



# NISSAY | 2021

Annual Report Main Part | Annual Report



今日と未来を、つなぐ。

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



### 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>

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# To earn the greater trust of customers and society



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

*H. Shimizu*

**Hiroshi Shimizu**  
President

## Introduction

As the coronavirus disease (COVID-19) wreaks havoc around the world, I would like to express my heartfelt sympathies to those who have passed away, and extend my condolences to their family members. I would also like to extend my sincerest sympathies to all those who are suffering from or have been affected by the pandemic. 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 on the medical front lines to treat and prevent the disease, and to all those who have been working throughout this pandemic to support the social infrastructure essential to our daily lives.

The pandemic has also significantly impacted and altered economic activities and our daily lives.

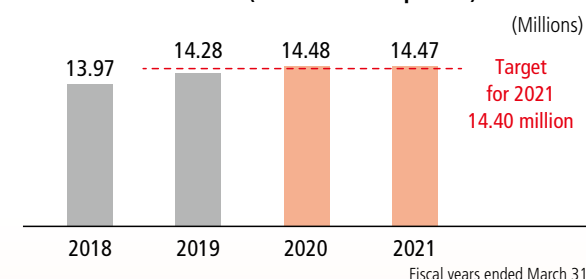
We understand this struggle must be overcome, and that now is the time to carry out our mission as a life insurance company of "fulfilling our coverage obligations to customers," and live up to their expectations.

We have implemented various support measures to assist customers as best we can, including special handling procedures such as granting extensions for premium payment deadlines, and made donations to medical-related institutions in order to contribute to communities and society.

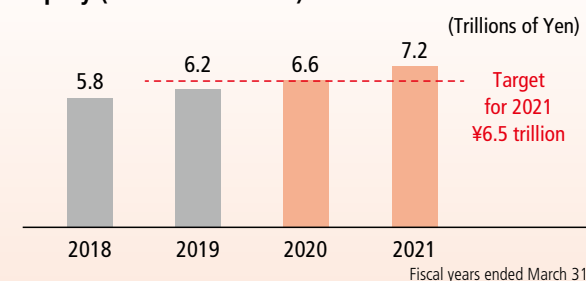
Even as COVID-19 spreads, we have been advancing various initiatives related to the pandemic while continuing to put the strongest emphasis on our "customer-oriented business operations" just as before, in addition to initiatives focused on responses to digital society and our aging population. We are implementing customer-oriented business operations tailored to the times in various fields by reflecting the opinions of customers and employees in our day-to-day business operations.

### Numerical Targets of "Zen Shin – next stage –"

#### Number of Customers (Domestic Group Total)



#### Equity (Nonconsolidated)



We offer custom-made guidance for life insurance both face-to-face and remotely using digital tools based on the preferences of our customers.

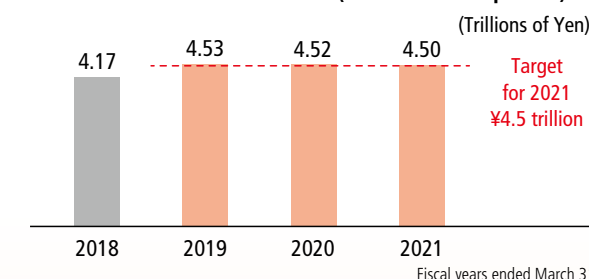
In order to continue being a company that can anticipate and respond to changes in customer needs and society, all executives and employees share a mindset of valuing customers, which has been passed down to Nippon Life by its predecessors. We positively incorporate these changes while carrying on tradition, and continue to take bold steps toward reform unlike anything seen before.

### Looking Back at "Zen Shin –next stage–"

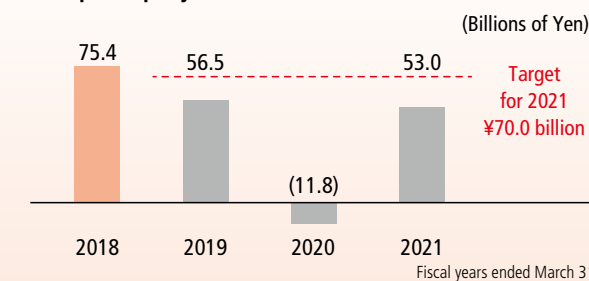
In fiscal 2017, we implemented Mid-Term Management Plan "Zen Shin –next stage–" under the slogan of "Working to be the leading company in an era with an average life expectancy of 100 years." During this period, we worked on initiatives such as "increasing profitability under an ultra-low interest rate environment," "expanding the social roles of the Nippon Life Group," and "steadily expanding the profit of Group businesses" in various fields.

Looking back at the status of achievement for the four numerical targets set under "Zen Shin –next stage–," we were able to exceed targets with 14.47 million customers (domestic Group total), annualized premiums in force of ¥4.5 trillion (domestic Group total), and equity of ¥7.2 trillion (nonconsolidated). On the other hand, we fell short of our target for Group company net income, posting ¥53.0 billion. This was due to factors such as a decrease in sales at TAIJU LIFE caused by declining interest rates and a downturn at Australian life insurance subsidiary MLC. In this way, the Nippon Life Group made incremental progress in growing the earnings of Group businesses. In terms of production and investment, we were able to achieve the targets we set.

#### Annualized Premiums in Force (Domestic Group Total)



#### Group Company Net Income



The operating environment surrounding the life insurance business is approaching a major turning point unlike anything we've experienced since our founding, due to factors such as lifestyle changes brought on by the spread of COVID-19, as well as the development of population decline and the aging of society, continuation of ultra-low interest rates, and rapid acceleration of digitalization.

Based on the results we've achieved and challenges we've overcome so far, our next target will be a concerted Company-wide effort toward a new three-year mid-term management plan starting from the current fiscal year.

## New Mid-Term Management Plan “Going Beyond”

Social structures and living environments are undergoing drastic changes due to factors such as the declining birthrate and the aging of society, increases in digital and direct demands, and lifestyle changes brought on by the spread of COVID-19. Amid all this, expectations from customers toward life insurance companies are increasing, and we are playing an even greater role.

Nippon Life and the entire Group have made a resolution to exceed the level of previous business and secure a path to further growth, and named the new Mid-Term Management Plan “Going Beyond.” Based on this new plan, we will aim for “regaining and enhancing productivity at an early stage” through growth in the number of customers and “improvement in earnings capabilities and financial soundness.”

We have set our numerical targets at 14.9 million customers (domestic Group total), annualized premiums in force of ¥4.55 trillion (domestic Group total), steadily securing core operating profit of ¥600.0 billion (Group), and ¥9.0 trillion in equity (Group). By promoting each Group growth strategy and fulfilling its social role, the Nippon Life Group will push ahead, aiming to be a group that continues to support the future of its customers and society through “People, Services and Digital Technology.”

### Group Growth Strategies ①

## Further Explore the Domestic Insurance Market

Our first Group growth strategy is to “further explore the domestic insurance market.”

We believe that bolstering our sales representative channel—which is Nippon Life's greatest strength—in line with the digital era and reinforcing ties with customers are essential in order to respond to an environment in which

customer needs are diversifying and the market is changing drastically.

We are also making advances in the development of markets and enhancing and expanding products and services throughout the Group by enhancing strategies and demonstrating synergy between TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life.

### Making Activities More Sophisticated in the Digital Era

We will incorporate digital technology into the face-to-face guidance activities we have built up so far, and work on making activities and organizations more sophisticated in order to better address customer needs. By fully utilizing digital technology through training staff that steadily thrive over the long term, we are establishing a new activity model for the digital era that provides services with even higher value based on the preferences of each individual customer.

As specific initiatives, we allocate smartphones “N-Phones” to all sales representatives, and make full use of technology such as AI to enhance timely provision of information and our ability to respond to customers.

We will develop services in ways that fit customers' circumstances by utilizing a screen sharing system enabling remote policy procedures and other procedures and video content to explain our products.

Additionally, we are working on things like offering premium simulations in which customers can design plans on their own, offering seminars, etc. regarding corporate welfare specific to each company, and newly establishing websites for providing information in response to diverse company needs in order to enhance and increase opportunities to provide information online.

We have accelerated these initiatives, and strive to improve our consulting abilities further, while providing a larger number of customers with detailed services.

### Providing Services that Address Customer Needs

Since 2007, Nippon Life's sales representatives visit each customer once a year, confirm hospital visits and surgeries, and provide guidance on items such as policy content (content confirmation activities). We have designated content confirmation activities as the central activity to fulfill our coverage obligations to customers, and will continue to provide services that address customer needs.

We are also steadily upgrading and expanding procedures that can be completed with the Nippon Life app to improve customer convenience. In addition to enabling policy confirmation and address changes, the app can easily be used for free phone consultations and health-related services regarding health and nursing care.

For support that includes dementia and nursing care, we are developing services so that even elderly customers can continue to use our policies with peace of mind by providing the “Family Contact Information Register,” which allows us to provide policy information to family members who have been registered in advance, and setting up a phone line for elderly customers.

### Upgrade and Expand Products and Services

To further upgrade and expand the lineup of our mainstay product “*Mirai no Katachi*,” we launched “*Shu NEW 1*,” insurance that offers income support during extended hospital stays, in July. This product can protect against salary decreases caused by hospital stays by allowing customers to receive six months' worth of monthly salary support as a lump sum in the event of a hospital stay lasting more than 14 days (2 weeks).

Through more advanced types of “*Mirai no Katachi*,” which is insurance that can be combined freely, we hope to continue providing coverage that perfectly suits each customer's way of living.

Regarding Group-wide market development, we will deliver suitable products and services to customers by enhancing channels and providing products that leverage the various strengths of TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life, while also proactively advancing into new markets.

As one means of market development, Hanasaku Life will initiate online sales. This will allow us to provide competitive products to customers who were previously difficult to reach by utilizing the internet and digital marketing.

Additionally, we are advancing preparations to establish a new small-amount, short-term insurance company in order to provide unique insurance products, not limited to life insurance but also including non-life insurance, and develop markets for specialized needs.

We will further accelerate our prior initiatives and work on providing insurance products useful to society that can support an era with an average life expectancy of 100 years.

### Group Growth Strategies ②

## Strengthen and Diversify Group Businesses

The second Group growth strategy is to “strengthen and diversify Group businesses.” In an environment where low interest rates are being extended and social structures are changing drastically, we are utilizing the strengths of each business and working on improving profitability in order to achieve maximization of policyholder profits as a mutual company.

In the asset management business, we will aim to capture asset formation needs and bolster the investment capabilities of Group life insurance companies by strengthening our competitiveness domestically and driving further growth overseas.

As an initiative for strengthening our competitiveness domestically, we will strive to improve our investment capabilities by transferring the credit and alternative investment functions held by Nippon Life and TAIJU LIFE to Nissay Asset Management.

In line with this, Nissay Asset Management has become an asset management company that possesses Japan's top management system for credit and alternative investment, significantly increasing the number of assets under management from ¥15.0 trillion to ¥29.0 trillion.

We will utilize long asset terms and our expertise on stable investments to provide higher-quality asset management services. At the same time, we will also work on strengthening solution-based sales based on the portfolio status of institutional investors and others and the market environment through the development of digital tools and other means.

In addition, for further growth of the asset management business overseas, we are working on sales promotion through enhancement and expansion of our product lineup which includes ETF and alternative investments, and through the use of digital technology, while strengthening investment and management systems.

In the overseas insurance business, we will establish a profit base and aim to secure long-term, stable profits by continuing to enhance governance systems through means





such as strengthening investment and management systems and the functions of regional headquarters.

In addition to these strategies, we will proactively utilize cutting-edge technology and data to further strengthen and diversify Group businesses, while continuing to provide new services and develop new business in the fields of healthcare, childcare support, and responses to an aging society.

In April 2020, we established Nippon Life X as an open innovation hub that will create new businesses in order to respond to changes in the business environment caused by revolutions in advanced IT. Through activities in four global corners (Tokyo, Silicon Valley, London and Beijing), venture capital funds, and innovation investments in venture capital funds and individual companies, we are working on developing new products and services and opening up new markets. Beginning in the fiscal year ended March 31, 2021, we also have developed an internal entrepreneurship project for which there were 423 applications. Among those, we will aim to develop the selected projects into businesses, while continuing to solicit ideas in the future. In this way, we hope to spread a culture and climate of innovation within the Company.

#### Group Growth Strategies ③

### Strengthen Investment Capabilities and Improve Business Cost Efficiency

The third Group growth strategy is to “strengthen investment capabilities and improve business cost efficiency.” As low interest rates are projected to continue going forward, it will



be necessary to work on this strategy more than ever before. In terms of asset management, we are continuing to strengthen portfolio transformation and ESG investment and finance. We will continue to work on risk reduction by extending the duration of assets with yen-based interest rates, accumulating credit with a focus on overseas, and further diversifying international investment, and aim to secure a stable profit margin and reduce risks.

With regard to strengthening ESG investment and finance, starting in April, we launched ESG integration which incorporates ESG factors into all investment and finance processes.

We set a numerical target of “¥1.5 trillion” for investment and finance focused on the period between fiscal 2017 and fiscal 2023, and made investments in social bonds and impact investment, among other things.

In order to further promote investment and finance decision-making centered on ESG across all assets, we newly established the “ESG Investment Strategy Office” within the Finance & Investment Planning Department. This office will promote surveys, research, and analysis related to ESG; surveys of regulatory trends in various countries; improvements based on surveys related to risk calculations; and ESG investment and finance initiatives for the Nippon Life Group.

On top of this, with regard to improving business cost efficiency, we are making progress in reducing Company-wide costs by introducing RPA and AI-OCR and reevaluating existing business operations. At the same time, we will actively make additional investments in respond to digitalization and the development of new businesses for continual growth.

We are working on Company-wide initiatives to promote and advance new activities and work styles and improve business cost efficiency, which we will channel into a driving force for future growth.

### Strengthen the Group Business Base

We are strengthening the three fields of “ERM\* promotion,” “use of digital technology,” and “human resource development” as important Group business bases. First, for “ERM promotion,” we will enhance strategies for risks, equity, and returns at each Group company, while strengthening the management system across the entire Group at Nippon Life, which is the core of the Group. Through ERM promotion, we will further strengthen the business base, allowing us to achieve steady growth of the Group under any circumstances including ultra-low interest rates.

As for the “use of digital technology,” we initiated the new Nippon Life Digital 5-Year Plan from 2019 to 2023 in order to accelerate digital transformation (DX) in all fields. In the fiscal year ended March 31, 2021, we accelerated DX

at sales locations ahead of schedule and at a rapid pace in order to minimize the impact from the spread of COVID-19. In the last three years of the five-year plan, we will work on additional DX at sales locations and improving customer convenience while promoting new businesses using digital technology.

As for initiatives aimed at “human resource development,” I myself will stand at the forefront and work on developing human resources in order to shine a light on the unique traits that each individual possesses and unleash their potential.

In addition to strengthening development of specialized human resources, we are concentrating efforts to develop human resources who can support management strategies through diversification and sophistication of personnel. For instance, we will strengthen development programs, upgrade and expand career development support and promote the empowerment of female and senior employees.

In promoting human resource development, we will visualize employees’ prior experience, knowledge and skills, strengthen their specialties, and motivate them to realize their career visions.

We are fostering a broad-minded culture through initiatives such as diversity and inclusion, improving job satisfaction, work style reforms, and health promotion, thereby encouraging diverse employees to thrive in many ways.

### Enhance Today for Your Future

Starting in this fiscal year, we have decided on a new company message of “Enhance today for your future” with the idea of staying by the side of customers and society “today,” so that we can continuously deliver a secure “future.”

All executives and employees will keep this idea in mind, and provide high-value services that address customer needs. I believe this will result in bringing security to the lives of our customers.

Furthermore, in order to always face our customers and society sincerely, we have established customer-oriented business operations as the basis for all initiatives. While focusing on responses to digital society and our aging population, we are carrying out our firm mission to fulfill long-term coverage obligations and provide customers with the products and services they truly desire.

With regard to sustainability management, we are working on carbon neutrality and reducing the Company’s emissions for the creation of a safe, secure and sustainable society. Additionally, as an institutional investor, we are

encouraging the reduction of emissions by promoting ESG investment and finance in our business portfolios. We hope that this will allow us to achieve net-zero carbon emissions by 2050 and help create a decarbonized society.

Furthermore, as a Gold Partner (life insurance) for the Tokyo 2020 Olympic and Paralympic Games, we have developed various initiatives to spread the Olympic and Paralympic movement across Japan under the slogan of “Play Support.” We hope to continue efforts to revitalize communities through sports in the future.

### In Closing

Up until now, Nippon Life has worked hard on sound and solid management from a long-term perspective, and continued to steadily make insurance payments, etc. under all possible circumstances such as major disasters, infectious diseases and national crises.

Although we faced tremendous challenges brought on by COVID-19 in the previous year, the Nippon Life Group has overcome numerous adversities throughout its long history, and I am proud to say we have fulfilled our coverage obligations.

The mission of a life insurance business is to fulfill its coverage obligations and deliver “security and safety” to customers under any and all circumstances.

Furthermore, Nippon Life has over 70,000 employees who give it their all on a daily basis in order to value its customers and fulfill its mission.

As I say, “People are power. People are everything.”

All of us at the Nippon Life Group value and respect our customers. Through our daily operations, we have achieved our mid-term management vision of developing a business base for sustained growth to be and “remain the dominant leader in the market.” We are working as a team toward the development of a new Nippon Life Group that can earn the greater trust of customers.

We ask for your continued support and patronage.

July 2021

**Hiroshi Shimizu**  
President

\* ERM (enterprise risk management): Comprehensively and systematically assessing the risks surrounding a company and regulating and controlling those risks in a consolidated and strategic manner to achieve management targets



# 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.

1889

## Nippon Life Assurance Co., Inc. established

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



Founder Sukesaburo Hirose

1898

## Paid out the first profit dividends to policyholders in Japan

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

1899

## Top in the industry for amount of policies in force

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)

1902

## Moved to newly built headquarters at present location

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)

1924

## Nippon Life Saiseikai Foundation established

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



Traveling clinic in Shikoku (1930)

1947

## The Company reemerged as Nippon Life Insurance Company

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

1963

## Nissay Theatre opened

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)  
Nissay Theatre opening poster (right)



1981

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

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



1987

## Opening of Nissay Life Plaza Shinjuku (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

1988

## Corporate identity (CI) introduced

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



1992

## Three major disease insurance "Athlete" (dread disease term rider) launched

Pioneered the development of living benefit products.



Athlete pamphlet

2002

## "Nissay Million Tree-Planting Campaign" goal of one million trees reached

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"

2012

## "Mirai no Katachi" launched

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



"Mirai no Katachi" pamphlet

2015 · 2016

## Management integration with Mitsui Life Insurance Company Limited

(Renamed "TAIJU LIFE INSURANCE COMPANY LIMITED" in 2019)

## Acquisition of MLC Limited

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

2018

## Management integration with MassMutual Life Insurance Company

(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.



2019

## Hanasaku Life Insurance Co., Ltd. established

To respond flexibly to varied customer demand in the independent retail agency market, we established Hanasaku Life Insurance Co., Ltd. in 2019.

Hanasaku Life Insurance Co., Ltd.



