none"> • Provided <i>Ninchisho Support Plus</i> to respond to social expectations for life insurers in order to solve the issue of dementia (since April 2020) • In addition to products, provided services useful for awareness of dementia, early detection and prevention of aggravation and aided initiatives that give communal and societal support to patients with dementia and their family members • Began offering <i>Saliva Checker</i>, a simple form of cancer screening that uses saliva 	<ul style="list-style-type: none"> • Consider potential products and services that contribute to the resolution of social issues in Japan
	Provide universal services		<ul style="list-style-type: none"> • As a way of addressing corporate needs based on the revised Immigration Control and Refugee Recognition Act, created a foreign language sample of a form for policyholders (foreigners) to fill out 	<ul style="list-style-type: none"> • Consider services that contribute to universal services
	Provide insurance services suited to every region	■ Provide procedures and services for customers that accommodate regional characteristics and lifestyles (Access to insurance services)	<p><Japan></p> <ul style="list-style-type: none"> • Increased applications that can be processed using the smartphone app launched in FY2019 <p><Overseas></p> <ul style="list-style-type: none"> • Offered insurance services in six countries (America, Thailand, China, India, Indonesia, and Australia) through local insurance corporations • Achieved new development in Myanmar, where the insurance market is in its early stages (since September 2019) 	<p><Japan></p> <ul style="list-style-type: none"> • Consider enhancements to contact lines with customers to accommodate regional characteristics and lifestyles (including a new normal in consideration of COVID-19) <p><Overseas></p> <ul style="list-style-type: none"> • Provided and improved insurance services in advanced countries, and contributed to the development of the insurance market
	Contribute to shaping a sustainable society through asset management	<ul style="list-style-type: none"> ■ Bolster ESG investment through various kinds of initiatives in conjunction with the signing of the United Nations Principles for Responsible Investment ⇒ Investment in ESG bonds: ¥700 billion (end of FY2020) ■ Growth in investee companies through initiatives related to Japan's Stewardship Code 	<ul style="list-style-type: none"> • Obtained the highest rating (A+) in four divisions in the annual review of Principles for Responsible Investment (PRI) • ESG investment and finance during the medium-term management plan: ¥698.3 billion (as of the end of FY2019) • Adopted the Equator Principles and began evaluation of environmental and social risk in project finance 	<ul style="list-style-type: none"> • Steadily promote ESG investment and finance even after achieving the quantitative targets of the medium-term management plan
			<ul style="list-style-type: none"> • Continued activities emphasizing dialogue and conducted talks with 357 investee companies regarding important issues such as shareholder returns and corporate governance • Held dialogue with industries, etc. producing significant levels of CO₂ emissions about particular environmental themes, and confirmed the status of social initiatives • Increased information disclosure related to activities 	<ul style="list-style-type: none"> • Expand application of domestic bonds based on further revision of the Stewardship Code • Strengthen dialogue with a focus on environmental and social areas

Field	Important sustainability priority	Initiatives/Targets in the medium-term management plan	Results for FY2019	Action policies for FY2020
Customers/Communities and society		■ Provide a broad range of support that transcends the insurance field	<ul style="list-style-type: none"> • Through Life Care Partners Co., Ltd., developed the initiative which Nippon Life has so far promoted with major daycare service provider Global Kids to connect Company-managed daycare centers across Japan with companies and employees 	<ul style="list-style-type: none"> • Continue to provide information about new businesses to corporations and daycare providers and expand scale
	Build cooperative relationships and contribute to the development of communities and society	<ul style="list-style-type: none"> ■ Contribute to communities and society ⇒ Participation of all directors and employees in social contribution activities (each fiscal year) 	<ul style="list-style-type: none"> • Concluded comprehensive agreements with the prefectures of Aomori, Chiba, and Kagoshima (concluded with 31 prefectures as of the end of FY2019). Promoted community-based contributions led by branches and sales offices through community development initiatives such as health promotions and participation in festivals and local events • Held a large-scale business matching event in Osaka, mobilizing approximately 5,000 people at 3,000 companies • Introduction of initiatives at all branches and each Group company through a guidebook • 100% participation rate for fifth consecutive year by fostering social contribution awareness 	<ul style="list-style-type: none"> • Expand promotion and establishment of community development led mainly by branch and sales offices • Continue to promote initiatives more suited to community and social issues • Continue to promote 100% participation rate
Environment	Initiatives for climate change	(New in FY2018)	<ul style="list-style-type: none"> • Established CO₂ reduction targets of ▲40% in FY2030 and ▲80% in FY2050 • Promoted reduction initiatives mainly for electricity and paper • Ascertained the amount of CO₂ emissions of the Group in Japan • Implemented disclosure in line with TCFD recommendations (governance, strategy, risk management, indices and targets) 	<ul style="list-style-type: none"> • Continue initiatives to reduce CO₂ • Ascertain the amount of CO₂ emissions of the Group overseas • Launch scenario analysis of TCFD recommendations
Employees	Recruitment, development and retention of diverse human resources	<ul style="list-style-type: none"> ■ Promote versatile activities by diverse personnel ⇒ Percentage of management positions filled by women: 20% or more (beginning of FY2020) ⇒ Promote 100% of male employees taking childcare leave (each fiscal year) 	<ul style="list-style-type: none"> • Conducted seminars on finance, IT skills, data analysis and marketing as a means of initial training • Conducted professional programs in collaboration with divisions and fields aimed at strengthening development of specialized personnel • Conducted career seminars, etc. in anticipation of an extension to the mandatory retirement age in FY2021 • Conducted global leadership programs, etc. 	<ul style="list-style-type: none"> • Strengthen hiring and training of (advanced) specialized personnel • Creation of a system to support the activities of experienced employees • Improve Company-wide digital literacy • Strengthen development of global human resources
	Promote diversity and inclusion		<ul style="list-style-type: none"> • Through initiatives such as a program to develop female leaders for the next generation, the percentage of management positions filled by women reached 20% at the beginning of FY2020 • Continuation of actions by all employees to face the issue of nursing care • 100% of male employees took childcare leave for the seventh consecutive year 	<ul style="list-style-type: none"> • In addition to raising the percentage of positions equivalent to general manager which are filled by women to 30% in the 2020s, aim to increase the percentage by nearly 10% at the beginning of FY2030 and strengthen development of female managers • Continue actions by all employees to face the issue of nursing care • Continue initiatives to support 100% of male employees taking childcare leave

Initiatives toward Important Sustainability Priorities

Field	Important sustainability priority	Initiatives/Targets in the medium-term management plan	Results for FY2019	Action policies for FY2020
Employees	Promote workstyle reforms and Health and Productivity Management	<ul style="list-style-type: none"> Promote the mental and physical health of all employees and sustainable growth ⇒ 20% reduction in average monthly overtime hours compared to FY2016 ⇒ 70% or more of vacation days taken 	<ul style="list-style-type: none"> 18.0% reduction in average monthly overtime hours compared to FY2016 Regular rate of taking annual leave: 70% Conducted the following initiatives for all employees to realize their goals: <ul style="list-style-type: none"> Issued Health and Productivity Management Reports with the goal of improving health literacy Hosted walking events to establish exercise habits Created and broadcast videos to raise awareness and promote smoking cessation Held feedback sessions for managers regarding stress checks to improve workplace environments Obtained recognition in the 2020 Certified Health and Productivity Management Outstanding Organization Recognition Program (White 500) for the fourth consecutive year 	<ul style="list-style-type: none"> Continue and enhance initiatives related to workstyle reforms Evaluate and test working styles during the new normal in consideration of COVID-19 Strengthen initiatives for important issues while advancing initiatives for all executives and employees to engage in the My Personal Health Plan
	Long-term stable business operation through the mutual company structure	<ul style="list-style-type: none"> Continue to pay stable dividends to policyholders 	<ul style="list-style-type: none"> Distributed dividends for FY2020 to insurance policyholders based on financial results from FY2019 	<ul style="list-style-type: none"> Continue to pay stable dividends to policyholders
Corporate governance	Proper distribution of economic value			
	Strengthen corporate governance	<ul style="list-style-type: none"> Deliberate on the Nippon Life Group's management structure at the Group Management Promotion Committee (new) 	<ul style="list-style-type: none"> Clarified important initiatives to enhance the Group's operation structure, in addition to the Group operations management base 	<ul style="list-style-type: none"> Further enhance the Group's operation structure by implementing important initiatives
	Integrate CSR issues into management	<ul style="list-style-type: none"> Reflect CSR priorities in management 	<ul style="list-style-type: none"> Deliberated on the status of initiatives for important sustainability priorities at the Sustainability Management Promotion Committee, and reported to the Management Committee and Board of Directors Promoted initiatives aimed at achieving the SDGs, and announced the status of progress on the official website Created and distributed the SDGs High-lights booklet Signed the 21st Century Financial Code of Conduct 	<ul style="list-style-type: none"> Promote PDCA for important sustainability priorities Promote initiatives aimed at achieving the SDGs Evaluate initiatives related to collaboration with business partners Evaluate Group development for sustainability management
	Stakeholder engagement			
Compliance	Strengthen the compliance system	<ul style="list-style-type: none"> Establish and implement compliance programs and teach and entrench principles 	<ul style="list-style-type: none"> Utilized meetings specific to each employee class, training seminars, internal satellite broadcasts (NICE-NET), etc. to teach and entrench awareness of compliance in all executives and employees 	<ul style="list-style-type: none"> Establish and implement compliance programs and teach and entrench principles
Human rights	Management respectful of the human rights of all people	(New in FY2018)	<ul style="list-style-type: none"> Provided broad education and raised awareness of various human rights issues at all levels of the Company through group training and various types of media based on internal policies such as human rights policies, various legal systems, and changes within and outside the Company 	<ul style="list-style-type: none"> Continue to provide broad education and raise awareness of various human rights issues at all levels of the Company Continue to evaluate the sophistication of human rights due diligence
Risk management	Upgrade the approach to ERM	<ul style="list-style-type: none"> Introduce risk appetite framework on a Group-wide basis Equity accumulation toward securing financial soundness as a medium-term target ⇒ Equity: ¥6.5 trillion (end of FY2020) 	<ul style="list-style-type: none"> Continued efforts aimed at the sophistication and permeation of risk appetite Equity: ¥6.68 trillion (as of the end of FY2019) 	<ul style="list-style-type: none"> Continue efforts to enhance the sophistication and permeation of the approach to ERM Maintain equity accumulation