# Nippon Life's Value Creation Model

## Base built on our history

### A 130-year history

#### Financial Capital

Total assets **P35**

**¥73,974.2 billion**  
(Nonconsolidated)

Solvency margin ratio **P35**

**1,007.5%**  
(Nonconsolidated)

#### Human/ Intellectual Capital

Total number of employees **P37**

**76,792** (Nonconsolidated)

Number of sales representatives **P38**

**55,675** (Nonconsolidated)

Ratio of women in management **P37**

**22.2%** (Nonconsolidated)

Ratio of women in positions equivalent to department manager **P37**

**6.6%** (Nonconsolidated)

Number of underwriting and payment assessments  
(Number of new policies for individual (annuities) + number of insurance claims and benefits paid)

**5.46 million/year**

#### Social/ Related Capital

Number of customers **P36**

**14.47 million** (Domestic Group)

Number of corporate clients **P46**

**262,000 companies**  
(Nonconsolidated)

Note: As of March 31, 2021  
(Ratio of women in management and ratio of women in positions equivalent to department manager: as of April 1, 2021)

## 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

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

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

### Demonstrate social roles even further

Provide peace of mind to all people

Lead the creation of a society of health and longevity

Contribute to the creation of a sustainable society

### Mid- and Long-Term Management Vision

Develop a business base for sustained growth to be and remain the dominant market leader

### Mid-Term Management Plan (2021–2023) *Going Beyond*

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

#### Group growth strategies

Further explore the domestic insurance market

Strengthen and diversify Group businesses

Strengthen investment capabilities and improve business cost efficiency

#### Core principles of business management

Customer-oriented business operations

Sustainability management

Fields

Domestic Insurance Business (individual insurance) **P38**

Domestic Insurance Business (corporate insurance) **P46**

Customer Service **P48**

Asset Management **P56**

Overseas Business **P62**

New Business **P66**

## What values will be created

### Together with Stakeholders

Customers

Deliver peace of mind through products and services that support diverse needs

Customer satisfaction **90.6%** (Nonconsolidated) **P36**

Total payments for insurance claims, annuities and benefits **¥2,464.3 billion** (Nonconsolidated) **P36**

Investees, Communities and Society

Contribute to the development of investees, communities and society

Cumulative investment in ESG-themed loans **¥1,000 billion** (Nonconsolidated) **P24**  
(FY2017–FY2020) **P58**

Dialogue with investee companies **807 companies** (Nonconsolidated) **P59**  
(July 2019–June 2021)

Loans to domestic companies in all regions across Japan **¥4,618.2 billion** (Nonconsolidated) **P59**

Number of comprehensive tie-up agreements concluded with prefectures **37 prefectures** **P98**  
(May 31, 2021)

Participation rate for officers and employees in community social contribution activities in regions nationwide **100% for 6 consecutive year** (Nonconsolidated) **P98**

Employees

Strive to develop human resources and encourage diverse human resources to thrive in many ways **100% for 8 consecutive year** (Nonconsolidated) **P37**

Rate of employees taking paternity leave **100% for 8 consecutive year** (Nonconsolidated) **P37**

Promote human asset training, work style reform and diversity **P90**

**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 2021 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 the Mid-Term Management Plan

Number of customers (Domestic Group) [Targets]

**14.47 million** Fiscal year-end of March 31, 2024 **[14.90 million]**

Annualized premiums in force (Domestic Group)

**¥4.50 trillion** Fiscal year-end of March 31, 2024 **[¥4.55 trillion]**

Core operating profit (Group)

**¥689.9 billion** Stably secure **[¥600.0 billion]**

Equity (Group)

**¥7.9 trillion** Fiscal year-end of March 31, 2024 **[¥9.0 trillion]**

\* As of March 31, 2021

### Company Vision for Achieving SDGs

Realize a safe, secure, and sustainable society

**SUSTAINABLE DEVELOPMENT GOALS**

Realize a society that does not create poverty and inequality



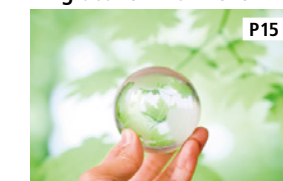
P13

Build a world-class society of healthy and long lives



P14

Realize a sustainable global environment



P15

ESG investment and finance to support the achievement of the SDGs



P24

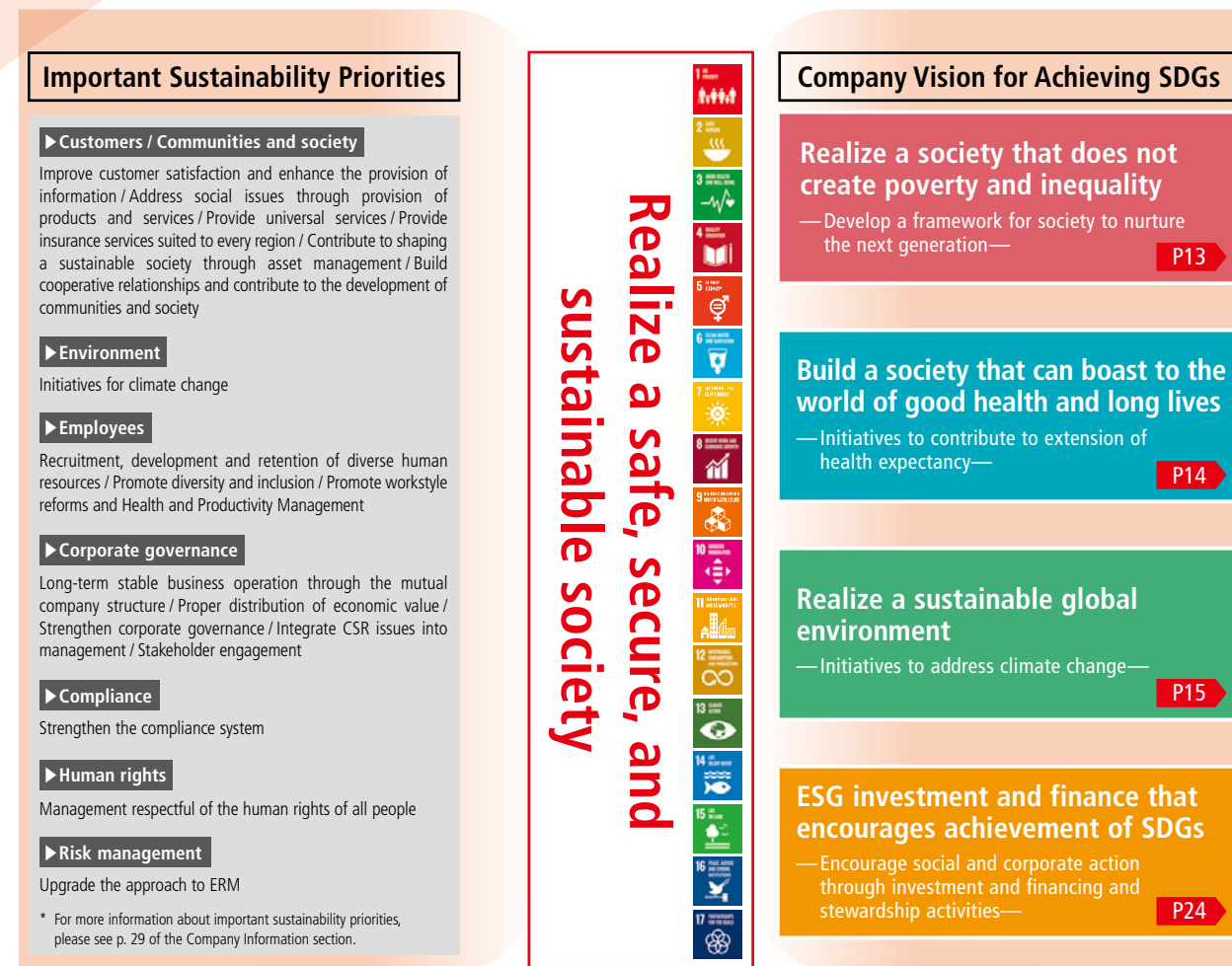
A source of further value

Governance forming a foundation **P68**

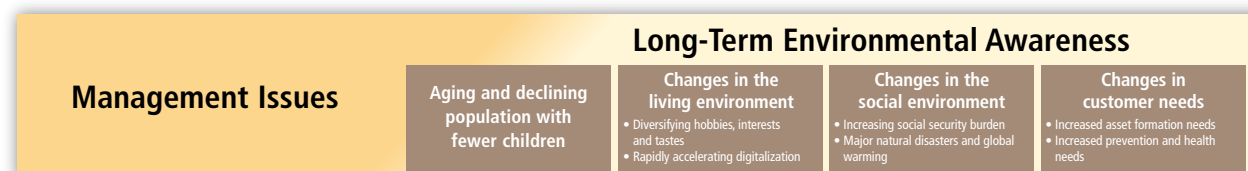
# Company Vision for Achieving Important Sustainability Priorities and SDGs

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.

Nippon Life will work with particular emphasis on 18 “important sustainability priorities,” which have been selected based on expectations from stakeholders and relevance to the Company’s business, and the “Company Vision for Achieving SDGs,” which has been established to identify areas where Nippon Life can demonstrate its strengths and unique characteristics.



## 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: 2019 Comprehensive Survey of Living Conditions



全国子どもの貧困・教育支援団体協議会



# 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 with an average life expectancy 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. Going forward, the Company will continue to actively incorporate changes in society as it strives to extend health expectancy.



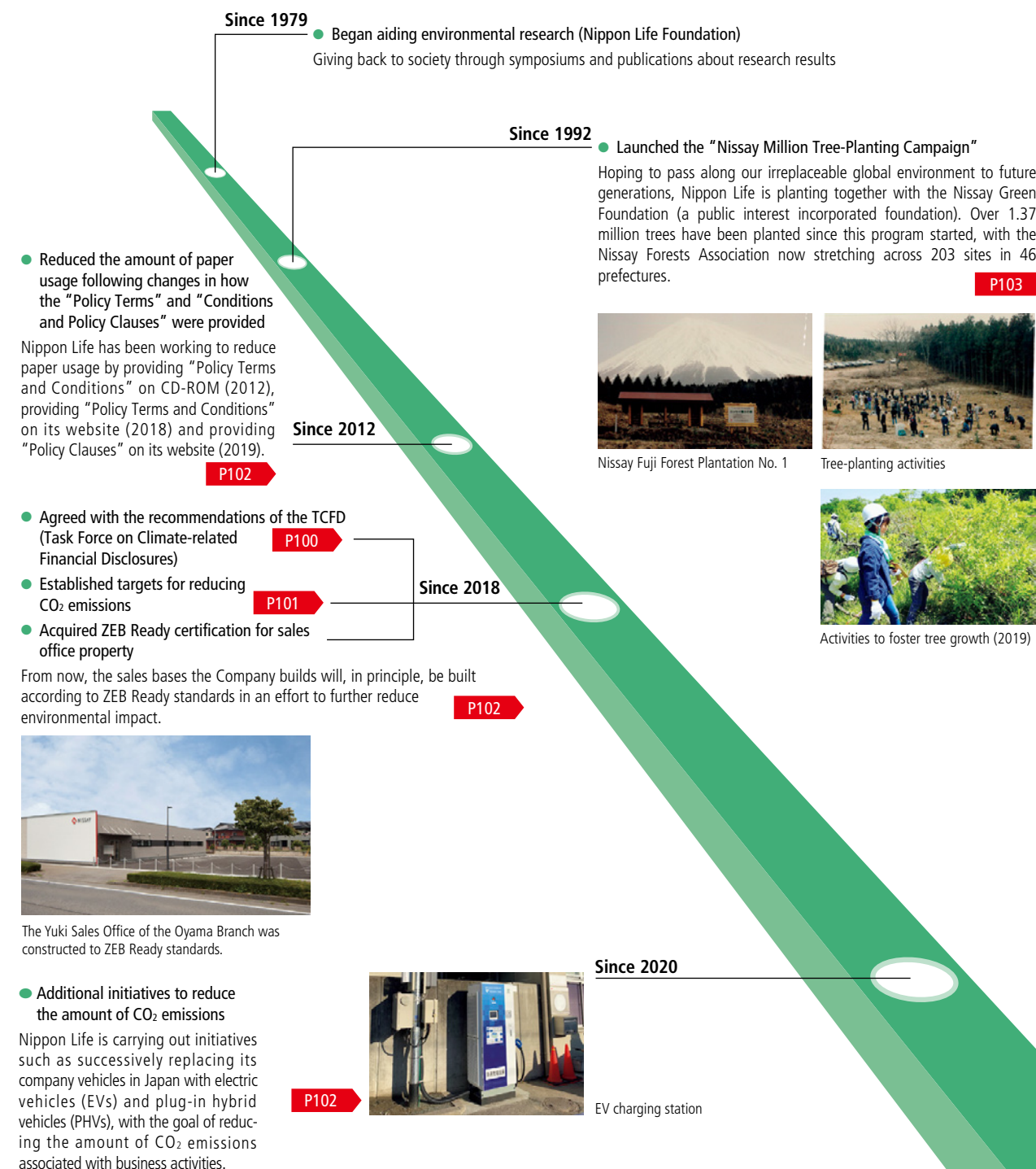
Note: The foregoing statements provide an overview of products, and do not include all information related to the policy. When considering a policy, please be sure to confirm the details by reading pamphlets, prospectuses (policy guides), reminders, Policy Clause–Bylaws/Terms and Conditions and other materials.

# Realize a sustainable global environment

## —Initiatives to address climate change—

Climate change has become a truly urgent issue in recent years. To date, Nippon Life has endeavored to act based on an awareness of the environment in various fields, including the conservation of resources and energy, as well as the protection of forest resources.

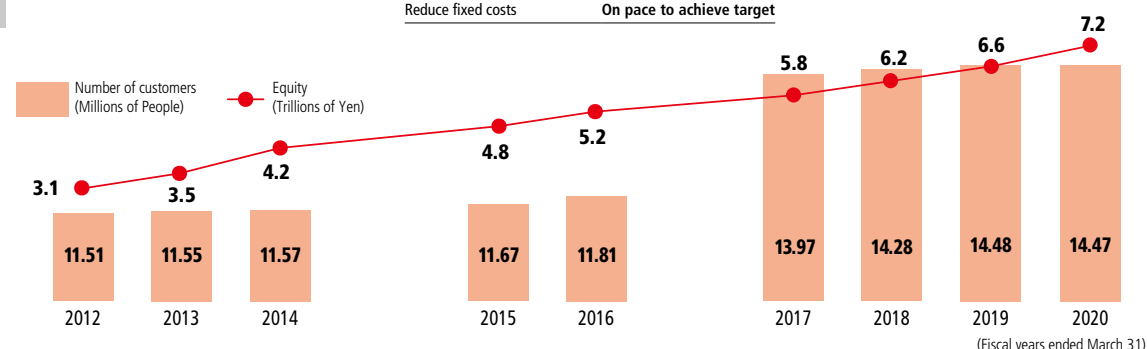
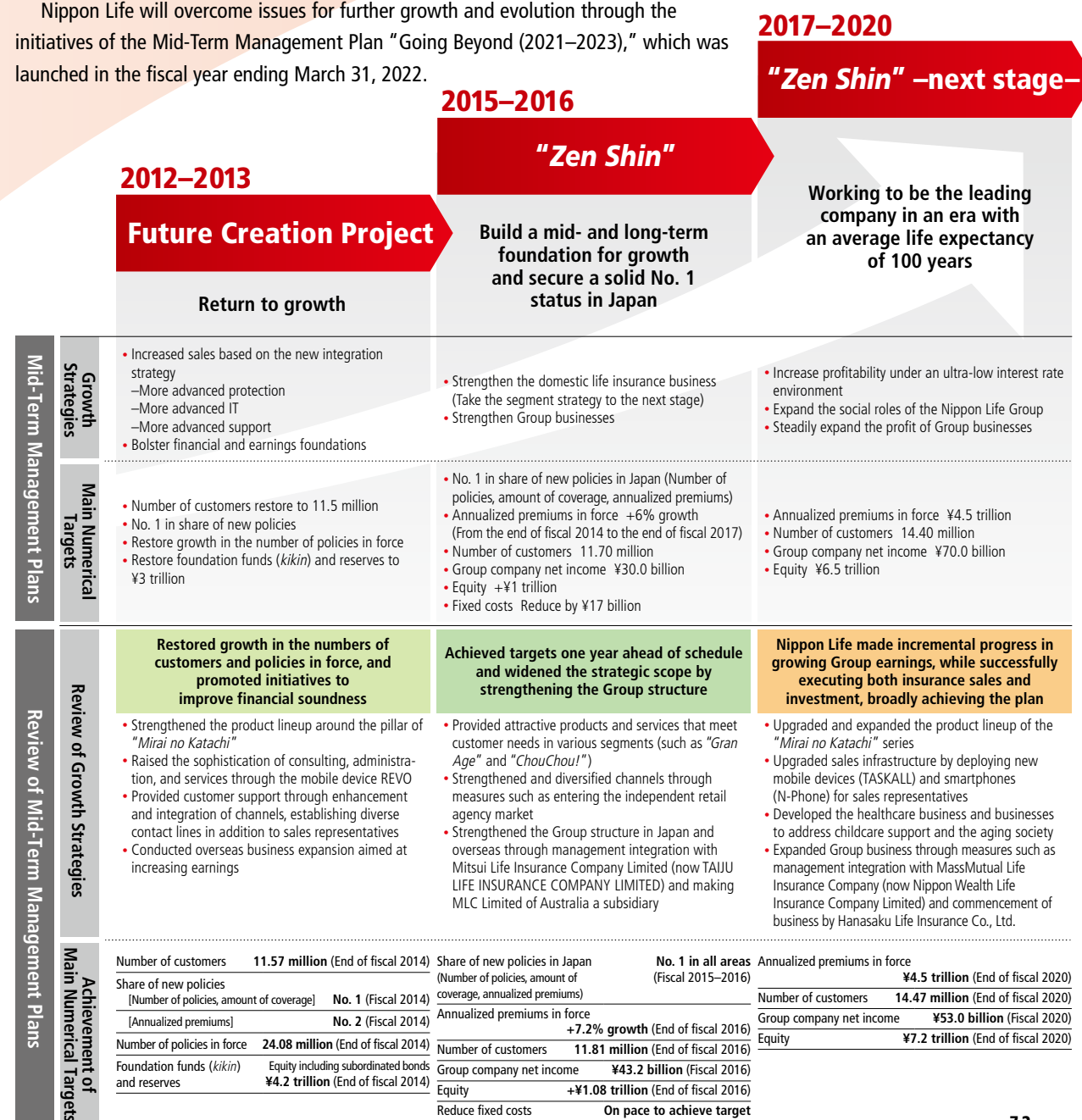
Nippon Life will make even greater efforts to handle the issue of climate change to realize a sustainable environment.



# Review of Mid-Term Management Plans

Nippon Life has achieved steady growth through the execution of the growth strategies set forth by its mid-term management plans.

Nippon Life will overcome issues for further growth and evolution through the initiatives of the Mid-Term Management Plan "Going Beyond (2021–2023)," which was launched in the fiscal year ending March 31, 2022.



\* Figures for the number of customers represent the results of Nippon Life on a standalone basis from 2012 to 2016 and the results of the Group in Japan from 2017 to 2020. All the figures for equity represent the results of Nippon Life on a standalone basis.

## Feature 1: Prior Initiatives by the Nippon Life Group Related to COVID-19

We would like to extend our deepest sympathies to all those affected by COVID-19.

We at Nippon Life have so far undertaken the following initiatives related to the pandemic. We will continue to carry out various kinds of support while making it our top priority to guarantee the safety of customers and employees.

### Support for Customers

We carry out support based on the preferences of customers, combining both face-to-face guidance through visits and remote guidance using digital tools.

Going forward, by following through with our mid-term management plan, we will accelerate the use of digital technology and provide customers with consulting services that offer them a higher level of convenience.

<p><b>Payment of death benefits</b></p> <p>Payment through the "accident rider with extra premium" and "injury rider (new)" will apply in the case of COVID-19</p> <p><b>Status of payments*1</b></p> <p><b>Approx. 790 cases</b> <b>Approx. ¥8.49 billion</b></p>	<p><b>Payment of hospitalization benefits</b></p> <p>Payment of hospitalization benefits will apply even in cases where a customer receives treatment at home, a facility deemed equivalent to a hospital, etc.</p> <p><b>Status of payments*2</b></p> <p><b>Approx. 15,580 cases</b> <b>Approx. ¥2.11 billion</b></p>	<p><b>Extension of period for premium payments</b></p> <p>In response to requests from customers, the period for premium payments has been extended to a maximum of 6 months*3</p> <p><b>Total number of cases handled*4</b></p> <p><b>Approx. 29,000 cases</b></p>
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\*1 Total payment of death benefits, "accident rider with extra premium" and "injury rider (new)" related to COVID-19 at Nippon Life, TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life (April 2020–March 2021)

\*2 Total payment of hospitalization benefits related to COVID-19 at Nippon Life, TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life (April 2020–March 2021)

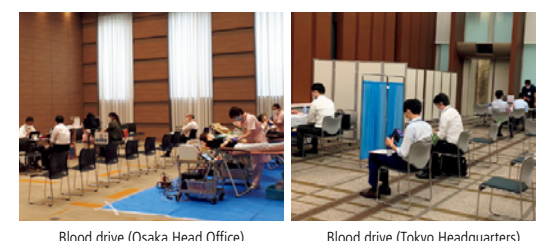
\*3 Applies to policies for which requests were made between March 16 and September 30, 2020, and policies for which requests were made in some regions where a state of emergency was declared after January 7, 2021 and April 25, 2021

\*4 Total handling of granting extensions of premium payment deadlines at Nippon Life, TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life (April 2020–March 2021)

### Support for Communities and Society

#### Support for medical institutions, etc.

- Donated ¥20 million to the "COVID-19: *Inochi to Kokoro wo Mamoru* (protecting life and mental states) Fund" crowdfunding campaign
- 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 the medical front lines, etc.