Customer-Oriented Business Operations

As a life insurance company, Nippon Life has created the Customer-Oriented Operational Management Policy and the Details of Initiatives for Customer-Oriented Operational Management to further promote customer-oriented business operations. We will use the medium- to long-term trend in the customer satisfaction level to measure the level of compliance with these policies.

Customer-Oriented Operational Management Policy

1. Customer-Oriented Business Operations

In line with the Fundamental Management Principles of Nippon Life, we endeavor to be customer-oriented in all of our business operations in order to provide life insurance products and incidental services that customers truly want and to continue to fulfill our long-term coverage responsibilities to customers.

2. Development of Life Insurance Products and Incidental Services

We accurately grasp societal demands and customers' needs, and strive to develop life insurance products and incidental services that customers truly want.

3. Solicitation of Life Insurance Products

To ensure that customers will select products that are appropriate for them, we strive to make sure that the following points are adhered to when life insurance products are solicited:

- Solicitors propose products based on a comprehensive consideration of the customer's situation, including their knowledge of insurance and other financial products, purpose for enrolling in life insurance, age, and family and asset situation.
- Solicitors explain the details and mechanisms of life insurance products to customers in simple language so that they adequately understand them, and make sure that the products meet the customer's individual needs.
- For such products as variable annuities, foreign currency-denominated insurance and investment trusts that entail market risk, in addition to 1 and 2 above, we recommend those considered most appropriate for each customer's investment experience while giving appropriate explanations regarding products and their risks.

4. Outsourcing Solicitation to Agencies

When outsourcing solicitation to an agency for the first time, we confirm the agency has established systems to ensure the appropriate proposal of products and other actions as stipulated in 3. In addition, we provide instruction and education so that these systems are maintained and improved.

5. Payment of Claims and Benefits

- We regularly check with customers regarding the details of life insurance products they are enrolled in and any events that could result in the payment of claims or benefits. We also strive to provide information according to the customer's life cycle and propose coverage reviews and adjustments.
- In addition to having easy-to-understand and highly convenient procedures through an efficient administrative system and adequate explanations to customers, we strive to make payments of claims and benefits accurately and quickly.

6. Enhancing Service Channels

To quickly and properly provide customer service, including soliciting life insurance products and providing information and helping with procedures after enrollment, we build and develop the sales representative channel and other service channels, with a focus on face-to-face service.

7. Efforts to Use Customer Feedback in Our Business

To sincerely and speedily address customers' demands, we value and learn from their feedback and use it to improve business operations.

8. Asset Management

To reliably pay future claims and benefits, we manage assets with an eye on safety, profitability, liquidity, and the public nature of our business.

9. Appropriate Management of Conflicts of Interest

We will establish a system to appropriately ascertain and manage transactions that could unfairly harm customers' interests, and strive to maintain and improve this system.

10. Efforts to Have the Policy Disseminated throughout the Organization

We will continue to establish salary and training systems to ensure our employees act in a customer-oriented manner in all of their business operations, and will work to have the policy disseminated throughout the organization.