Note: For information such as Nippon Life's operational system, please view the "Notice Regarding COVID-19" on Nippon Life's official website.

<https://www.nissay.co.jp/coronavirusoshirase/>

#### Contributions through investment

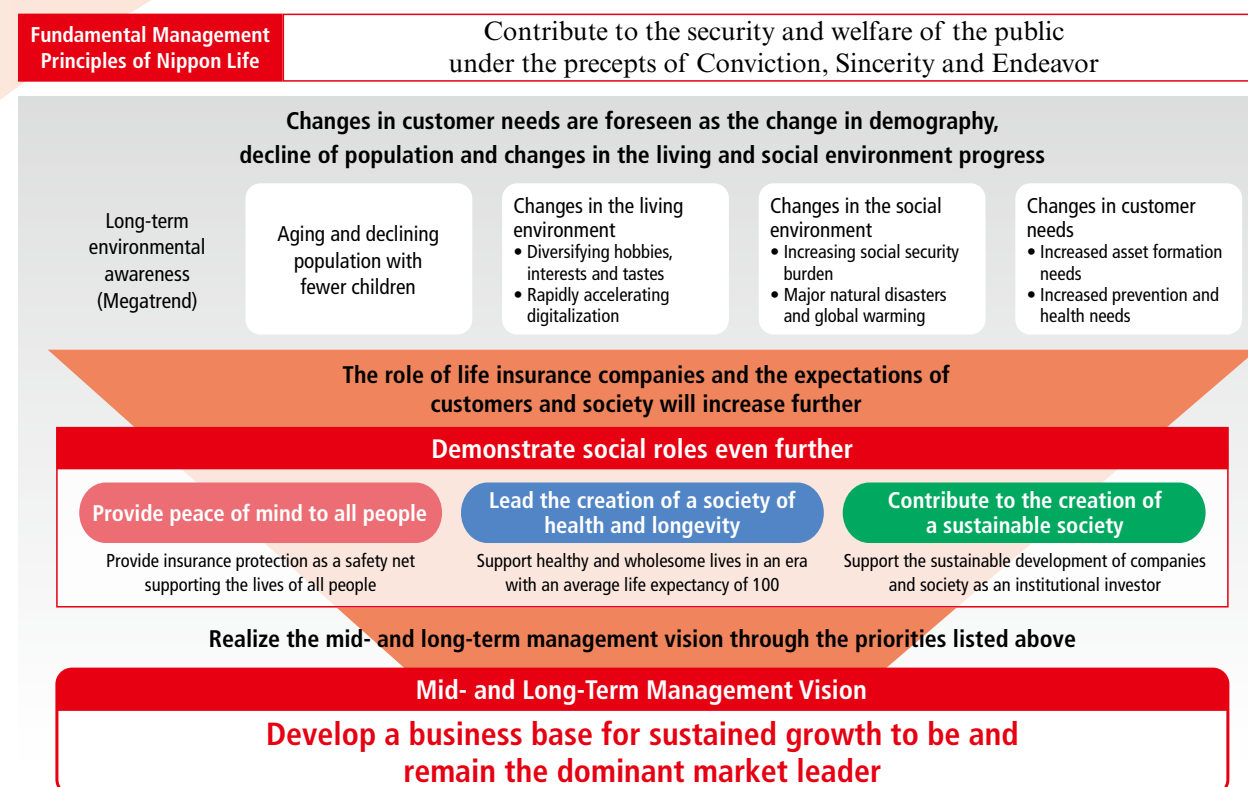
- Received the "WELL Health-Safety Rating" for Nippon Life Hamamatsucho Crea Tower
- Invested AUD 150 million (approximately ¥11.4 billion) in a sustainable development bond issued by the World Bank (International Bank for Reconstruction and Development)
- Invested USD 100 million (approximately ¥10.5 billion) in a fund managed by Grove Street
- Invested AUD 140 million (approximately ¥10.4 billion) in a sustainable city bond issued by the Inter-American Development Bank
- Invested USD 20 million (approximately ¥2.1 billion) in a fund managed by TPG (start of impact investment)
- Invested AUD 200 million (approximately ¥13.1 billion) in a social bond issued by the International Finance Corporation



# Mid-Term Management Plan

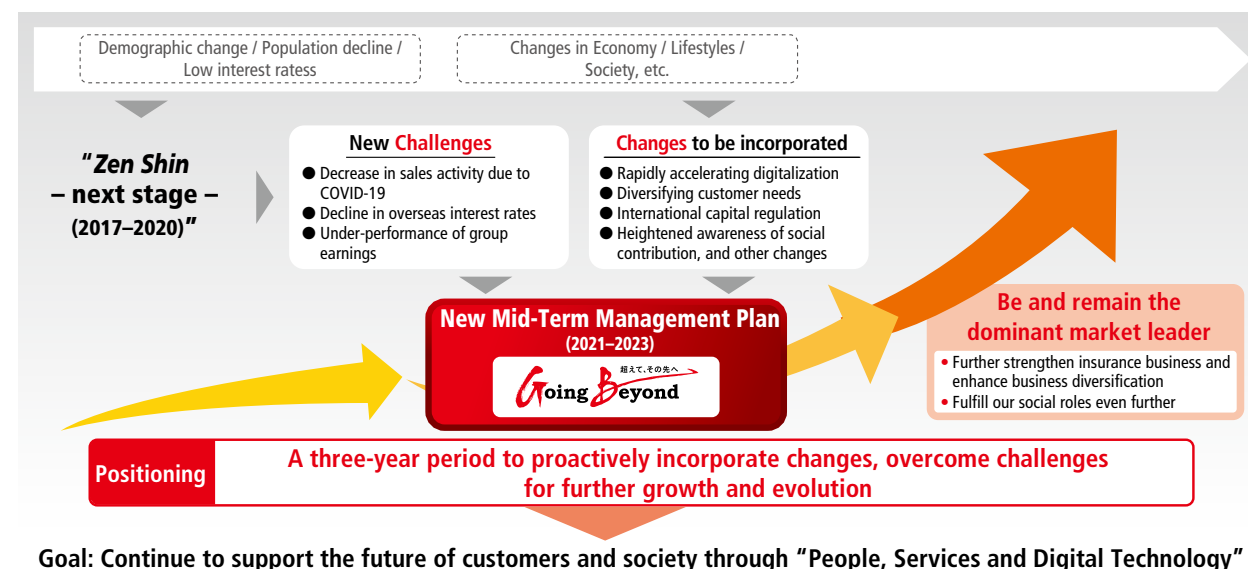
## Mid- and Long-Term Management Vision

The Fundamental Management Principles of Nippon Life are based on the precepts of Conviction, Sincerity and Endeavor. Guided by these principles, Nippon Life will realize its mid- and long-term management vision by demonstrating social roles even further based on a long-term awareness of the environment.



## Concept of the New Mid-Term Management Plan

To be and remain the dominant market leader, the New Mid-Term Management Plan is positioned as a three-year period to proactively incorporate changes in the economic, living, and social environment, and to overcome challenges for further growth and evolution.



## Overview of the Medium-Term Management Plan

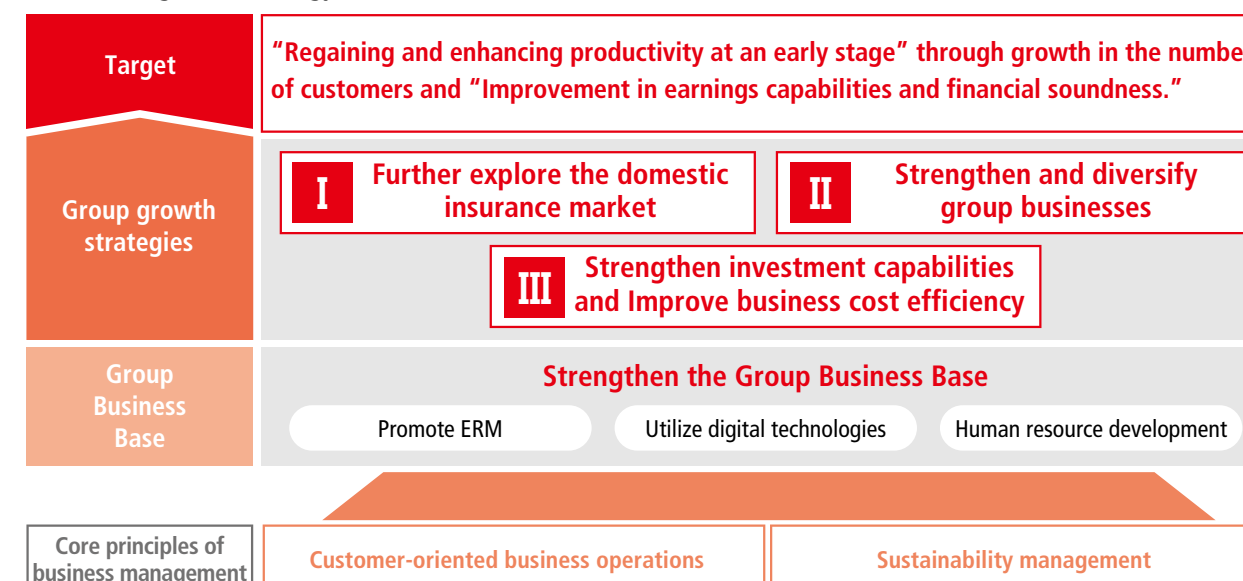
With "customer-oriented business operations" and "sustainability management" as the core principles of business management, Nippon Life will execute its Group growth strategies to continue to support the future of customers and society through "People, Services and Digital Technology." By doing so, we will aim to "regain and enhance productivity at an early stage" by growing the number of customers and "improve earnings capabilities and financial soundness."

In concrete terms, we have set "further explore the domestic insurance market," "strengthen and diversify Group businesses," and "strengthen investment capabilities and improve business cost efficiency" as Group growth strategies. We are strengthening the three fields of "ERM promotion," "use of digital technology" and "human resource development" as important Group management bases that can support these initiatives.

### Mid-Term Management Plan (2021–2023)

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

**Going Beyond**



## Numerical Targets

### Targets for the Mid-Term Management Plan period

<b>Number of Customers (Japan total)</b>	As of the end of FY2023 <b>14.9 million people</b>
<b>Annualized Premiums (Japan total)</b>	As of the end of FY2023 <b>¥4.55 trillion</b>
<b>Core Operating Profit (Group)</b>	Steadily secure <b>¥600.0 billion</b>
<b>Capital (Group)</b>	As of the end of FY2023 <b>¥9.0 trillion</b>

### Others: mid- and long-term targets

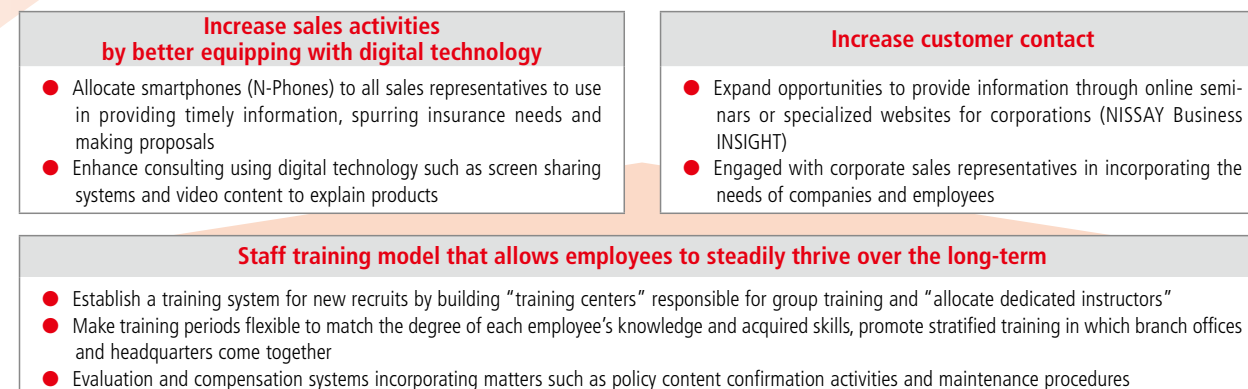
<b>ESG Investment and Finance</b>	Cumulative total from FY2017 to FY2023 <b>¥1.5 trillion</b> (Cumulative total as of December 31, 2020 Approx. ¥0.9 trillion)
<b>CO<sub>2</sub> Emission Reductions</b>	FY2050 <b>net zero emissions</b> (Both Nippon Life's emissions and investee emissions)
<b>Ratio of Female Managers</b>	2020s <b>30%</b>
<b>Ratio of Women in Positions Equivalent to Department Manager</b>	Beginning of FY2030 <b>10%</b>
<b>Ratio of Male Employees Taking Childcare Leave</b>	<b>100%</b> (Continuously achieving target for eight years since FY2013)

# Mid-Term Management Plan

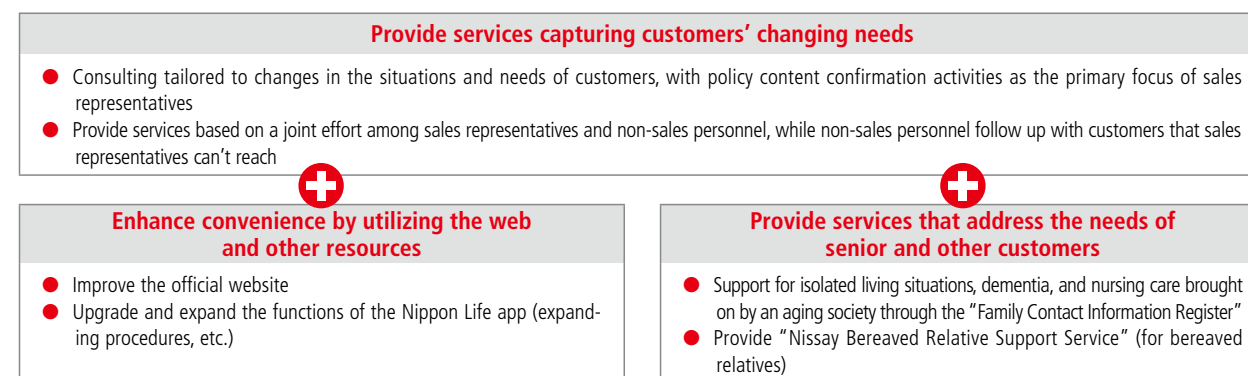
## Group Growth Strategy I: Further Explore the Domestic Insurance Market

Nippon Life will strive to further strengthen sales channels and services in response to changes in the environment and diversifying customer needs. Along with this, we will regain and enhance productivity at an early stage through growth in the number of customers, supported by a unified Group-wide effort to strengthen market development and upgrade and expand products and services.

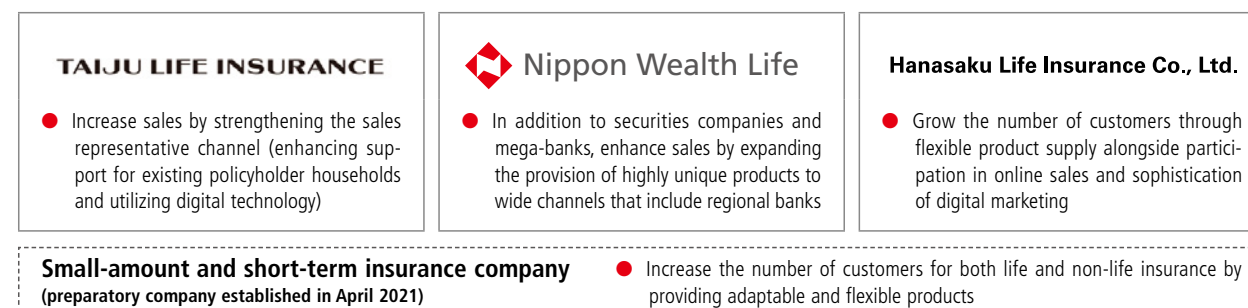
### Strengthen the Sales Representative Channel in the Digital Era



### Strengthen Relationship between Customers



### Market Development and Advancement into New Markets as a Group



### Upgrade and Expand Products and Services

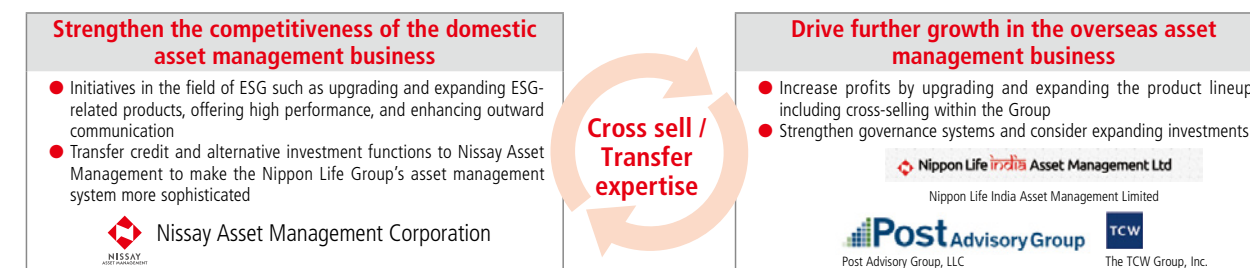
- Upgrade and expand the "Mirai no Katachi" lineup
- Stable provision of asset formation products amid low interest rates
- Utilize the products of Group and partner companies
- Upgrade and expand support for solving management issues and facilitating self-reliant efforts by employees
- Enhance a broad range of support focusing on health



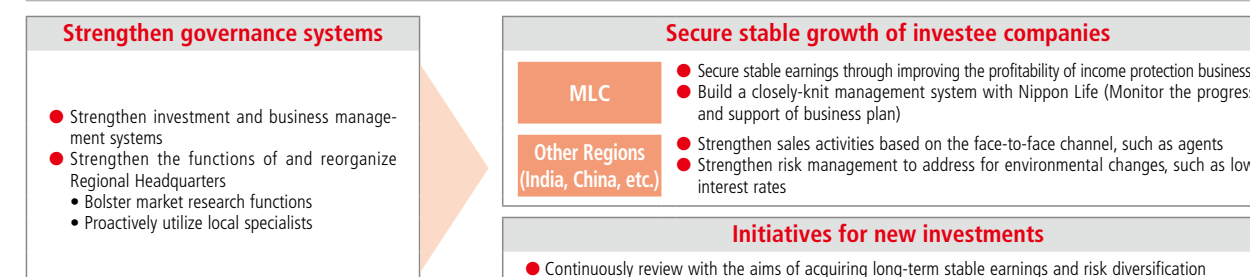
## Group Growth Strategy II: Strengthen and Diversify Group Businesses

Nippon Life aims for growth of the Group and improvements to profitability through enhancement of initiatives in the asset management and overseas insurance businesses. While enhancing and advancing existing businesses with cutting-edge technology and data, we are also creating new businesses and accelerating the diversification of Group businesses through initiatives in the fields of healthcare, childcare support, and responses to an aging society as well as innovation initiatives.

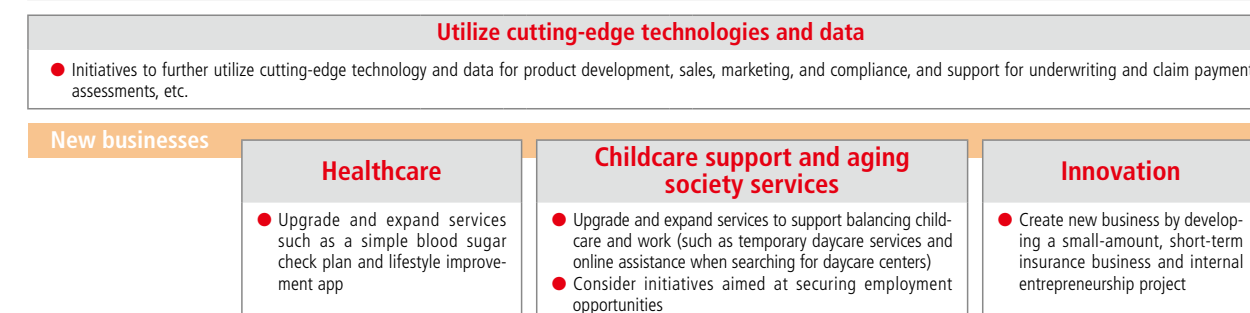
### Asset Management Business



### Overseas Insurance Business



### Utilize Cutting-Edge Technologies and Data / New Businesses



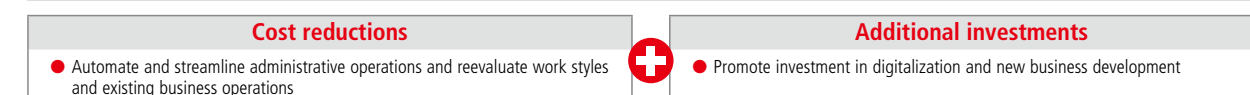
## Group Growth Strategy III: Strengthen Investment Capabilities and Improve Business Cost Efficiency

In order to improve earnings capabilities, Nippon Life will strengthen investment capabilities through measures such as portfolio transformation and ESG investment and finance, and improve business cost efficiency through additional investments that facilitate cost reductions and growth.

### Strengthen Investment Capabilities



### Improve Business Cost Efficiency





## Feature 2: Nippon Life's Initiatives in the Healthcare Field

# Helping Customers Lead an Even Better Life and Live Positively in an Era of Extended Longevity with an Era with an "Average Life Expectancy of 100"

Nippon Life started full-scale initiatives in the healthcare field in the fiscal year ended March 31, 2018. In addition to helping customers to prepare for the risk of unexpected events through insurance, Nippon Life will contribute to the health expectancy of customers who will live in an era with an "average life expectancy of 100 years," through the supply of healthcare services.

### Overview of Nippon Life's Initiatives in the Healthcare Field

In Japanese society, as the country enters an era with an "average life expectancy of 100 years," the extension of health expectancy has become a social issue. Nippon Life believes that the importance of healthcare that leads to reduced health risk will continue to increase further.

Against this backdrop, Nippon Life has implemented healthcare initiatives in earnest to contribute to the extension of health expectancy, along with supporting the creation of a society where every person can live through this era with peace of mind as they choose.

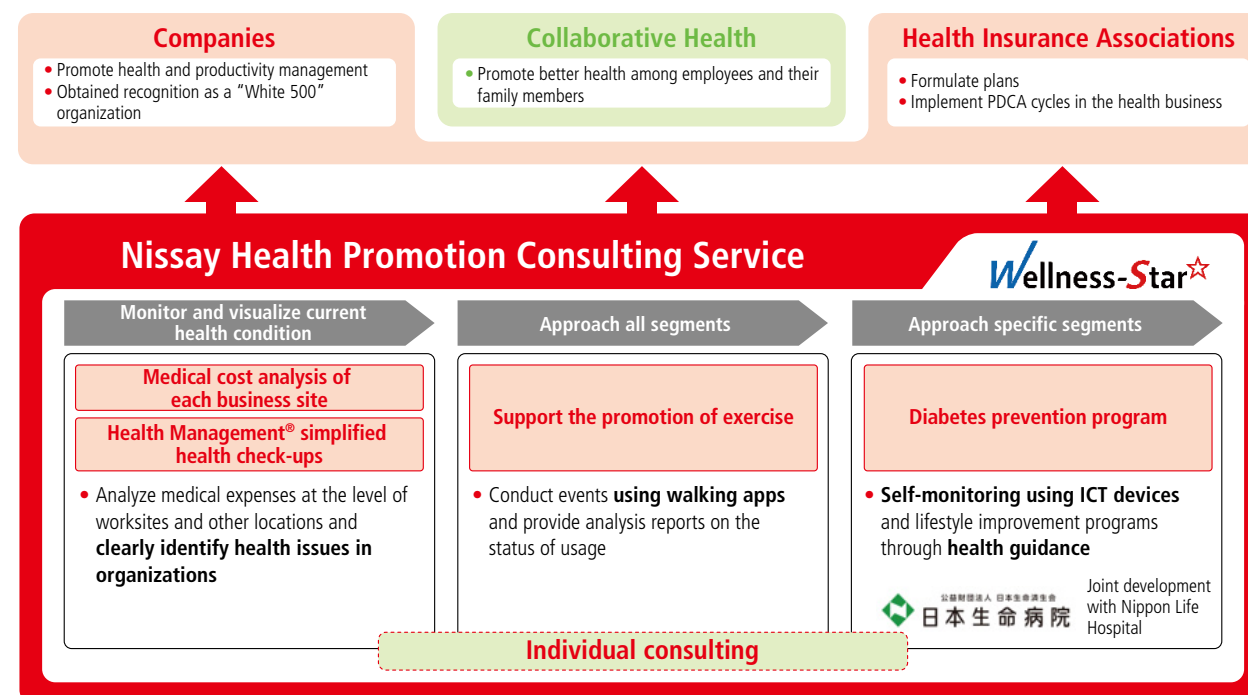
Specifically, in April 2018, Nippon Life started providing the Nissay Health Promotion Consulting Service (Wellness-Star ☆). We offer a wide variety of services such as consulting services to support health planning based on medical data and health and productivity management, and services for individuals to help them visualize their health status. Customers can choose the

services that match their situation and issues.

Moreover, Nippon Life is working to raise the sophistication of its business by making use of health-related data entrusted to it from customers through the delivery of the Wellness-Star ☆ service and harnessing the knowledge of the Company as well as the entire Nippon Life Group.

In other areas, Nippon Life aims to further upgrade and expand healthcare services through R&D in collaboration with external companies and participation in consortiums of industry, government and academia.

Nippon Life will provide seamless support to all people, from those who are healthy to those who have become ill, by providing healthcare services to mitigate risk, in addition to insurance to prepare for risk. These activities will allow Nippon Life to fulfill a new social role.



### Diabetes Prevention Program

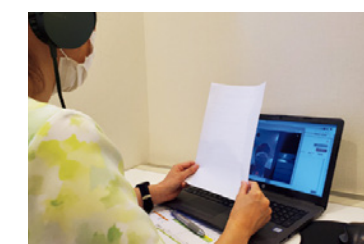
In Japan, there are estimated to be approximately 10 million diabetes patients nationwide and the same or an even greater number of people with pre-diabetes. Initiatives to prevent the onset and progression of diabetes through early countermeasures are viewed as important priorities.

In this environment, Nippon Life started providing the diabetes prevention program in July 2020. This program is designed to prevent the onset of diabetes among people with pre-diabetes.

In this program, participants are encouraged to self-monitor their health condition using the devices and tools of partner companies, primarily blood glucose meters, while public health nurses and other health professionals at Nippon Life Hospital and Life Care Partners Co., Ltd. provide remote advice to participants on improving their lifestyles.

Self-monitoring based on remote advice and devices allows

for an effective program for people who do not normally have the time to go to the hospital or people who previously were not interested in improving their lifestyles. Various groups are making use of the program as a means of providing prevention and intervention services to eligible users.

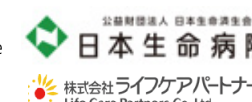


MICIN

OMRON

### Remote health advice

Public health nurses and other health professionals at Nippon Life Hospital and Life Care Partners Co., Ltd. provide health advice through videoconferencing and other means.



### Self-monitoring through various devices and services

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



### Strengthen Alliances

In healthcare initiatives, collaboration with a variety of partner companies is crucial. Nippon Life is carrying out joint research aimed at promoting better health and extending health expectancy with Osaka University's Graduate School of Medicine and Osaka University Hospital. In addition, Nippon Life is conducting basic research in collaboration with academic institutions. For example, Nippon Life is working together with Juntendo University on research related to the prevention, early detection, diagnosis and treatment of dementia disorders.

Moreover, as part of the development of services for Wellness-Star ☆, Nippon Life believes that it can provide even more appealing healthcare services by collaborating with companies that possess advanced technologies and innovative ideas, regardless of the size of the company, be it a large company or a start-up. Nippon Life has so far invested in companies carrying out healthcare and health enhancement-related businesses for the purpose of strengthening its collaboration with them. These companies include

SalivaTech Co., Ltd., SHAREDINE CO., LTD., and MICIN, INC.

Every one of these companies possesses advanced technologies and innovative business ideas. By deepening collaboration with these companies, Nippon Life will develop useful services that help to extend the health expectancy of its customers.

As a measure to expand its network of partner companies, Nippon Life participates as a supporter company in "J-Startup," an incubation support program for start-ups led by the Ministry of Economy, Trade and Industry (METI). The Company also supports healthcare-related start-ups by, for example, sponsoring business contests at healthcare events. Nippon Life will continue working to expand its network of companies and strengthen collaboration with partner companies.

SalivaTech SHARE DINE MICIN



## Feature 3: Advancing ESG Investment and Finance

# Seeking Both to Contribute to the Realization of a Sustainable Society and Improve Investment Returns

An interview was held with Mr. Toshinori Kurisu of the ESG Investment Strategy Office. In this interview, Mr. Kurisu discussed Nippon Life's initiatives to contribute to the realization of a sustainable society and improve investment returns through ESG investment and finance.

**Toshinori Kurisu**  
General Manager, ESG Investment Strategy Department,  
ESG Investment Strategy Office



### Nippon Life and ESG Investment and Finance

Since its founding, Nippon Life has carried out investment and finance that contributes to profitability, security and the public nature of its business, based on the core corporate philosophy of "co-existence, co-prosperity and mutualism" in its life insurance business.

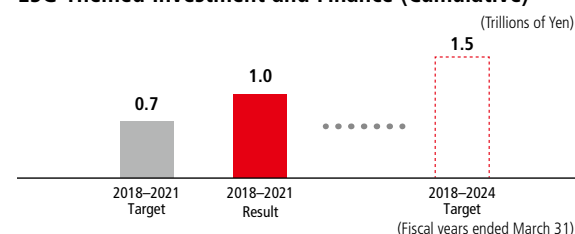
ESG investment and finance is an activity that is consistent with this core corporate philosophy, which has been in place since Nippon Life's founding. Initially, we took steps such as investing in green bonds. In 2017, we signed the United Nations Principles for Responsible Investment (PRI), which proposes that ESG themes be incorporated into investment decisions. The signing of the PRI enhanced our activities further. Under the mid-term management plan for the fiscal years ended March 31, 2018–2021, we established numerical targets for ESG-themed investment and finance and made a division-wide effort to achieve those targets. As a result, the cumulative amount of ESG-themed investment and finance surpassed ¥1.0 trillion. Under the New Mid-Term Management Plan for the fiscal years ending March 31, 2022–2024, Nippon Life has set a target of ¥1.5 trillion for the cumulative amount of ESG-themed investment and finance from

the fiscal year ended March 31, 2018, and we are working to reach that target.

Additionally, in the fiscal year ended March 31, 2021, Nippon Life began impact investing, with the aim of generating a positive impact on the environment and society alongside earning a financial return. This approach measures our performance in terms of the impact we are having on the environment and society. First, we will conduct such investments through funds. In the process, we intend to absorb the expertise of sophisticated fund managers in the area of impact investing as we seek to expand our activities.

The reason why we are working in such earnest to pursue ESG is that ESG has become a factor that has a tremendous impact on the risks and returns of asset management. Nissay Asset Management Corporation, a subsidiary, started conducting ESG evaluations of investees in 2008 and has amassed data on ESG evaluations over an extensive period exceeding 10 years. The results of empirical analysis by Nissay Asset Management show that companies that have earned high ESG evaluations have also delivered an excellent performance record.

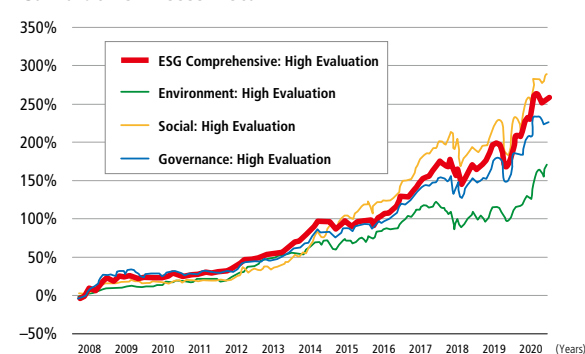
#### ESG-Themed Investment and Finance (Cumulative)



(Image)

Impact investment through private equity funds in companies that contribute to solving environmental and social issues

#### Relationship between ESG Ratings and Cumulative Excess Return



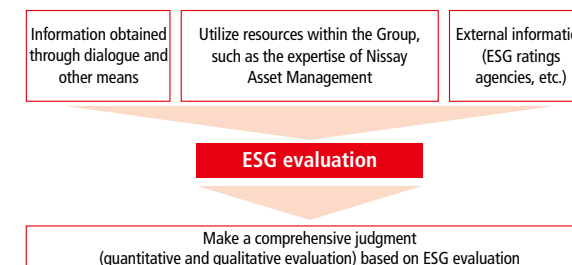
- Results of empirical analysis by Nissay Asset Management
- Performance by ESG rating of domestic stocks (versus TOPIX: – Period: December 1, 2008 to March 31, 2021) cumulative excess return for ESG ratings (simple average)

Recently, ESG has impacted not only the mid- and long-term sustainability of companies, but it has also become a factor that could lead to changes in the structure of industry. This is because of factors such as the increasing severity of climate change and the prolonged impact of the COVID-19 crisis. For this reason, Nippon Life has identified ESG investment and finance as a key dimension of its asset management strategy and plans to further strengthen initiatives, including integration across all asset classes, with the

### Investment and Finance Decisions Based on ESG

The integration of ESG factors into the investment and finance process is extremely crucial. We will introduce this integration across all asset classes. While there have been no changes from before to the basic process of combining quantitative and qualitative analyses, we will incorporate the ESG perspective as a key dimension of the process and comprehensively make investment and finance decisions.

#### Basic Integration Process



The evaluation of ESG initiatives of investees and borrowers will be carried out in various ways. For example, in the case of stocks, we will confirm both growth potential and risks. In the case of corporate bonds and loans and sovereign debt such as government bonds, it is crucial to make certain that interest and principal will be repaid. Accordingly, we will incorporate factors that reinforce conventional risk analysis into investment and finance decisions. Additionally, with regard to assets entrusted to external asset management firms, the status of ESG activities will be a factor we consider when we select such asset management firms. In real estate, we will establish construction standards friendly to

aim of reducing risks and improving returns in its portfolio.

As part of these efforts, in the current fiscal year, Nippon Life newly established the ESG Investment Strategy Office as an organization to carry out planning and the promotion, survey and analysis of activities across asset classes in relation to ESG investment and finance. Going forward, the ESG Investment Strategy Office will take the lead in working to raise the sophistication of ESG investment and finance activities throughout the Group.

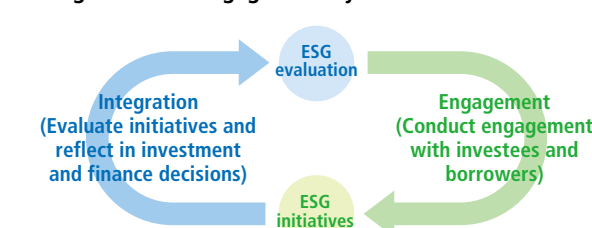
the environment and society and work to acquire various third-party certifications.

In this manner, ESG evaluation methods have features specific to each asset class. However, there are two important perspectives to consider as common approaches to all asset classes.

The first perspective is to determine whether the activities of investees and borrowers will contribute to improving the value of the investees and borrowers over the mid and long term. This is important because we believe that when ESG initiatives help to secure mid- and long-term earnings, they will also lead to returns for investors, thereby making them sustainable activities for both investees and borrowers and investors.

The second perspective is to emphasize engagement with investees and borrowers. In addition to conducting evaluations of investees and borrowers, we will convey Nippon Life's thoughts and ideas through engagement, along with carefully confirming conditions, and supporting the initiatives of investees and borrowers from a mid- and long-term perspective. We believe that doing so will pave the way both for improving the value of investees and borrowers and solving social issues.

#### Integration and Engagement Cycle



### Aiming for Net-Zero CO<sub>2</sub> Emissions

Companies that emit large amounts of greenhouse gas emissions, including CO<sub>2</sub>, may need to bear a large cost burden to address climate change. For this reason, there is a risk that this could have an impact on the value of assets such as stocks and corporate bonds in the future.

Based on this belief, Nippon Life views climate change as an important ESG risk for asset management. Considering the Japanese government's policy to reduce greenhouse gas emissions to zero by 2050, Nippon Life will aim to achieve a net-zero target by 2050 for emissions in the Company's asset management portfolio\*.

To achieve its target, it will be important for Nippon Life to

not just offer words of encouragement, but also to proactively initiate action. By implementing an approach that emphasizes integration and dialogue with companies, we seek to achieve net-zero emissions together with investee companies.

In addition, Nippon Life will work more actively than before to execute investment and finance that contributes to priorities such as the development of technologies for the transition to a decarbonized society. Through these efforts, Nippon Life aims both to contribute to the realization of a sustainable society and to improve investment returns.

\* Commenced initiatives covering investees' emissions, domestic stocks and domestic corporate bonds

# Overview of the Nippon Life Group (As of March 31, 2021)

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.



Domestic Insurance-Related Operations

13 companies

Overseas Insurance-Related Operations

8 companies

Asset Management-Related Operations  
(asset management and others)

58 companies

General Affairs-Related Operations

10 companies

TAIJU LIFE INSURANCE

Nippon Wealth Life

Hanasaku Life Insurance Co., Ltd.

Corporate-pension Business Service Co., Ltd.

Nissay Insurance Agency Co., Ltd.

LHL

LifeSalon

LIFE PLAZA PARTNERS

はーとずっとほっと hoken 国民の10番!!

Nippon Life Benefits<sup>®</sup>  
Nippon Life Insurance Company of America

MLC Limited  
LIFE INSURANCE

长生人寿保险有限公司  
GREAT WALL CHANGSHENG LIFE INSURANCE CO., LTD.  
Great Wall Changsheng Life Insurance Co., Ltd.

BANGKOK LIFE  
กรุงเทพประกันชีวิต  
Bangkok Life Assurance Public Company Limited

RELIANCE NIPPON LIFE INSURANCE  
Reliance Nippon Life Insurance Company Limited

Sequis PT Asuransi Jiwa Sequis Life  
Your Better Tomorrow

GGI NIPPON LIFE LIFE INSURANCE  
Grand Guardian Nippon Life Insurance Company Limited

Nissay Asset Management Corporation

NIPPON LIFE REALTY MANAGEMENT Inc.

The Master Trust Bank of Japan, Ltd.

Nissay Credit Guarantee Co., Ltd.

Nissay Leasing Co., Ltd.

Nissay Capital Co., Ltd.

Shinjuku NS Building Co., Ltd., Omiya Sonic City Co., Ltd.  
Aroma Square Co., Ltd.

Nippon Life India Asset Management Ltd  
Nippon Life India Asset Management Limited

Post Advisory Group  
Post Advisory Group, LLC

TCW  
The TCW Group, Inc.

Nissay Business Service Co., Ltd.

Nissay Shoji Co., Ltd.

NISSAY NEW CREATION CO., LTD.

Nissay Information Technology Co., Ltd.

NLI Research Institute

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



Corporate Governance Discussion  
by Outside Corporate Officers  
—Corporate Governance and Growth Strategies 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, the Company strives to ensure management transparency and other priorities. We spoke with Outside Director Tetsuro Tomita and Outside Audit and Supervisory Board Member Keiichi Tadaki about their opinions of Nippon Life’s initiatives for corporate governance and its priorities for future development.



Tetsuro Tomita

Director (Outside Director)

Profile

- 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)

Corporate Governance Initiatives

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

**Tadaki:** I think that awareness of corporate governance has become considerably stronger in response to the incident of massive accounting fraud that occurred in the US in 2001. Following this incident, the primary objectives of governance changed to preventing fraud and raising company profits, as well as figuring out how to provide shareholders with sizeable returns. However, I think that alone will not suffice now. The roles demanded of corporate governance have become diverse and moreover incredibly sophisticated.

Solutions for environmental and social issues have come to be thought of as integral parts of corporate governance, much like the SDGs and ESG investment and finance which are the focus of Nippon Life’s efforts. Already, the targets of elite companies around the world are not about simply achieving a high ROE. These companies are being expected to confront and contribute to social issues not limited to the sustainability of the Earth and the human race, but also other matters such as gender, poverty, health, welfare, and education. In leading countries, there is an emerging trend of refraining from investing in companies that do not address these issues.

**Tomita:** To the best of my knowledge, corporate governance was originally about establishing systems such as risk management, compliance, and internal control, and first and foremost defending them. Now, you might say the expectations of governance have shifted from “defense” to “offense.” We are entering an era of “offense” in which there are strong expectations for corporations to not only consider shareholders, but also address various social issues, and make contributions to a wide range of stakeholders such as for the happiness of employees and benefits for business partners and investors.