Balance Sheets/Statements of Income

■ Main Items in Balance Sheets

Consolidated

(Unit: Billions of Yen)	
As of March 31	2020
Total assets	80,081.1 ^A
Cash and deposits	1,751.0
Call loans	422.9
Monetary receivables purchased	375.2
Assets held in trust	33.7
Investments in securities	65,084.0 ^B
Loans	8,436.6
Tangible fixed assets	1,913.5
Intangible fixed assets	386.3
Reinsurance receivables	69.5
Other assets	1,512.5
Deferred tax assets	24.3
Customers' liability for acceptances and guarantees	76.1
Allowance for doubtful accounts	(4.9)
Total liabilities	73,923.9
Policy reserves and other reserves:	66,765.6
Policy reserves	65,406.1 ^C
Reinsurance payables	7.5
Corporate bonds	1,277.6
Other liabilities	3,541.4
Accrued bonuses for directors and audit and supervisory board members	0.0
Net defined benefit liability	449.5
Accrued retirement benefits for directors and audit and supervisory board members	4.9
Reserve for program points	8.8
Reserve for price fluctuations in investments in securities	1,531.6 ^D
Deferred tax liabilities	157.4
Deferred tax liabilities for land revaluation	103.0
Acceptances and guarantees	76.1
Total net assets	6,157.2
Foundation funds	① 100.0
Reserve for redemption of foundation funds	② 1,300.0 ^E
Reserve for revaluation	③ 0.6
Consolidated surplus	④ 554.7
Total foundation funds and others (=①+②+③+④)	1,955.4
Net unrealized gains on available-for-sale securities	⑤ 4,199.8
Deferred losses on derivatives under hedge accounting	⑥ (69.2)
Land revaluation losses	⑦ (54.7)
Foreign currency translation adjustments	⑧ (26.4)
Remeasurement of defined benefit plans	⑨ (15.0)
Total accumulated other comprehensive income (=⑤+⑥+⑦+⑧+⑨)	4,034.4
Share acquisition rights	0.9
Noncontrolling interests	166.3
Total liabilities and net assets	80,081.1

^A Total Assets

Total assets, which are based on insurance premiums and other items, 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 in particular holds domestic bonds, including national government bonds, local government bonds, and corporate bonds, all of which present potential for stable yen-denominated returns. Also, within the range of allowable risks, Nippon Life invests in domestic stocks, foreign securities and other securities. Net unrealized gains on securities, the difference between the market value and book value of the securities, was ¥9,583.5 billion.

Nonconsolidated

(Unit: Billions of Yen)	
As of March 31	2020
Total assets	69,071.1
Cash and deposits	1,020.7
Call loans	422.9
Monetary receivables purchased	219.0
Assets held in trust	33.7
Investments in securities	57,108.8
Loans	7,411.8
Tangible fixed assets	1,681.8
Intangible fixed assets	192.8
Reinsurance receivables	0.3
Other assets	941.6
Customers' liability for acceptances and guarantees	75.1
Allowance for doubtful accounts	(2.6)
Allowance for investment loss	(35.0)
Total liabilities	63,273.5
Policy reserves and other reserves:	57,454.6
Policy reserves	56,220.2
Reinsurance payables	0.4
Corporate bonds	1,155.3
Other liabilities	2,550.6
Accrued bonuses for directors and audit and supervisory board members	0.0
Accrued retirement benefits	374.4
Accrued retirement benefits for directors and audit and supervisory board members	4.3
Reserve for program points	8.8
Reserve for price fluctuations in investments in securities	1,448.0
Deferred tax liabilities	98.5
Deferred tax liabilities for land revaluation	103.0
Acceptances and guarantees	75.1
Total net assets	5,797.6
Foundation funds	① 100.0
Reserve for redemption of foundation funds	② 1,300.0
Reserve for revaluation	③ 0.6
Surplus	④ 353.7
Total foundation funds and others (=①+②+③+④)	1,754.4
Net unrealized gains on available-for-sale securities	⑤ 4,165.9
Deferred losses on derivatives under hedge accounting	⑥ (68.0)
Land revaluation losses	⑦ (54.7)
Total valuations, conversions, and others (=⑤+⑥+⑦)	4,043.1
Total liabilities and net assets	69,071.1

^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 stocks.

^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 the same amount of funds solicited in accordance with the Insurance Business Act.

■ Main Items in Statements of Income

Consolidated

(Unit: Billions of Yen)	
Fiscal year ended March 31	2020
① Ordinary income:	8,050.6
Revenues from insurance and reinsurance	5,719.3 ^F
Investment income:	2,007.4 ^G
Interest, dividends and other income	1,597.8
Gain on sales of securities	350.7
Other ordinary income	323.8
② Ordinary expenses:	7,769.3
Benefits and other payments:	4,561.0 ^H
Death and other claims	1,262.0
Annuity payments	994.2
Health and other benefits	873.2
Surrender benefits	1,111.0
Other refunds	219.4
Provision for policy reserves:	1,335.6
Provision for policy reserves	1,313.9
Provision for interest on reserve for dividends to policyholders (mutual company)	21.7
Provision for interest on reserve for dividends to policyholders (limited company)	0.0
Investment expenses:	699.0 ^I
Loss on sales of securities	61.1
Loss on valuation of securities	220.3
Loss on derivative financial instruments, net	20.4
Foreign exchange losses, net	235.5
Operating expenses	816.4
Other ordinary expenses	357.1
③ Ordinary profit (=①-②)	281.3
④ Extraordinary gains	55.2
⑤ Extraordinary losses:	127.6
Provision for reserve for price fluctuations in investments in securities	71.4
Impairment losses	45.0
⑥ Extraordinary gains (losses) (=④-⑤)	(72.4)
⑦ Provision for reserve for dividends to policyholders (limited company)	11.8
⑧ Surplus before income taxes: (=③+⑥-⑦)	197.1
Income taxes – current	163.5
Income taxes – deferred	(149.1)
⑨ Total income taxes	14.3
⑩ Net surplus (=⑧-⑨)	182.7 ^J
⑪ Net loss attributable to noncontrolling interests	(9.3)
⑫ Net surplus attributable to the parent company	192.1