Since Nippon Life is a mutual company, its primary stakeholders are its policyholders. However, it may of course be

Tetsuro Tomita × Keiichi Tadaki

Director (Outside Director)

Audit and Supervisory Board Member  
(Outside Audit and Supervisory Board Member)

necessary to make broad contributions to other stakeholders as well. My impression is that the Company made progress on steady initiatives such as tree-planting activities, sports promotion, advancement of women, and achieving a rate of 100% of male employees taking childcare leave. As Nippon Life has a history of making broad contributions to society ahead of the times, I feel that corporate governance will similarly play a pioneering role.

**Tadaki:** I agree. I feel that a long time ago, Nippon Life inherited a mentality that it must be a company that is useful to society, rather than have a management policy that only considers its own profits.

Governance means to govern, but there are limitations to simply governing people from above. I believe that when employees take pride in their company and feel motivated, that translates into independence, and if leaders uphold common goals and executives and employees sharing a similar mindset come together, a unified and dynamic organization will take shape. This is precisely the ultimate form of corporate governance, which I think Nippon Life has achieved up until now.

**Tomita:** I think that realizing superior corporate governance requires the fusion of leadership by managers and a bottom-up approach from employees. I suppose that what is demanded of managers is foresight, decision-making ability, and proper judgment, in addition to high moral standards. For employees, it is important to understand the Company’s role and mission. This aligns with what Mr. Tadaki said, and I believe it is critical that employee engagement is high, which is to say, it is critical that there are many employees who intend to willingly contribute and can think voluntarily about their roles within the Company.

Among Nippon Life’s initiatives, I think its stance of earnestly listening to policyholders who come forward in situations like the Meeting of Representatives and Nissay Konwakai Meetings and striving to incorporate their opinions into management is commendable from a corporate governance perspective.



Keiichi Tadaki

Audit and Supervisory Board Member  
(Outside Audit and Supervisory Board Member)

Profile

- Jan. 2002 Vice-Minister of Justice
- Jun. 2004 Superintending Prosecutor, Tokyo High Public Prosecutors Office
- Jun. 2006 Prosecutor-General
- Jun. 2008 Retired as Prosecutor-General
- Jul. 2008 Attorney (present)
- Jul. 2009 Audit and Supervisory Board Member, Nippon Life Insurance Company (present)





## Nippon Life is strategically pursuing Group expansion. How would you evaluate the Group governance initiatives undertaken by the Company?

**Tadaki:** There are many Group companies around the world operating in various fields and fulfilling wide-ranging functions. But just like people, an active group will not emerge simply by governing from above in a single uniform manner.

First of all, as a group, it is critical to understand every social role, individual characteristic and unique feature of each company. I think it is important to utilize and develop those individual characteristics and unique features, while respecting independence so that companies grow on their own, rather than governing all under Nippon Life's uniform standards.

I think it is important to realize the multitude of social roles the entire Group plays and foster a sense of unity, while respecting the culture and appeal each Group company has built up to now.

**Tomita:** That is true. Since Nippon Life is incorporating companies handling an array of products in different industries into the Group in order to address diversifying needs, I do not think it has to enforce universal values. That is precisely why I believe it will become extremely important to figure out how to demonstrate Group governance.

One objective of corporate governance is to aim for sustainable growth. Going forward, based on Japan's declining birthrate and aging population, it is only natural to also seek new markets overseas. Furthermore, one could argue that we are about to enter an era in which a certain level of happiness will be required

in various parts of life. Support will be sought in all manner of situations including childcare, personal health, medical treatment, life after retirement and nursing care. As needs diversify, the Company's strength as a group will become more important, and the true value of group governance will be called into question. I would like Nippon Life, collectively as a group, to move forward ambitiously with initiatives unconstrained by traditional frameworks.

### Roles of Outside Corporate Officers

#### What do you think are the expected roles of Nippon Life's outside Corporate Officers?

**Tadaki:** At Nippon Life's Board of Directors meetings, I feel the environment makes it very easy to speak freely, as I am asked for my opinion and provided various materials to consider in advance, addressing current issues, etc. from the perspective of executives. Even in the case of projects that appear insignificant at a glance, if there is an issue that relates to the Company's future, then discussions continue until both the inside and outside directors see eye to eye. There appears to be an entrenched atmosphere in which, when a question cannot fully be answered, a decision will not be made until everyone fully understands, even if it means extending the deadline.

Lively exchanges of opinions among all Corporate Officers, both those from within and outside the company, are conducted in an integrated manner, so I feel the board is able to generate good results.

**Tomita:** Each person states their thoughts clearly, resulting in a wide variety of opinions. The role of outside Corporate Officers is to convey the values that we have each cultivated up to this point. Among them, I believe that the most important thing is to state my views and opinions on the current state of Nippon Life as a company from an outside perspective.

Discussions at the Board of Directors meetings also extend to items such as management plans. From an outside point of view, I make sure to provide conducive advice, and hope that I can be as helpful as possible.

### For Future Development

#### What is a key perspective when it comes to advancing human resource development?

**Tadaki:** I would like Nippon Life to work on hiring and utilization of human resources in line with diversity. I expect that the Company will be able to carry out its duty as a life insurance

company and institutional investor to create a society in which all people can live comfortably, regardless of race or values. Supporting a society with diverse stages will require an excellent occupational group and human resources with unique abilities. In order to employ human resources with abundant abilities, I believe that Nippon Life must not only consider a unified promotion system but also a system for evaluating and hiring human resources with diverse perspectives.

**Tomita:** Without a doubt, utilizing human resources with skills in specialized areas is important. Furthermore, creating an environment to draw out and develop each employee's abilities is absolutely essential. I also believe it is important to expand the fields in which employees can thrive and challenge themselves, such as through overseas experience or new businesses. I see Nippon Life as a company that holds enormous potential for creating pioneering examples of future work styles.

#### What kind of initiatives are necessary for Nippon Life to develop even further in the future?

**Tomita:** To solve social issues, we will need not only the strength of the government but the strength of the private sector as well. For instance, achieving the target of realizing carbon neutrality by 2050 will require not only effort from the government and corporations, but also the strength of institutional investors. Certainly, Nippon Life can be expected to contribute to these initiatives as the largest institutional investor in Japan. There are also problems such as the inability of regional companies and small and medium-sized enterprises to advance digitalization, which has recently been highlighted. I would like the Company to continue considerations with regard to those issues as well.

In addition, Nippon Life maintains a massive amount of policyholder data. I think it would be excellent if the Company were able to utilize this data to work toward alliances with various types of companies and consecutively develop new services and means of support, while paying close attention to the handling of information. I think this relates to the previous conversation about Group governance, but there will be talks about the possibility of creating some kind of new value in the process of collaborating with industries beyond the previous framework of life insurance companies. It will be a difficult task, but I would like Nippon Life to work on it proactively.

**Tadaki:** That's exactly right. I also think that solving social issues as an institutional investor and utilizing the massive amount of



data held by Nippon Life are extremely important initiatives.

Meanwhile, customer needs are diversifying. For instance, there was talk about an era with an average life expectancy of 100 years, and so Nippon Life accelerated product development predicated on those 100 years. Furthermore, it may be possible to develop a system to which matters can be entrusted even after one's life ends. This would be a system meant to address needs in an era when it is not uncommon for people not to have heirs to their assets.

I think there will also be legal issues. There may even be possibilities for business to ensure the proper transfer of individual assets. For instance, if my last wishes could be fulfilled after my own death through the management of the remaining assets, I may be able to greet the end of my life with more happiness and fulfillment. Since I cannot confirm my assets after my death, I would like to leave them to a company that I can trust. Nippon Life is a reliable company, so if there is a possibility for such a business, perhaps it will take on that challenge.

**Tomita:** I agree. It seems like the existence of so-called in-demand insurance and services are truly diversifying. Conditions for people to be happy or reliable support for each stage of life are eternal issues that will always change. I would like Nippon Life to work hard so that it can launch a great number of products and services into society in response to these issues. We are approaching an era with an average life expectancy of 100 years, and one in which more support is needed to live fulfilling lives after retirement. In order to make customers happier and increase the sense of fulfillment among the public, I think that Nippon Life's key role will be to tirelessly continue searching for the ideal products and services to meet these needs.



## Life Insurance Framework

### Life Insurance is “Mutual Aid”

Life insurance is a framework of “mutual aid” in which a large number of people pitch in money little by little, and create a large, common reserve of assets. In the event that something happens to one of their companions, a lump sum from that amount is paid out, and everyone helps each other economically. In other words, mutual aid, in which one person does something for ten thousand people and ten thousand people do something for one person, is the philosophy of life insurance.

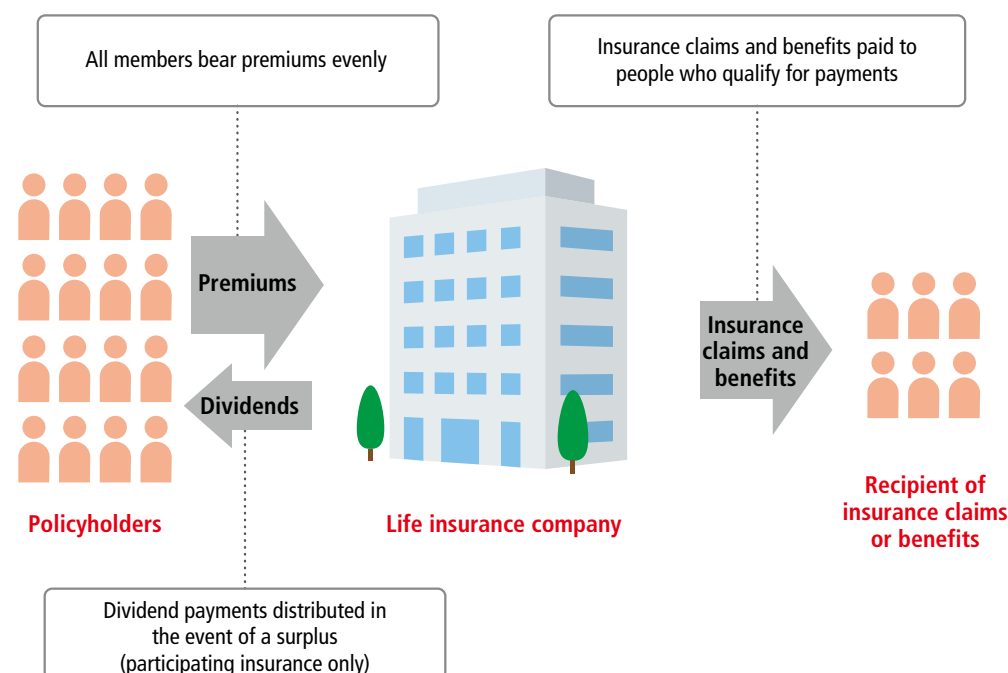
There are many kinds of risks in modern life. We never know when something such as illness, injury, or death will happen or to whom. When such risks materialize, significant amounts of money may be required, including for hospital or treatment fees, family living expenses or expenses for child development.

Life insurance amasses a large amount of money to address the various unpredictable risks of life that could become a reality.

Life insurance can also be used as a means of preparing money needed in the future for one’s family or themselves.

In this way, life insurance is a framework based on the philosophy of mutual aid, and the life insurance business is a highly public business that supports lifestyles.

#### Life Insurance Framework



## Policyholder Dividends

### Fiscal 2021 Policyholder Dividends Based on Results for Fiscal 2020

Nippon Life aims to maximize profits for policyholders over the long term, and strives to make secure payments of policy claims and benefits along with stable annual policyholder dividends each year.

In the financial results for fiscal 2020, in spite of a continually severe investment environment due in part to prolonged ultra-low interest rates, we worked on raising the base level of

interest gains by advancing asset management and accumulating additional reserves, and maintained interest rate profit dividends from the perspective of stable dividends. With regard to risk profit dividends, we increased dividends with a primary focus on the death benefit-related products of *Mirai no Katachi*, based on continual improvements in the national mortality rate.

#### Policyholder Dividend Payout Ratio (Fiscal 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).

Adjusted net surplus equals net surplus plus any excess of reserves such as contingency reserves, and is surplus which can be practically appropriated after considering laws and regulations, etc.

#### Fiscal 2020

$$\frac{\text{Reserve for policyholder dividends, etc.}}{\text{Adjusted net surplus}} = 58\%$$

#### Policyholder Dividends in Mutual Companies

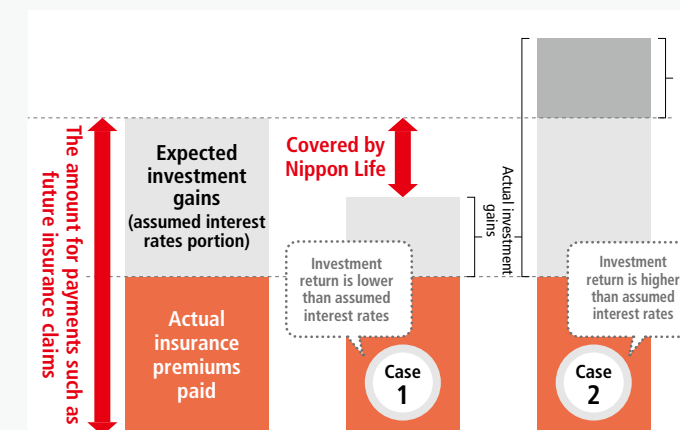
Life insurance premiums are generally calculated based upon expected rates, including rates of interest and mortality. However, because life insurance contracts are long-term agreements, conditions such as actual investment yields and death rates may differ from expectations due to changes in the economic environment, increasing management efficiency, or other factors. Life insurance contracts can be broadly classified into two categories, namely “participating insurance,” where dividend payments are distributed, and “non-participating insurance,” where no dividend payments are distributed. In the event that a surplus is generated by the difference between expected rates and actual conditions in participating insurance, the increase is deemed to be distributable to policyholders (excluding non-participating insurance policyholders) based on policy terms as policyholder dividends. In fact, policyholder dividends could be classified, by nature, as the post-settlement of insurance premiums that were originally calculated based upon expected rates.

Nippon Life employs a mutual company format in which all policyholders (excluding non-participating insurance policyholders) are counted as members of the Company. In addition to the accumulation of equity, the majority of the surplus is returned to policyholders as participating policyholder dividends.

#### Dividend Framework

The chart on the right shows the framework for dividends based on assumed rates.

Insurance premiums are calculated 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 the Policy Details Reminder (p. 50), which is sent out each year to every customer, for individual customer dividends.

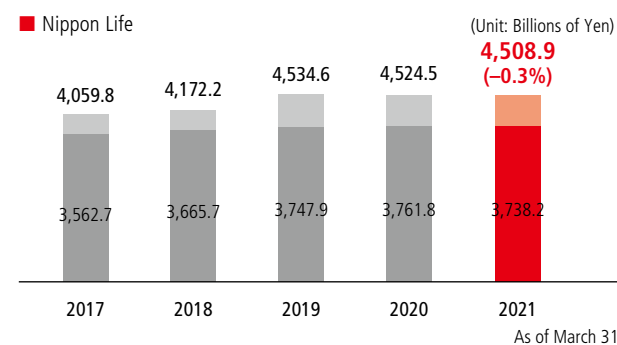
# Business Performance Highlights (Financial)

## Annualized Premiums

[As of March 31, 2021]

(Nonconsolidated) ¥3,738.2 billion  
(Domestic Total) **¥4,508.9 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.

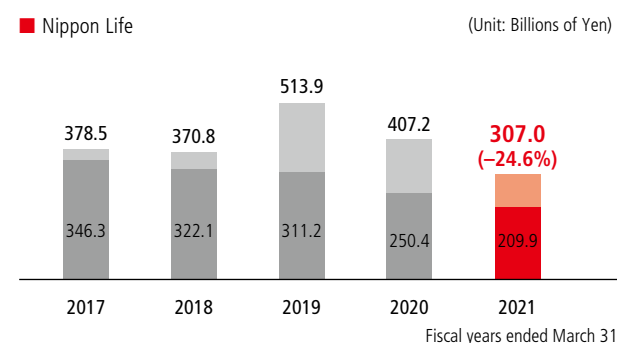


## Annualized Premiums on New Policies

[For the fiscal year ended March 31, 2021]

(Nonconsolidated) ¥209.9 billion  
(Domestic Total) **¥307.0 billion**

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

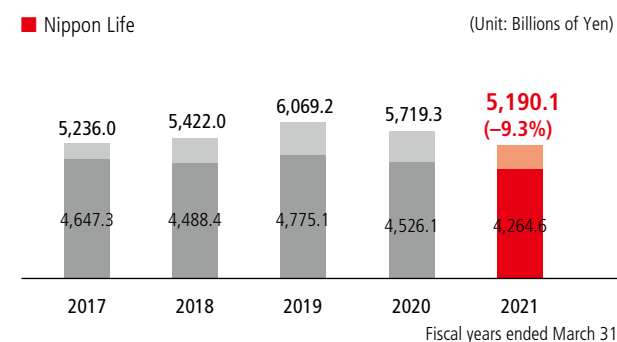


## Revenues from Insurance and Reinsurance

[For the fiscal year ended March 31, 2021]

(Nonconsolidated) ¥4,264.6 billion  
(Consolidated) **¥5,190.1 billion**

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

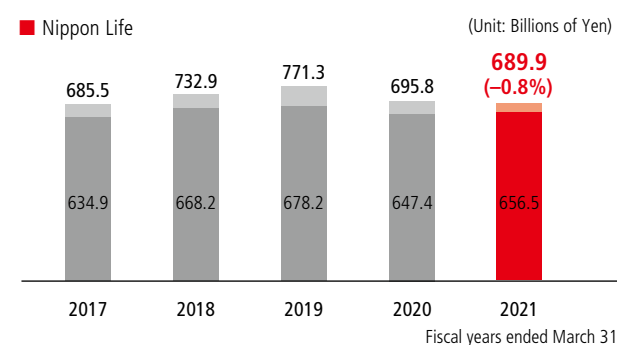


## Core Operating Profit

[For the fiscal year ended March 31, 2021]

(Nonconsolidated) ¥656.5 billion  
(Group) **¥689.9 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.

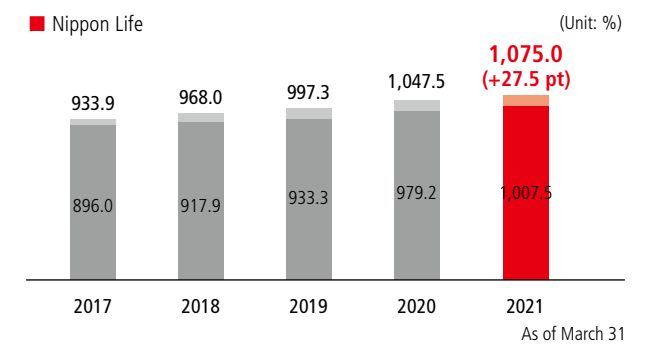
Furthermore, in the fiscal years ended March 31, 2017, core operating profit (Group) was calculated based on core operating profit from Nippon Life and TAIJU LIFE and net income before taxes of overseas life insurance subsidiaries and affiliates, with adjustments based on the stock ownership ratio and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

## Solvency Margin Ratio

[As of March 31, 2021]

(Nonconsolidated) 1,007.5%  
(Consolidated) **1,075.0%**

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.

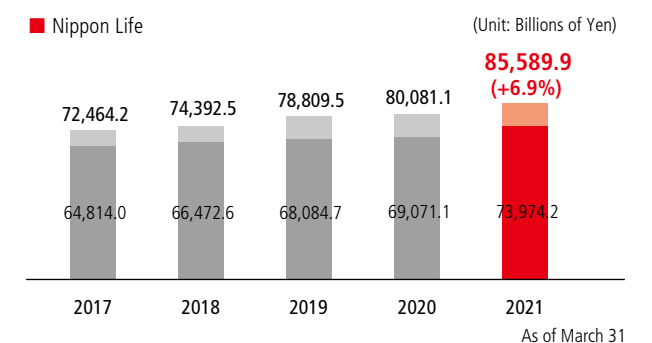


## Total Assets

[As of March 31, 2021]

(Nonconsolidated) ¥73,974.2 billion  
(Consolidated) **¥85,589.9 billion**

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



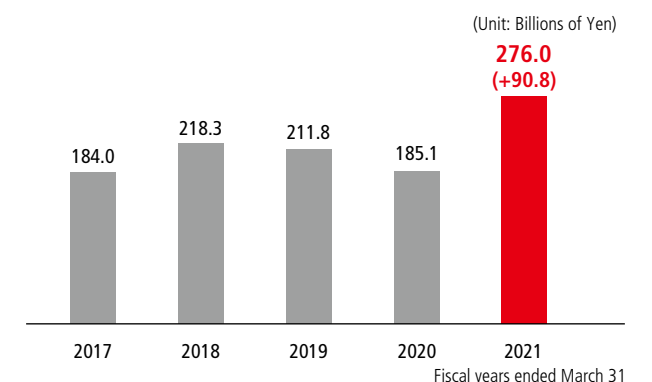
## Distribution of Dividends to Participating Insurance Policyholders

[For the fiscal year ended March 31, 2021]

Reserve for Policyholder Dividends (Nonconsolidated) **¥276.0 billion**

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

Note: Please see p. 33 for details about policyholder dividends.



## Evaluations from Ratings Companies

As of July 1, 2021 (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

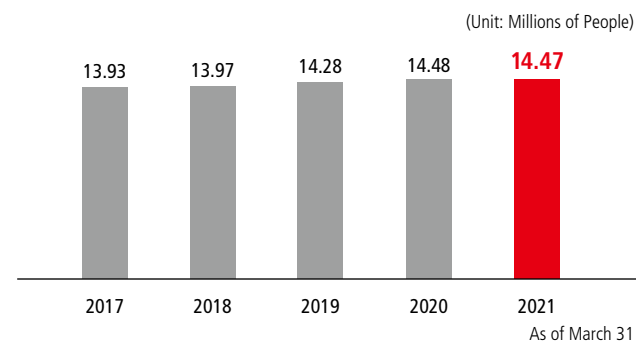
[As of March 31, 2021]

(Group)

**14.47** 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, 2021. Revised figures as of the close of the fiscal years ended March 31, 2017 to 2019 are also shown above.



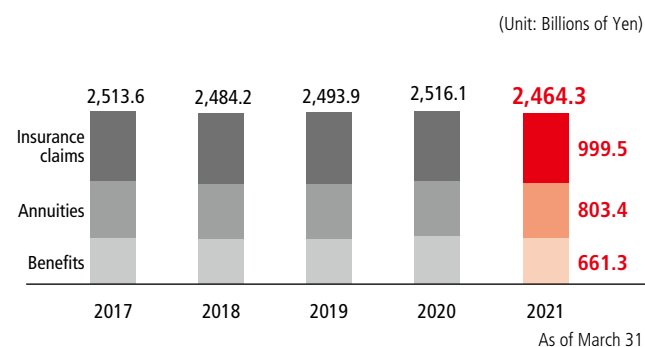
## Total Payments for Insurance Claims, Annuities and Benefits

[As of March 31, 2021]

(Nonconsolidated) **¥2,464.3** billion

Total payments for insurance claims, annuities and benefits (total for individuals and companies) were ¥2,464.3 billion in the fiscal year ended March 31, 2021.

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



## Customer Satisfaction

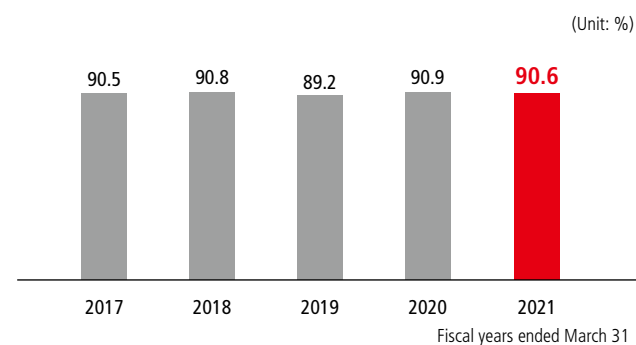
[For the fiscal year ended March 31, 2021]

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

(Nonconsolidated)

**90.6%**

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



## CO<sub>2</sub> Emissions

[For the fiscal year ended March 31, 2021]

(Nonconsolidated)

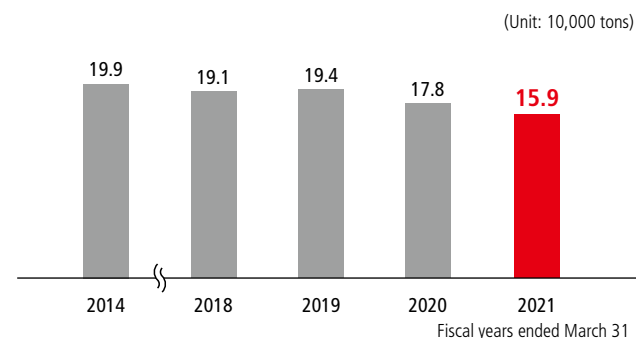
**159,000** tons

Targets were set at the end of the fiscal year ended March 31, 2021 of reducing CO<sub>2</sub> emissions by 40% by the fiscal year ended March 31, 2031 and 80% by the fiscal year ended March 31, 2051 (with the fiscal year ended March 31, 2014 as the base year).

Nippon Life will continue to advance various CO<sub>2</sub> 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 fiscal year ended March 31, 2017 is calculated retroactively. Provisional figure.

Reevaluated the range of calculation for Scope 3 emissions to improve accuracy (data prior to the fiscal year ended March 31, 2020 has been retroactively revised).



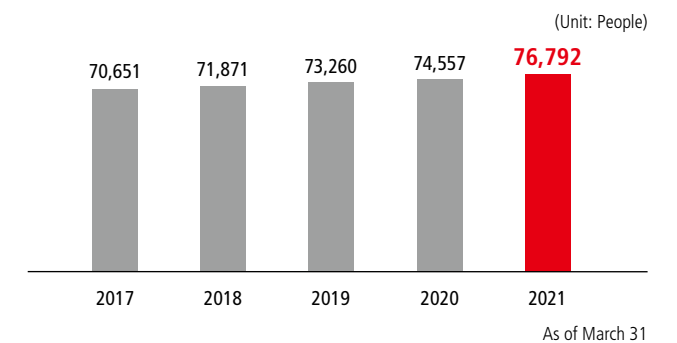
## Number of Employees

[As of March 31, 2021]

(Nonconsolidated)

**76,792** employees

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



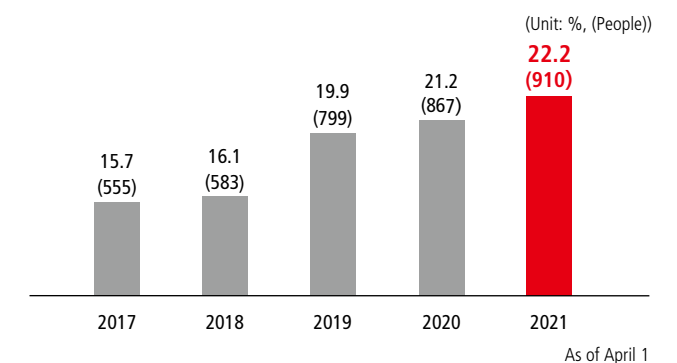
## Ratio of Women in Management

[As of April 1, 2021]

(Nonconsolidated)

**22.2%**

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 910 women (22.2%) active in management positions in a wide variety of fields. The ratio of women in positions equivalent to department manager is 6.6% (25 people). We are promoting the further participation of women in management.



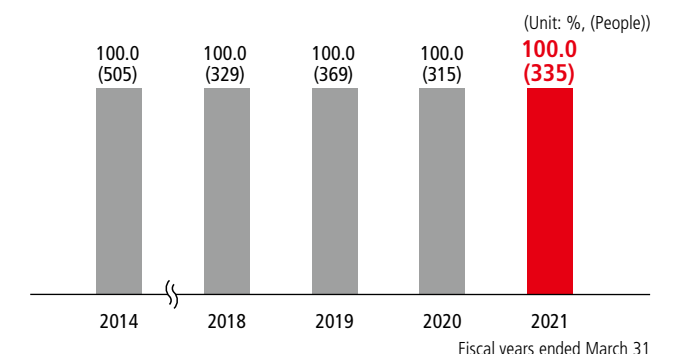
## Rate of Male Employees Taking Childcare Leave

[For the fiscal year ended March 31, 2021]

For the eighth consecutive year  
(Nonconsolidated)

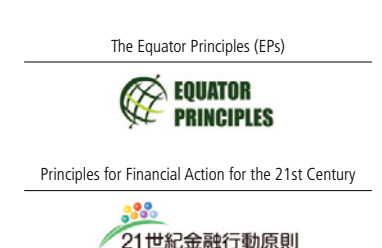
**100.0%**

Achieved the Company-wide target of 100% of male employees taking childcare leave for the eighth consecutive year since the year ended March 31, 2014. Approximately 1,900 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.



# Business Overview

## 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) **55,675** people  
(As of March 31, 2021)

Number of Customers  
(Number of Insured Persons, etc.)

(Consolidated) **14.47** million people  
(As of March 31, 2021)



Masaru Nakamura  
Director and Executive Vice President

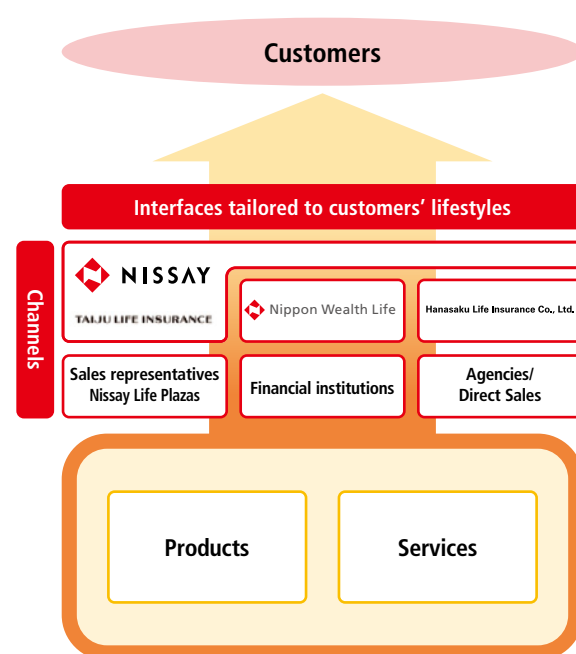
## Recognition of the Business Environment and Basic Strategy

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, we will enhance our face-to-face consulting capabilities by fostering the growth of our approximately 50,000 sales representatives throughout the country in order to provide after-sales services at the right time to policyholders across Japan over the long term. We will also promote remote activities utilizing digital technology so that we can provide products and services to customers with whom we are unable to meet directly.

We will also work to supply an extensive product lineup from each Group company, including TAIJU LIFE, Nippon Wealth Life, and Hanasaku Life, in order to respond to diverse needs and risks. In addition, we will develop Nissay Life Plaza retail outlets, agency channels such as tax accountants and agencies centered on insurance shops, and financial institution channels such as over-the-counter sales at financial institutions. Along with this, we will work to improve customer convenience.

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.

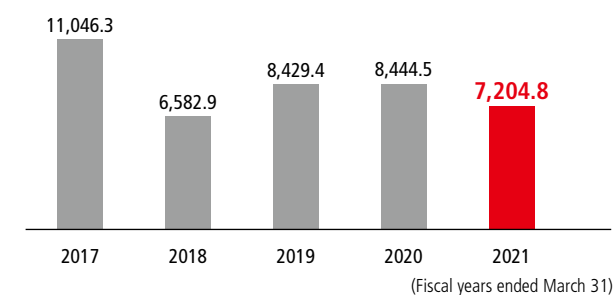


## Review

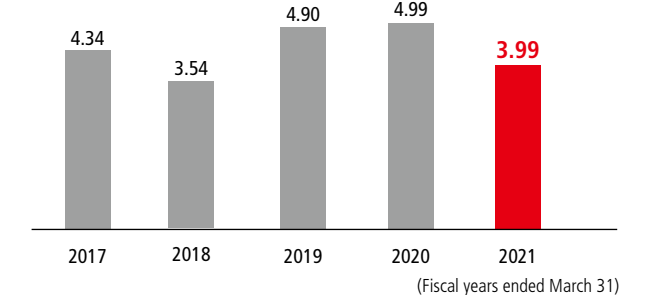
Nippon Life provides products and services primarily through its more than 50,000 sales representatives—Nippon Life's core sales channel. We are working to enhance the training of sales representatives so that they can serve customers even more effectively. In April 2020, we launched "Ninchisho Support Plus," a new dementia coverage insurance product. We also worked on sales activities incorporating the internet, such as

email, LINE WORKS, and screen sharing systems in addition to face-to-face activities, in order to better respond to customers' broad needs and to changes in customer awareness. However, both coverage amounts and the number of policies among new policies decreased, largely impacted by the self-restraint on visits under the declaration of a state of emergency between April and May.

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 addition, beginning in July 2021, we launched a new product called "Shu NEW 1," insurance that

offers income support during extended hospital stays, aimed at medical insurance needs, which are increasing every year, and support for salary decreases.

On the infrastructure front, we allocated "N-Phone" smartphones to all sales representatives by the end of August 2021. Additionally, to meet the demands of customers with whom we are unable to meet directly, since February 2021, we have been introducing a screen sharing system to all sales departments nationwide in addition to places such as Nissay Life Plaza stores and branch companies. This system allows us to share screens with customer's personal computers and tablets and complete various procedures online.



(Scan here for a video explaining our products)



(Scan here for a video explaining our products)





## Domestic Insurance Business: Individual Insurance

### Product Lineup

The “*Mirai no Katachi*” product provides customers with lifelong support by allowing them to flexibly combine 15 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.

“*Mirai no Katachi*” was further strengthened with the addition of “*Shu NEW 1*,” insurance that offers income support during extended hospital stays, in July 2021.

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 “ <i>Itsutsu Boshi</i> ”	Three major disease insurance	Specified serious disease insurance coverage “ <i>Daijobu</i> ”
Coverage for medical risks	General hospitalization insurance “ <i>NEW in 1</i> ”	NEW Income support insurance for continuous hospitalization “ <i>Shu NEW 1</i> ”	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 coverage against the three major diseases with birth support benefits “ <i>ChouChou!</i> ”	Nissay’s long-life insurance (low surrender value-type) “ <i>Gran Age</i> ”
Nissay educational endowment insurance	Nissay juvenile insurance “ <i>Genki</i> ”
Nissay single-payment whole life insurance “ <i>My Stage</i> ”	

#### ■ 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) “ <i>Long Dream GOLD 3</i> ”	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) “ <i>Yume no Present 2</i> ”
Nissay variable annuity insurance with defined minimum living benefits (US dollar denominated, Australian dollar denominated) “ <i>Dual Dream</i> ”	Nissay variable interest rate single-payment increasing-coverage whole life insurance (Yearly death benefit increase type) “ <i>Yume no Katachi Plus</i> ”

Notes: 1. The main products sold as of July 2, 2021 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.



Notes: 1. The services listed above are current as of July 2021. 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.  
3. The trademark rights of each service belong to the respective service provider.

#### ■ Utilization of Digital Tools

As COVID-19 continues to spread, Nippon Life is working to ensure contact channels with customers, including those who do not want to handle procedures face-to-face, through remote methods by utilizing digital infrastructure tools such as phone calls, email, LINE WORKS, and Zoom.

As part of these initiatives, we provide digital contents such as transmission of “MeSET” videos to explain products through methods such as email and functions that allow customers to easily create simulations of premiums on their own smartphones in order to pique customer interest and curiosity in insurance and make insurance feel more like a part of their lives.

We have also received feedback from customers saying that while they enjoy the convenience of remote contact, they would like to receive detailed product explanations and important points after meeting directly with a sales representative and going over the items.

Going forward, in order to respond even better to customer needs, I think what is important is combining both face-to-face and remote services rather than only using one or the other, and providing consulting services matched to each individual customer’s preferences through sales representatives.

In order to construct and spread a new model of face-to-face activities for the digital era that freely combines face-to-face and remote services, we have accelerated the arrangement of digital infrastructure tools. Currently, we will allocate N-Phone smartphones to all sales representatives by the end of August, and increase options for communication with customers through methods such as LINE WORKS and Zoom.

As COVID-19 continues to spread, in order to meet the demands of customers with whom we are unable to meet directly but who prefer detailed explanations, we are introducing a screen sharing system to all sales departments nationwide in addition to Nissay Life Plaza stores and branch offices. This scheme allows us to share screens on TASKALL mobile device, which are used for sales activities, with customer’s personal computers and tablets and complete various procedures online while customers and sales representative-view the same documents or procedure screen.

As a result, we are able to carry out processes like insurance contracts and policy maintenance procedures online, and can now combine in-person and digital services in a custom-made fashion matched to customers’ needs.

We have utilized an educational app called “UMU,”\* which is installed in the N-Phones, and are constructing a system to support independent study and seminars, including browsing functions for various types of educational materials and test taking, so that all sales representatives can use these types of digital infrastructure tools on a daily basis.

Going forward, Nippon Life will accelerate the fusion of in-person and digital services, and provide consulting services with high value for customers.

\* “UMU” is a registered trademark of Beijing UMU Technology Co., Ltd.

## Domestic Insurance Business: Individual Insurance

### Distribution Channel Development

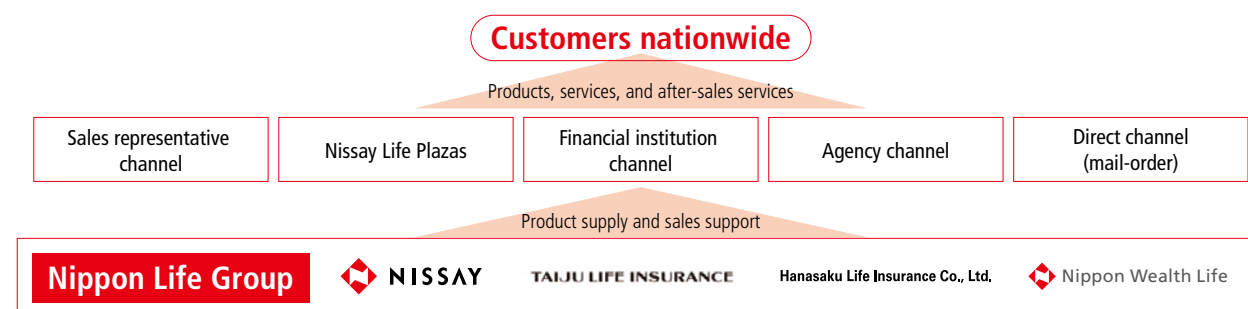
Nippon Life is developing a variety of distribution channels based on its sales representative channel with approximately 50,000 representatives. The goal is to provide considerate and thoughtful consulting services and long-term after-sales services to customers.

Nissay Life Plazas are retail outlets. 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 financial institution channel, which includes banks and securities firms; the agency

channel, which includes tax accountants and agencies centered on insurance solicitation; and a direct channel (mail-order) through Group company Hanasaku Life. 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 2021, approximately 31,863 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.

#### NISSAY People



**Yuka Yamaoka**  
Kawasaki Station  
Sales Office,  
Tokyo Bay Area Branch

**I would like to conduct activities close to each and every customer at all times.**

My goal is to support the aspirations and the future of our customers and their families through insurance products and services matched to the conditions and goals of each and every customer.

Although we are currently feeling the effects of COVID-19, I hope to engage in communication with customers and remain close to them while utilizing digital tools and other methods so that we can respond flexibly and quickly in line with customer demands in any situation.

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

I will continue to work hard on activities with a sense of purpose and pride in my job for the sake of my customers.

#### 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.



#### Financial Institutions

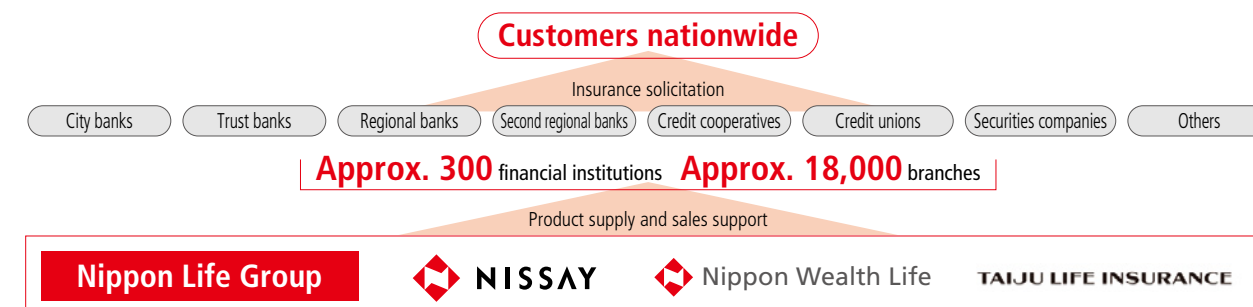
Nippon Life has agency agreements with financial institutions throughout Japan for the sale of individual and corporate products, including single-payment whole life insurance and single-payment annuities.

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.

Note: As of April 2021, TAIJU LIFE has suspended over-the-counter sales at financial institutions.