^F Revenues from Insurance and Reinsurance

Comprising insurance and reinsurance premiums paid by policyholders.

^G Investment Income

This includes interest, dividends and other income as well as gain on sales of securities.

^H Benefits and Other Payments

These consist of payments related to insurance policies, including death and other claims, annuity payments, health and other benefits and surrender benefits.

Nonconsolidated

(Unit: Billions of Yen)	
Fiscal year ended March 31	2020
① Ordinary income	6,479.9
Revenues from insurance and reinsurance	4,526.1
Investment income:	1,776.8
Interest, dividends and other income	1,426.1
Gain on sales of securities	328.2
Other ordinary income	176.9
② Ordinary expenses:	6,128.7
Benefits and other payments:	3,629.3
Death and other claims	1,019.3
Annuity payments	805.4
Health and other benefits	691.3
Surrender benefits	918.8
Other refunds	192.9
Provision for policy reserves:	1,153.3
Provision for policy reserves	1,131.6
Provision for interest on reserve for dividends to policyholders	21.7
Investment expenses:	508.7
Loss on sales of securities	48.7
Loss on valuation of securities	202.3
Loss on derivative financial instruments, net	83.9
Operating expenses	598.7
Other ordinary expenses	238.3
③ Ordinary profit (=①-②)	351.2
④ Extraordinary gains	1.6
⑤ Extraordinary losses:	147.7
Provision for reserve for price fluctuations in investments in securities	66.3
Loss on valuation of shares of subsidiaries and affiliates	68.3
⑥ Extraordinary gains (losses) (=④-⑤)	(146.0)
⑦ Surplus before income taxes: (=③+⑥)	205.1
Income taxes – current	154.0
Income taxes – deferred	(130.3)
⑧ Total income taxes	23.7
⑨ Net surplus (=⑦-⑧)	181.4

^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 or losses, provision for reserve for dividends to policyholders and total income taxes will be added to or subtracted from ordinary income.

Distribution of Dividends to Participating Insurance Policyholders

Fiscal Year Ending March 31, 2021 Policyholder Dividends Based on Results for the Fiscal Year Ended March 31, 2020

Nippon Life aims to maximize profits for policyholders over the medium to long term, and strives to pay policy claims and benefits along with stable annual policyholder dividends each year.

In the financial results for fiscal 2019, we reduced interest rate profit dividends in light of a continuing decline in returns on

investment earnings and super-low interest rates which are expected to continue for a long time. On the other hand, we increased risk profit dividends for the three major disease insurance *Mirai no Katachi*, which has continued to provide steady income over the period since its launch.

Policyholder Dividend Payout Ratio [For the fiscal year ended March 31, 2020]

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).

A measure of effectively available financial resources in consideration of laws and regulations, adjusted net surplus equals net surplus plus any excess of reserves such as contingency reserves.

$$\frac{\text{Reserve for policyholder dividends, etc.}}{\text{Adjusted net surplus}} = 50\%$$

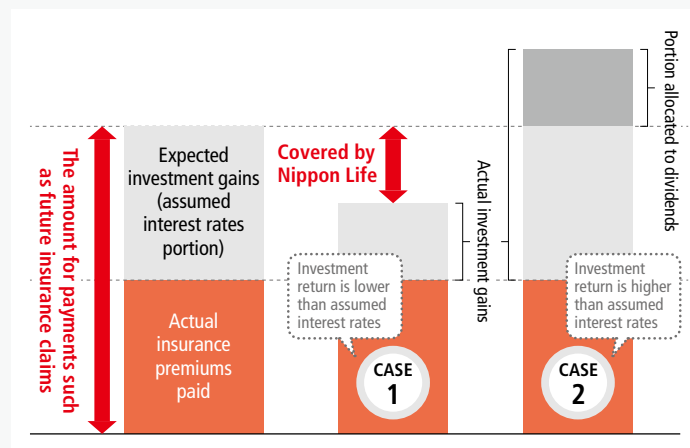
Policyholder Dividends in Mutual Companies

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, actual conditions 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

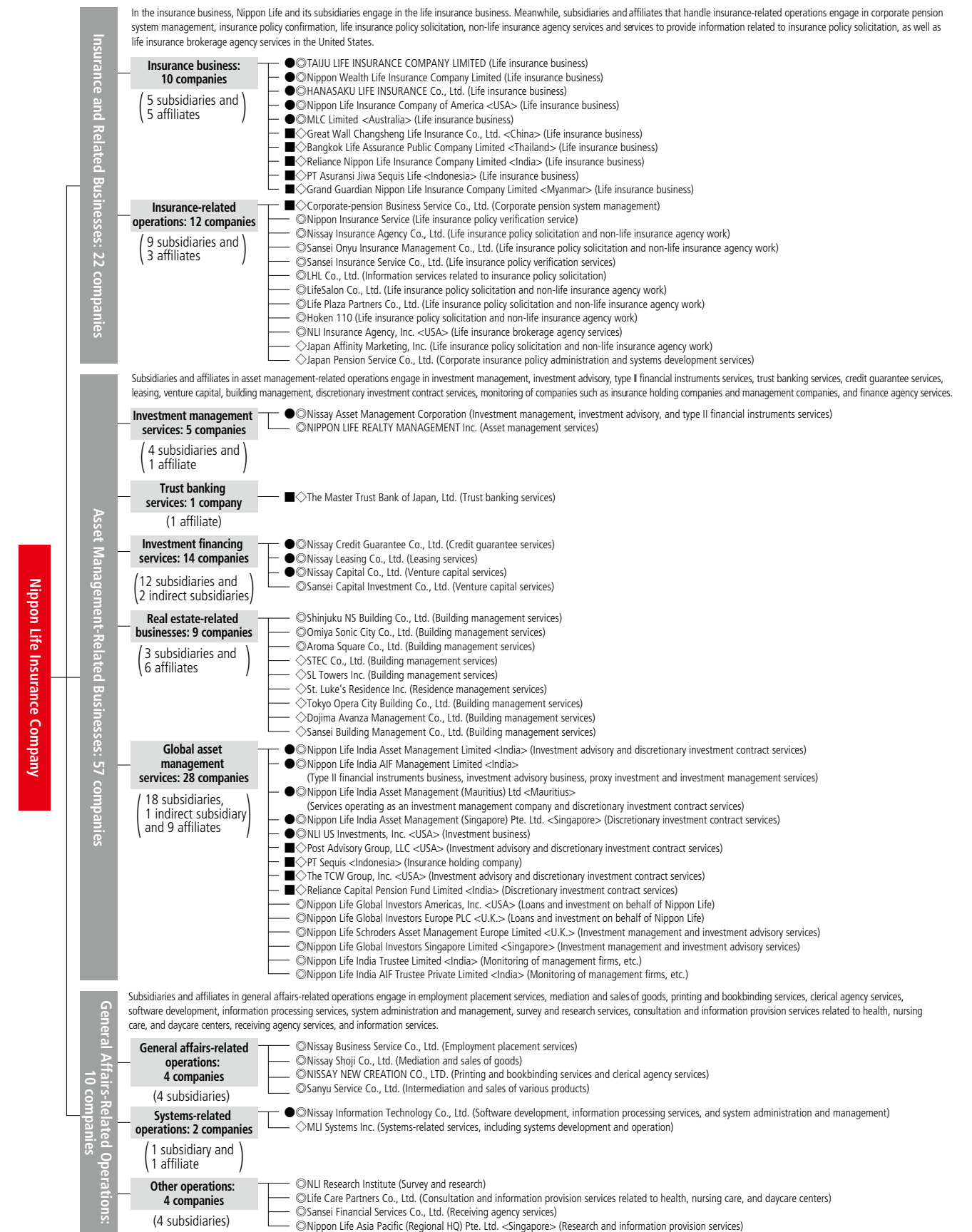
The chart on the right shows the framework for dividends based on assumed rates. Insurance premiums are calculated while discounting investment gains based on assumed rates. Even if actual investment profits are lower than expected, as in Case 1, Nippon Life guarantees this discount on insurance premiums to stay the same.



Please see p. 40 for details regarding the Policy Details Reminder, which is sent out each year to every customer.

Business Structure/Subsidiaries and Affiliates

Business Structure (As of March 31, 2020)



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

Business Structure/Subsidiaries and Affiliates

Subsidiaries and Affiliates

The following table shows Nippon Life’s major consolidated subsidiaries, both direct and indirect, as well as its major equity method affiliates as of March 31, 2020.