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



#### NISSAY People



**Kyoko Ebihara**  
1st Financial Institutions  
Relations Dept. (Tokyo)

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

As a wholesaler supporting the insurance sales of financial institutions, my duties include holding training seminars about the products of Nippon Life and its Group companies and related sales skills for bank employees of responsible branches. I try to offer support with feeling to convey the appeal of these products not only to clients but to the persons in charge and be there for them.

The business environment surrounding financial institutions has been changing dramatically. For this reason, I naturally recognize the importance of continuing to study to acquire knowledge about products, as well as a broad range of specialized knowledge related to finance, including the financial market, inheritance, and taxation matters.

In recent years, our activity style has also been required to change. In addition to the traditional face-to-face format, we are also working on strengthening support that can be done from any location by making full use of digital technology, such as seminars utilizing web conference tools.

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



## Domestic Insurance Business: Individual Insurance

### Agencies

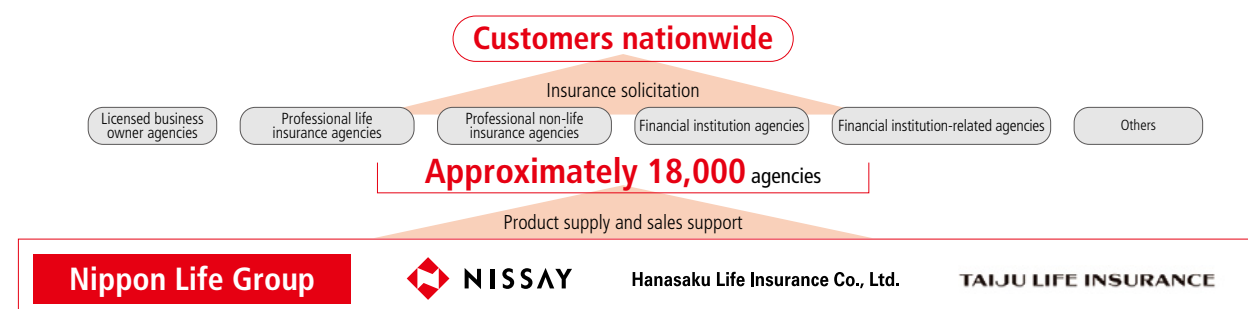
The agency channel is one of our core distribution channels. We have developed relationships with agencies across Japan by forming agency consignment agreements with tax accountants, professional life and non-life insurance sales agencies, and other organizations (The number of agencies as of March 31, 2021 was 18,562, up 296 from a year ago.\*1) 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. For individual customers, agencies centered on

insurance shops propose a full lineup of products of Nippon Life, Hanasaku Life and TAIJU LIFE\*2. 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.

\*1 Including banks and other financial institution-related agencies.

\*2 As of April 2021, TAIJU LIFE has suspended over-the-counter sales at financial institutions.

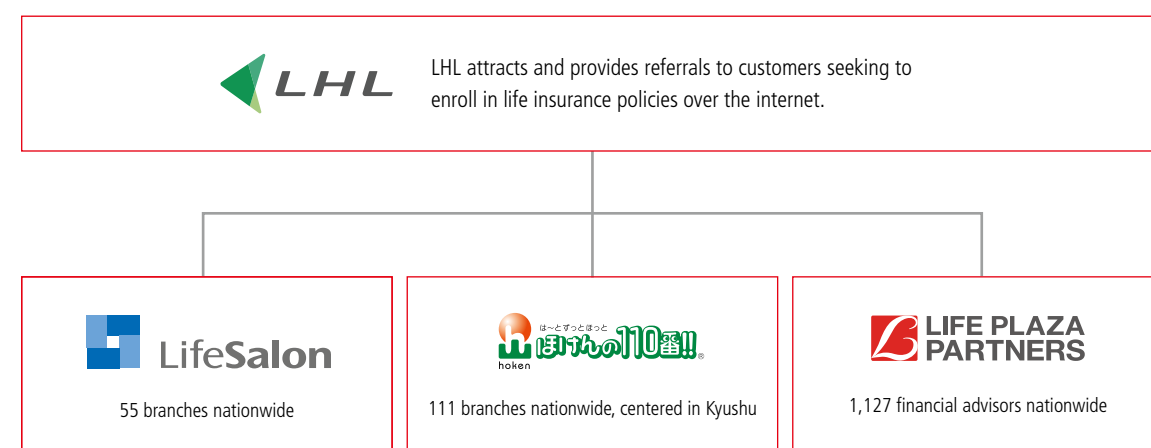
### Nippon Life's Agency Sales Business



### 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 1,700 insurance agents, the LHL Group is providing services in the independent retail agency sector.

Note: As of March 31, 2021



### 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.

In April 2021, we established a preparatory company with the aim of creating a small-amount, short-term insurance company that will rapidly provide various insurance products to satisfy customer needs in the dual fields of life and non-life insurance.

### TAIJU LIFE INSURANCE COMPANY LIMITED

Since our management integration with Mitsui Life in December 2015, we have steadily worked on achieving integration synergies, including approaching customers that were difficult to reach 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. At Nippon Life, we sell TAIJU LIFE's foreign currency-denominated

single payment endowment insurance, while TAIJU LIFE now sells Nissay products such as educational endowment insurance and individual annuities. Additionally, in the field of asset management, we are working to strengthen our investment system by gathering the resources and expertise of each Company. For instance, we are sharing back offices for investment securities, and have decided to transfer the credit and alternative investment functions of Nippon Life and TAIJU LIFE to Nissay Asset Management.

### TAIJU LIFE INSURANCE

Main sales channel	Sales representatives
Revenues from insurance and reinsurance	¥441.2 billion
Number of employees	12,042 people

Note: As of March 31, 2021

### 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 strengthening systems to support sales for collaborating 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, with a primary focus on regional financial institutions across Japan. Both companies are working together to expand their networks of partner agencies and the products they carry.

### Nippon Wealth Life

Main sales channel	Bancassurance
Revenues from insurance and reinsurance	¥282.7 billion
Number of employees	459 people

Note: As of March 31, 2021

### 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 of medical whole life insurance, lump-sum benefit

insurance for specified diseases, term life insurance, whole life medical insurance with relaxed underwriting conditions, lump-sum benefit insurance for the three major diseases with relaxed underwriting conditions, and income security insurance in June 2019. We also launched mail-order selling in July 2020, and will continue to upgrade and expand our product lineups and services.

### Hanasaku Life Insurance Co., Ltd.

Main sales channel	Agencies
Revenues from insurance and reinsurance	¥6.82 billion
Number of employees	192 people

Note: As of March 31, 2021

## 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.

### Amount of Group Insurance Policies in Force

(Nonconsolidated) **¥98,779.1 billion**  
(As of March 31, 2021)

### Amount of Group Annuities in Force

(Nonconsolidated) **¥13,649.0 billion**  
(As of March 31, 2021)

### Number of Corporate Clients

(Nonconsolidated) **262 thousand companies**  
(As of March 31, 2021)



**Seiji Kito**  
Director and Executive Vice President

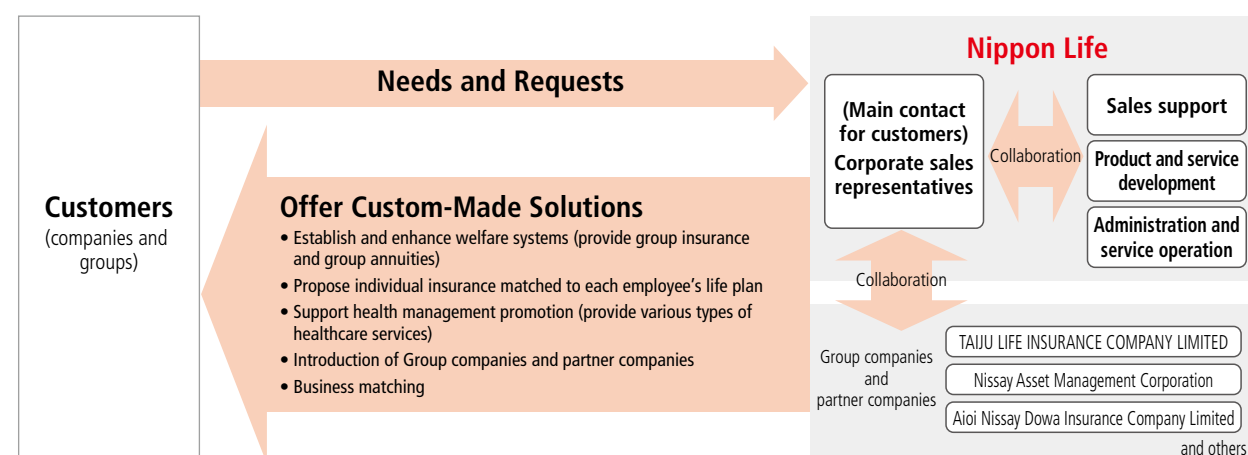
## Recognition of the Business Environment and Basic Strategy

The business environment surrounding companies and groups is changing drastically and growing even more uncertain, due in part to technological advancements and globalization.

Additionally, in the past few years, in conjunction with diversification in how companies employ people and the personnel responsible for various duties, support for balancing work with nursing care or illnesses as well as responses to work style reforms and remote work are becoming even more important. With these trends, the needs of companies for welfare 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.

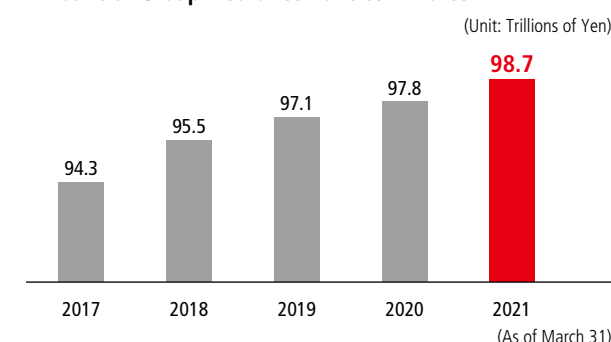
Specifically, in addition to providing consulting and insurance products and services pertaining to corporate welfare systems, we offer custom-made solutions and support customers on various fronts, such as by introducing investment products and property and casualty insurance offered by Group companies and partner companies, and holding business matching events.



## 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

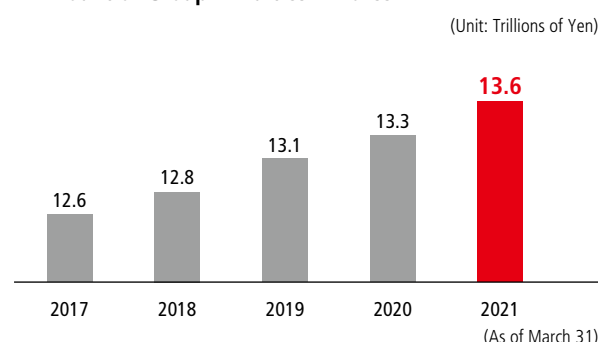
### Amount of Group Insurance Policies in Force



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, 2021, the amount of group insurance policies in force was ¥98,779.1 billion and the amount of group annuities in force was ¥13,649.0 billion. In addition, the number of corporate clients was approximately 262,000 companies.

### Amount of Group Annuities in Force



## Main Activities

We combine various products and services and offer custom-made solutions in order to meet diversifying customer needs.

### (1) Released Nissay Separate Account First Treaty "Global Balance Account," a New Corporate Pension Insurance Product

In order to respond to demand for securing profit and stabilizing investment, we developed a new product geared toward corporate pensions, based on funds with long-term and high-quality operational results. (Release scheduled for February 2022)

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

We provide the following services to support the health promotion initiatives of companies and groups.



#### <Examples of services provided>

- Analyze medical costs and visualize health issues
- Conduct events using walking apps
- Offer a diabetes prevention program
- Advice useful for health management

### (3) Providing Various Web Services to Customers

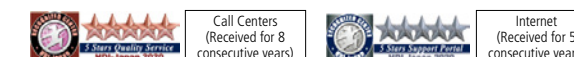
We are accelerating initiatives that will allow various procedures related to system operation to be processed online in order to improve convenience for persons responsible for administrative affairs and other employees.

#### <Examples of services provided>

- Web application system for self-reliant insurance products
- Smartphone app for defined contribution pensions
- Direct administrative system for persons responsible for administrative affairs

### (4) Received "5-Star Rating" for Defined Contribution (DC) Pension Services

Both the "NISSAY DC Call Center" and "NISSAY DC Internet site" (a website reserved for policyholders) have received a "Five-Star Rating" under the HDI Five-Star Certification Program provided by HDI-Japan\*. These services were 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.

### (5) Development of NISSAY Business Matching

We are developing business matching that utilizes Nippon Life's network of business partners and its nationwide sales network to create opportunities for customers' business.

### (6) Opened "NISSAY Business INSIGHT," a Portal Site to Support Corporate Management

We opened a management support portal site in which we have integrated and accumulated information to help solve diverse management issues in pursuit of convenience, for continual growth of companies and groups. (Opened in April 2021)

<Scan here to visit the official website.>

**NISSAY Business INSIGHT**





## 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) **¥2,464.3 billion**  
(As of March 31, 2021)



Yuji Mikasa

Director and Senior Managing Executive Officer

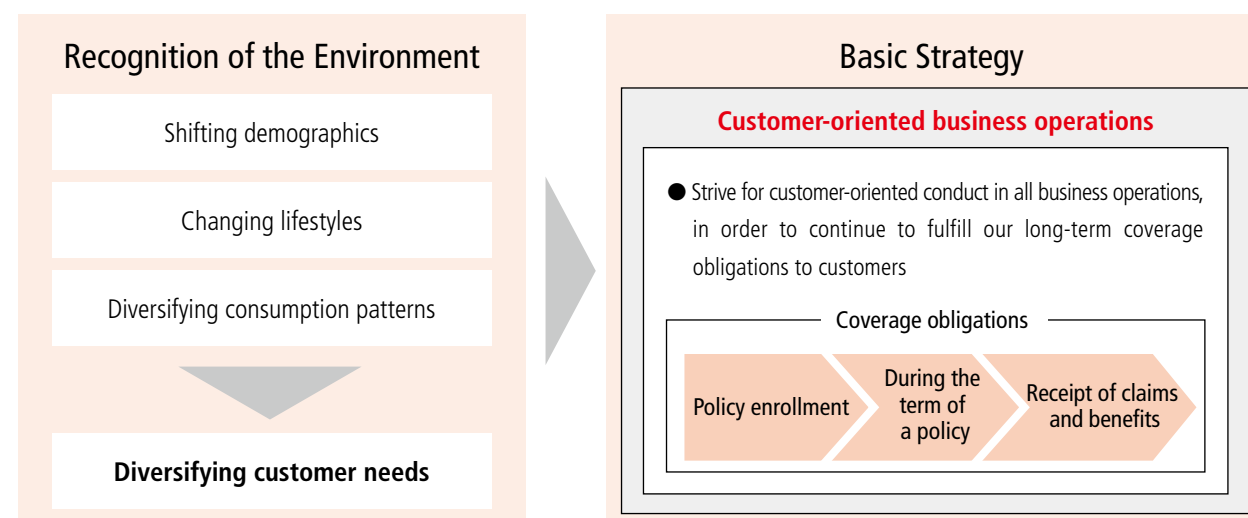
## Recognition of the Business Environment and Basic Strategy

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.



## 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 that occurred in the fiscal year ended March 31, 2021, and the COVID-19 pandemic. For

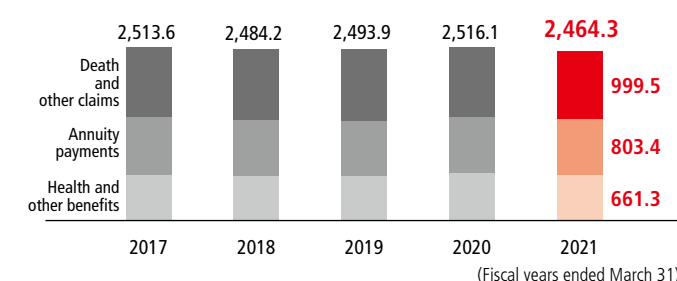
example, we swiftly introduced various kinds of special handling, including simplified procedures for requesting claims and benefits. As a result of these activities, total payments of death and other claims, annuity payments, and health and other benefits were ¥2,464.3 billion for the fiscal year ended March 31, 2021.

### 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) Simplified procedures for requesting the payment 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

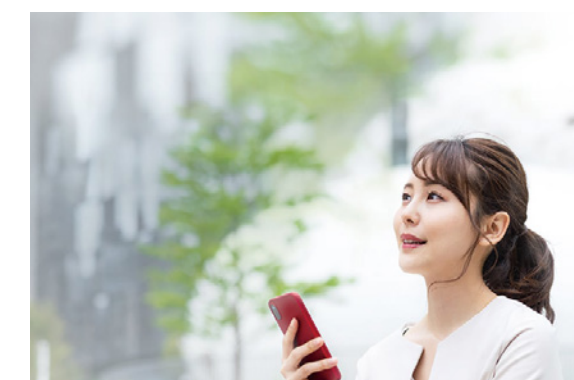
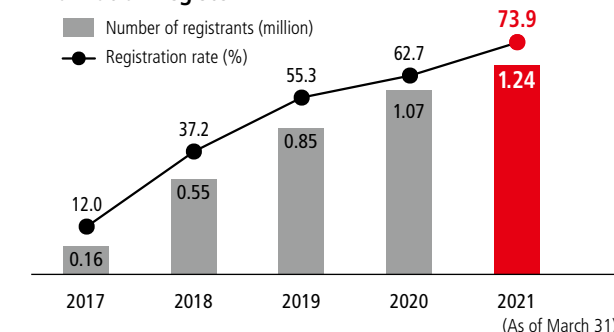
For elderly policyholders, we recommend that a family member accompany an elderly customer when they carry out enrollment procedures, and are also accelerating registration with the Family Contact Information Register. Such registration allows us to provide policy information to family members. Beginning in January 2021, we initiated the "Nippon Life Sign Language Interpretation Relay Service," which allows customers who have difficulty speaking over the phone, such as customers with hearing impairments, to make inquiries when using our call center through the assistance of an operator who interprets sign language.

### (2) Upgrade Interfaces to Address Changes in Lifestyles

We have gradually expanded the procedures that can be used through the Nippon Life app, and even enabled use of health-related services beginning in August 2020.

We are improving customer convenience by, for instance, beginning to provide the Policy Details Reminder, in which policyholders are notified about the contents of policies once a year, online starting in fiscal 2021.

### Number of Registered Users of the Family Contact Information Register



## 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 in to the Nissay website or Nippon Life app, such as confirming their policy content, procedures such as address changes, requests for hospitalization and surgery benefits, and the "Zutto Motto Service."



Nissay website



Nippon Life app

#### Available Services

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

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

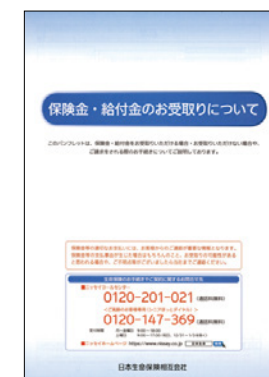
#### Requesting Payment of Insurance Claims and Benefits

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.

Furthermore, requests for hospitalization and surgery benefits can also be made using the Nissay website or the Nippon Life app.

#### 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.

Application Procedures

During the Term of a Policy

Receipt of Claims and Benefits



## Customer Service

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

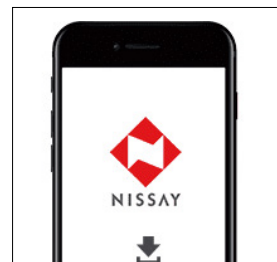
#### Internet and Call Centers

##### 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 in to the Nissay website or Nippon Life app, they can carry out various procedures such as confirming their policy content, requesting benefits, and changing addresses. Since August 2020, customers have been able to easily use health-related services.

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



Nippon Life app



Nissay call centers

#### 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 support smooth procedures in response to inquiries about the Nissay website or Nippon Life app.

#### NISSAY People



Yukako Shiomi  
Call Center (Osaka)

#### Being closer to customers through voices than meeting in person

The call center is a contact point that is connected to customers through voices alone. I need to comprehend the customers' requests accurately and quickly while visualizing their expressions, which I cannot see over the phone, and their situation.

There are also times when the customer is not aware of the necessary procedures. For that reason, I not only respond to their request or question correctly, but also communicate what procedures seem necessary based on the policy or the customer's situation. I also make sure to be compassionate toward customers. One time, I was talking to a customer and could hear a baby crying on the other end of the phone. When I asked if I should call back another time, the customer thanked me for thinking of their child, and said that this was first time they had received this kind of support. I felt that my small amount of consideration had touched the customer, and this gave me tremendous motivation. Going forward, my goal is for my call center to receive abundant voices of gratitude for serving as a familiar contact point for customers where voices alone can be more helpful than meeting in person.