① Consolidated subsidiaries

Name	Location	Main business	Established (Date of stock acquisition)	Issued capital	Percentage of voting rights held by Nippon Life (%)	Percentage of voting rights held by Nippon Life's subsidiaries and affiliate companies (%)
TAIUI LIFE INSURANCE COMPANY LIMITED	Tokyo (Chiyoda-ku), Japan	Life insurance business	August 1, 1947 (December 29, 2015)	(Millions of Yen) ¥167,280	82.60	—
Nippon Wealth Life Insurance Company Limited	Tokyo (Shinagawa-ku), Japan	Life insurance business	October 1, 1947 (May 31, 2018)	(Millions of Yen) ¥30,519	85.11	—
HANASAKU LIFE INSURANCE Co., Ltd.	Tokyo (Minato-ku), Japan	Life insurance business	July 2, 2018	(Millions of Yen) ¥15,000	100.00	—
Nissay Asset Management Corporation	Tokyo (Chiyoda-ku), Japan	Investment management, investment advisory and type II financial instruments services	April 4, 1995	(Millions of Yen) ¥10,000	100.00	—
Nissay Credit Guarantee Co., Ltd.	Osaka (Osaka-shi), Japan	Credit guarantee services	April 1, 1980	(Millions of Yen) ¥950	100.00	—
Nissay Leasing Co., Ltd.	Tokyo (Chiyoda-ku), Japan	Leasing services	March 30, 1984	(Millions of Yen) ¥3,099	70.00	—
Nissay Capital Co., Ltd.	Tokyo (Chiyoda-ku), Japan	Venture capital services	April 1, 1991	(Millions of Yen) ¥3,000	100.00	—
Nissay Information Technology Co., Ltd.	Tokyo (Ota-ku), Japan	Software development, information processing services and system administration and management	June 25, 1999	(Millions of Yen) ¥4,000	83.92	—
Nippon Life Insurance Company of America	Iowa, USA (New York, USA)	Life insurance business	August 23, 1972 (December 20, 1991)	(Millions of US Dollars) \$3.6	96.96	—
MLC Limited	New South Wales, Australia	Life insurance business	December 31, 1886 (October 3, 2016)	(Millions of Australian Dollars) \$2,335	80.00	—
Nippon Life India Asset Management Limited	Maharashtra, India	Investment advisory and discretionary investment contract services	February 24, 1995 (August 16, 2012)	(Millions of Indian Rupee) ₹6,121	74.99	—
NLI US Investments, Inc.	Delaware, USA	Investments	March 25, 2013	(US Dollars) \$2	100.00	—

Notes: 1. In conjunction with a rise in the investment ratio, Reliance Nippon Life Asset Management Limited changed its company name to Nippon Life India Asset Management Limited on January 13, 2020.
2. On January 15, 2020, NLI Commercial Mortgage Fund, LLC and NLI Commercial Mortgage Fund II, LLC ceased to be counted as major subsidiaries due to their liquidation.
3. The locations shown in parentheses in the location column for overseas subsidiaries represent the locations of the head office of each subsidiary.
4. "Percentage of voting rights held by Nippon Life" shows the number of voting rights held by Nippon Life divided by the total number of voting rights.
5. "Percentage of voting rights held by Nippon Life's subsidiaries and affiliates" shows the number of voting rights held by Nippon Life's subsidiaries and affiliates divided by the total number of voting rights. The percentage includes subsidiaries and affiliates within the scope of consolidation.

② Indirect subsidiaries (excluding subsidiaries)

None as of March 31, 2020.

③ Affiliates

Name	Location	Main business	Established (Date of stock acquisition)	Issued capital	Percentage of voting rights held by Nippon Life (%)	Percentage of voting rights held by Nippon Life's subsidiaries and affiliate companies (%)
Corporate-pension Business Service Co., Ltd.	Tokyo (Shinagawa-ku), Japan	Corporate pension system management	October 1, 2001	(Millions of Yen) ¥6,000	49.00	1.00
The Master Trust Bank of Japan, Ltd.	Tokyo (Minato-ku), Japan	Trust and custody services	November 13, 1985 (April 26, 2000)	(Millions of Yen) ¥10,000	33.50	—
Great Wall Changsheng Life Insurance Co., Ltd.	Shanghai, China	Life insurance business	September 23, 2003	(Millions of Yuan Renminbi) ¥2,167	28.57	—
Bangkok Life Assurance Public Company Limited	Bangkok, Thailand	Life insurance business	March 23, 1951 (February 24, 1997)	(Millions of Baht) ฿1,707	24.21	—
Reliance Nippon Life Insurance Company Limited	Maharashtra, India	Life insurance business	May 14, 2001 (October 7, 2011)	(Millions of Indian Rupee) ₹11,963	49.00	—
PT Asuransi Jiwa Sequis Life	Jakarta, Indonesia	Life insurance business	December 15, 1984 (October 8, 2014)	(Millions of Indonesian Rupiah) Rp77,630	0.01	68.34
Grand Guardian Nippon Life Insurance Company Limited	Yangon, Myanmar	Life insurance business	January 24, 2019 (September 10, 2019)	(Millions of Burmese Kyat) K38,090	35.00	—
Post Advisory Group, LLC	California, USA	Investment advisory and discretionary investment contract services	April 24, 1992 (April 25, 2013)	(Millions of US Dollars) \$2.6	—	19.56
The TCW Group, Inc.	California, USA	Investment advisory and discretionary investment contract services	November 19, 1971 (December 27, 2017)	(Millions of US Dollars) \$200	—	100.00
PT Sequis	Jakarta, Indonesia	Insurance holding company	October 9, 2001 (October 8, 2014)	(Millions of Indonesian Rupiah) Rp4,240	29.26	—

Notes: 1. "Percentage of voting rights held by Nippon Life" shows the number of voting rights held by Nippon Life divided by the total number of voting rights.
2. "Percentage of voting rights held by Nippon Life's subsidiaries and affiliates" shows the number of voting rights held by Nippon Life's subsidiaries and affiliates divided by the total number of voting rights. The percentage includes subsidiaries and affiliates within the scope of consolidation.
For PT Asuransi Jiwa Sequis Life, the percentage of voting rights shown is that held by PT Sequis. For The TCW Group, Inc., the percentage of voting rights shown is that held by a subsidiary of Clipper Holding, L.P., of which 24.75% of voting rights are held by NLI US Investments, Inc.

Status of Business Transfers and Acquisitions

Date of business transfer, etc.	Status of business transfer, etc.
August 21, 2019	Through a tender offer, Nippon Life acquired additional shares of Reliance Nippon Life Asset Management Limited, bringing the percentage of voting rights held by Nippon Life to 53.46%. As a result, Reliance Nippon Life Asset Management Limited became a subsidiary of Nippon Life.
September 27, 2019	Nippon Life acquired additional shares of Reliance Nippon Life Asset Management Limited, bringing the percentage of voting rights held by Nippon Life to 75%. In conjunction with the rise in the investment ratio, Reliance Nippon Life Asset Management Limited changed its company name to Nippon Life India Asset Management Limited on January 13, 2020. In addition, the company's stock options were exercised on March 5, 2020, which brought the percentage of voting rights held by Nippon Life to 74.99%.
September 10, 2019	Nippon Life acquired new shares of Grand Guardian Life Insurance Company Limited, bringing the percentage of voting rights held by Nippon Life to 35%. In conjunction with this, Grand Guardian Life Insurance Company Limited changed its company name to Grand Guardian Nippon Life Insurance Company Limited. Additionally, Grand Guardian Nippon Life Insurance Company Limited received approval from financial authorities in Myanmar for a joint venture life insurance business on November 28, 2019. As a result, it became a major subsidiary of Nippon Life.
December 23, 2019	Nippon Life conducted an additional investment in MLC Limited, bringing MLC Limited's capital to AUD 2,335 million.

Outline of Nippon Life Insurance Company (As of March 31, 2020)

Name:	Nippon Life Insurance Company
Location:	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 1,526 ● Global representative offices 4 ● Agencies* 18,266
Group Companies:	● Insurance and insurance-related businesses 22 ● Asset management-related businesses 57 ● General affairs-related operations 10

* Agencies include agencies at banks and financial institutions.



Head Office

For life insurance procedures or inquiries, the following resources are available to customers:

Nissay Website	https://www.nissay.co.jp/english/ 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.	
Nissay Life Plaza (Consulting service counter for daily life and insurance)	● Business days: Monday to Friday (Excluding public holidays and the period from December 31 to January 3) Certain Nissay Life Plaza locations provide insurance consulting services on Saturdays. Notes: 1. Insurance procedures are not performed on Saturdays. 2. Services are available on Saturdays by reservation only. Please call your Nissay Life Plaza retail outlet before visiting the location. ● Business hours: Business hours vary with each Nissay Life Plaza retail outlet. For details, please check the Nissay website. ● For details on the Nissay Life Plaza consulting service counter for daily life and insurance, please visit the following website: https://www.nissay.co.jp/madoguchi/	
Nissay Call Centers	0120-201-021	
Phone line for elderly customers	0120-147-369 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) Notes: 1. For privacy protection reasons, we ask that inquiries be made by the policyholder directly. 2. When calling, please give the representative your policy number (certificate number). 3. Please note in advance that telephone calls to Nissay call centers are recorded for the purposes of managing Nippon Life's business operations and to improve the quality of service.	

	 Facebook	 Twitter	 Instagram	 TikTok
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“大切な人を想う”の
いちばん近くで。



日本生命