#### 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, 2021, the cumulative total of those who have passed the exam was 6,133.

#### 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 certain hospitalization and surgery benefits on 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.

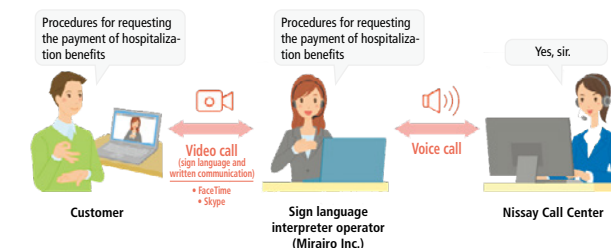
At Enrollment  
While the Policy Is Active / During Payments

- Accompanied by a Family Member**  
 We recommend that a family member accompany an elderly customer when they carry out the enrollment procedures, and we strive to have them understand the policy details.
- "Guidance on Policies and Services"**  
 A customer service representative meets with the customer to confirm policy details and provide information on administrative procedures and services.
- "Family Contact Information Register"**  
 To prepare for the case that an elderly customer cannot make an inquiry themselves, we offer a service that provides policy information to family members who have been registered in advance.
- Specifying or Changing the "Designated Proxy Claimant"**  
 For elderly customers who are likely to experience difficulty carrying out administrative procedures on their own, we recommend that customers specify a designated proxy claimant and change the designated person to someone from a younger generation (their children's generation, for example).
- Phone Line for Elderly Customers**  
 Calls are directly connected to an operator trained in professional telephone service skills and the operator politely and patiently helps the customer using easy-to-understand language. In addition, we provide follow-up calls on procedures to customers to whom we mailed documents, in order to help them fill out forms.
- "Nissay Bereaved Relative Support Service"**  
 We provide complete support to bereaved relatives for the various procedures that must be carried out when a policyholder passes away. (Telephone consultation (free of charge) / the provision of reports (free of charge) / procedures performed by specialist agents (subject to fee) etc.)

#### Initiatives to Improve Services for Persons with Disabilities

Nissay Life Plazas (customer contact points) are equipped with writing and communication sheets (a tool to facilitate communication when conversation is difficult), table-top microphones and speaker systems, gentle slopes for wheelchairs, and other tools to offer considerate support to customers with disabilities.

We also offer "Nippon Life Sign Language Interpretation Relay Service." (See illustration on right)



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, 2021

Content	Number	% of total	Primary examples
New policy related (Policy enrollment)	5,103	9.9	● Dissatisfaction concerning explanation when enrolling in an insurance policy ● Dissatisfaction concerning actions of sales representatives to sell policies
Receipt related (Payment of premiums)	3,867	7.5	● Dissatisfaction concerning remittances and automatic deductions
Maintenance related (Procedures after enrollment)	19,874	38.4	● Dissatisfaction concerning policy cancellation procedure
Claims and benefits related (Payment of insurance claims and benefits)	6,794	13.2	● Dissatisfaction concerning procedure for payment of claims and benefits ● Dissatisfaction concerning procedure for payment of maturity benefits
Others	16,007	31.0	● Dissatisfaction concerning after-sales services ● Dissatisfaction concerning the attitude, manners or behavior of sales representatives
Total	51,645	100.0	

Notes: 1. The number of customer communications (opinions, requests, consultations, dissatisfaction, positive feedback and other communications) was 2,023,916.  
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	<a href="https://www.seiho.or.jp/english/about/contact/">https://www.seiho.or.jp/english/about/contact/</a>

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, 2021

(Unit: Number of Cases)

	Insurance claims					Benefits						Total
	Mortality	Accident	Serious disability	Others	Total	Mortality	Hospitalization	Surgery	Disability	Others	Total	
Total payments made	92,529	586	1,799	23,211	118,125	5,893	584,600	464,974	876	294,129	1,350,472	1,468,597
Not categorized as a reason for payment	3	36	590	2,584	3,213	1	2,680	40,550	121	1,028	44,380	47,593
Categorized as an exemption	273	6	3	2	284	1	237	84	0	36	358	642
Cancellation of policies due to nondisclosure	29	0	0	28	57	0	229	137	0	17	383	440
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	1	0	0	1	2	0	4	1	0	1	6	8
Others	0	0	0	0	0	0	0	0	0	0	0	0
Total payments denied	306	42	593	2,615	3,556	2	3,150	40,772	121	1,082	45,127	48,683

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) **¥72,746.9 billion**  
(As of March 31, 2021)

#### Unrealized Gain / Loss on Securities

(Nonconsolidated) **¥12,302.4 billion**  
(As of March 31, 2021)



## Recognition of the Business Environment and Basic Strategy

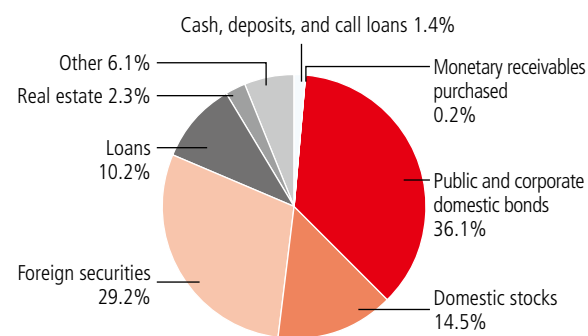
Although the world economy is supported by the fiscal and financial policies of each country, there remains a strong sense of uncertainty about the way forward, due in part to the impact of COVID-19, and it is projected that the harsh investment environment of low interest rates will continue for the foreseeable future.

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 mid and long term.

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

#### Breakdown of General Account Portfolio



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.

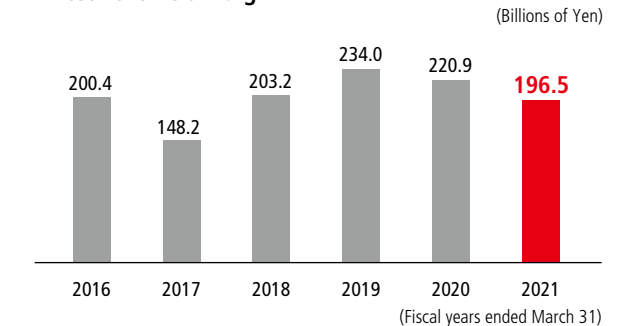
Moreover, in our investment activities, we strive to ensure that our investments serve the interests of policyholders from mid- and long-term perspectives. We carry out asset management in consideration of the public nature of our business, in addition to security, profitability, and liquidity.

## Review

In the fiscal year ended March 31, 2021, the investment yield margin decreased mainly due to a decline in domestic and foreign stock dividends caused by downturns in company results. Despite this, positive returns were generated for the eleventh consecutive year.

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 have worked to improve profit soundness through strengthening and sophistication of asset management.

We anticipate a growing possibility that the environment of low growth and low interest will be prolonged, and anticipate changes to the social environment and industrial structure caused by COVID-19. With this in mind, in the new mid-term management plan which begins in the fiscal year ending March 31, 2022, we will focus on two points: (1) Portfolio transformation and (2) Strengthen ESG investment and finance.

(1) For portfolio transformation, we aim to balance ensuring long-term, stable investment returns with risk reduction by extending the duration of assets with yen-based interest rates, accumulating credit assets centered on foreign credit, and promoting diversified investment globally in alternative assets and others.

(2) With regard to strengthening ESG investment and finance, one of the contributing factors is COVID-19, while there is also a trend showing that ESG factors are having a growing impact on mid- and long-term corporate value. Based on this trend, we will strengthen initiatives for ESG investment and finance that help

improve profits. As part of those initiatives, we newly established the ESG Investment Strategy Office, which is responsible for cross-sectional planning and promotion of assets related to ESG investment and finance, and launched "ESG integration," which incorporates ESG factors into investment and finance processes, for all assets. We will continue to combine various methods of ESG investment and finance, and work on creating a sustainable society alongside achieving profitability.

\* Please see p. 24–25 for information about ESG investment and finance.

Additionally, in order to support these asset investment strategies, we will also promote infrastructure construction through measures such as global investment systems, development of human resources with advanced specialties, and system development, as an integrated Group. In March 2021, we gathered the Group's investment functions and human resources and transferred a portion of the credit and alternative investment functions held by Nippon Life to Nissay Asset Management, our subsidiary for asset management, in order to accelerate initiatives aimed at improving investment yield. We will continue to effectively utilize Group resources and make efforts toward investment management in order to contribute to policyholder interests.

### Recognition of the business environment

Environment of prolonged low growth and low interest

Changes to the social environment and industrial structure caused by COVID-19

### Asset management strategy in the mid-term management plan

Nippon Life will balance profitability with the creation of a sustainable society, and contribute to policyholder interests based on the nature of handling long-term funds as a life insurance company.

#### (1) Portfolio transformation

- Reducing yen-based interest risk
- Accumulating credit assets
- Promoting diversified investment globally

#### (2) Strengthen ESG investment and finance

- Integration in all assets
- Dialogue with an emphasis on ESG initiatives
- Expand ESG-themed investment and finance

### Infrastructure construction

Optimize investment systems

Human resource development

System infrastructure

Construct a unified Group-wide infrastructure to support asset investment strategies at a faster pace

## Asset Management

### Ensure Long-Term Stable Investment Returns

#### Investment and Finance for Credit and Alternative Assets

Nippon Life concentrates on investment and finance in credit and alternative assets from the perspective of improving investment returns.

Primary credit assets include corporate bonds and project finance. Meanwhile, alternative assets include investments in venture capital, developing countries and overseas real estate.

These assets can be expected to produce a relatively high

interest yield. In addition, there are many which have a low correlation with traditional assets such as stocks and bonds, so they are recognized as important from the perspective of limiting risk.

Utilizing our global investment structure, which is the Group's strength, we will accelerate diversified investments globally through investment and finance in credit and alternative assets.

#### 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 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, setting credit limits, and performing individual credit assessments and other tasks.

#### ESG Investment and Finance

Since its founding, Nippon Life has carried out investment and finance that contributes to social and public interest based on the fundamental mentality of a life insurance business.

It is understood that ESG investment and finance essentially makes the same considerations as asset management in terms of profitability, safety, and public interest, which Nippon Life has emphasized up until now, while furthering the creation of a sustainable society from the aspect of investment and finance, and advances traditional investment and finance decisions from a mid- and long-term perspective.

Nippon Life is combining various methods and accelerating initiatives for ESG investment and finance. Since the fiscal year ended March 31, 2018, the total amount of ESG-themed investment and finance has surpassed ¥1 trillion, while in the fiscal year ending March 31, 2022, we launched ESG integration for all assets.

We will continue to strengthen ESG investment and finance while taking the characteristics of assets into consideration, secure profitability while contributing to the creation of a sustainable society, and work on increasing policyholder interests.

\* Please refer to p. 24–25 for ESG investment and finance, and p. 100 for responses to climate change.

ESG Investment and Finance Methods		Status and Policies of Initiatives
Integration	Considering ESG factors in investment and finance processes	Expanded to include all assets from fiscal 2021
Engagement	Initiatives through dialogue with investee companies	Focus on ESG-themed dialogue from the perspective of improving mid- and long-term corporate value
Themed investment and finance	Investment and finance tied to solving ESG issues	Total results (fiscal 2017–2020): approx. ¥1 trillion Set new target of ¥1.5 trillion total (fiscal 2017–2023)
Negative screening	Prohibiting investment and finance in certain companies and businesses	Prohibiting investment and finance in companies that manufacture cluster munitions, etc. and new investment and finance in coal-fired power generation projects
Basic Approach to ESG Investment and Finance		Aim to transition to a sustainable society while securing investment returns

Aim for net-zero emissions of greenhouse gases at investee companies by 2050

\* Began applying to domestic stocks and corporate bonds

#### 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 mid and long term, and enhanced corporate sustainability. Based on this policy,

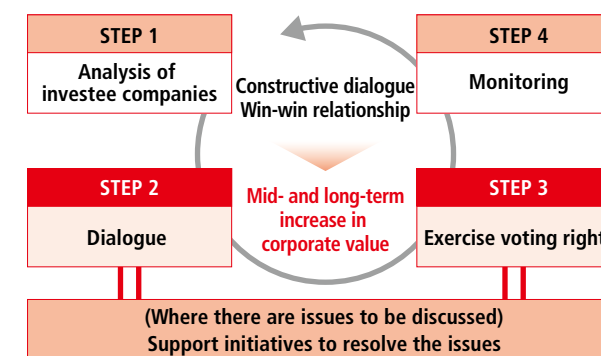
engagement in constructive dialogue with investee companies has hitherto been a key priority.

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 make efforts toward constructive dialogues with investee companies that take environmental and social factors into consideration as well, accelerate mid- and long-term improvements to their corporate value, and link that to an increase in investment profit, while aiming to realize a "safe, secure, and sustainable society."

#### Basic Cycle of Stewardship Activities



#### Main Initiatives Regarding Stewardship Activities

##### <Main Initiatives to Date>

- Engaged in dialogue with 807 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 examples of dialogue and the exercise of voting rights.

##### <Near-Term Initiatives>

- Further company support for promotion of work style reforms, promotion of digitalization, and restructuring and strengthening of supply chains in consideration of recent changes in the business environment through dialogues.
- On the topic of climate change, encourage companies to carry out and disclose quantitative and qualitative analysis of business risks and opportunities associated with climate change, and establish a policy for reduction of greenhouse gases.

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

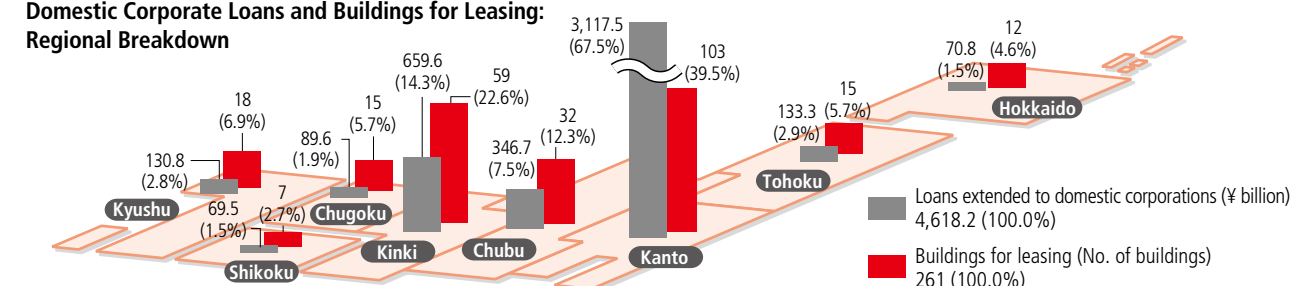
[https://www.nissay.co.jp/kaisha/otsutaeshitai/shisan\\_unyou/ssc/](https://www.nissay.co.jp/kaisha/otsutaeshitai/shisan_unyou/ssc/)

#### 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



Note: As of March 31, 2021



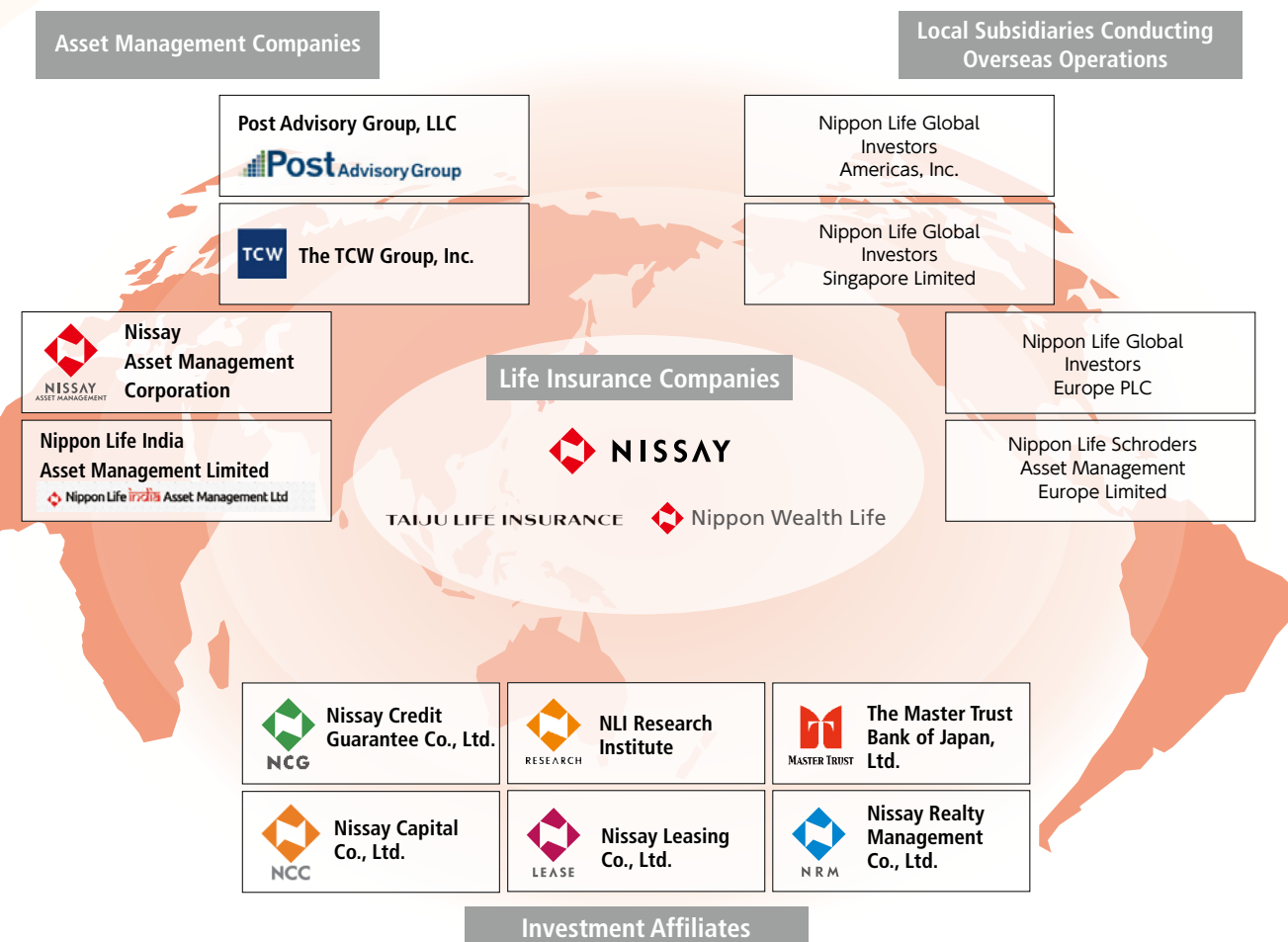
## Asset Management

### Group Investment Network

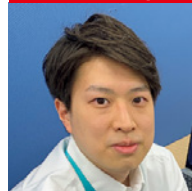
At the Nippon Life Group, we have built a global investment network that includes investment offices both in Japan and overseas, leveraging each member of the Group's respective strengths, while diversifying our source of profit and our assets.

In March 2021, we gathered the Group's resources and

transferred a portion of the credit and alternative investment functions held by Nippon Life to Nissay Asset Management, our subsidiary for asset management, based on the perspective of strengthening investment capabilities.



### NISSAY People



**Ken Kojima**  
Credit Investment  
Department  
(Nissay Asset Management)

**I would like to gather the Group's investment capabilities and return the benefits of investment to customers.**

The Credit Investment Department mainly invests in credit assets such as bonds issued by domestic and overseas companies. Credit assets are able to improve investment yield by securing margin income even in low-interest environments. We have steadily accumulated a balance of these credit assets with a focus on overseas.

As an analyst in charge of the Americas, I make investment decisions while including an ESG-based perspective into quantitative and qualitative analysis of the companies for which I am responsible. In addition, I make sure to perform the analysis from a multi-faceted and objective perspective through methods such as dialogue with the companies and communication with the Group's overseas investment offices.

In March 2021, we transferred Nippon Life's credit investment functions to Nissay Asset Management, our subsidiary for asset management. By gathering the Group's resources and sharing the know-how that has been mutually cultivated, we work on improving investment capabilities as an integrated Group.

Moving forward, we will invest the valuable premiums received from customers, while considering safety, profitability, and public interest, and return those results to the customers.

### 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	612
Assets under management*	¥31.0 trillion
Investment ratio	100%

\* As of March 31, 2021

#### 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	975
Assets under management*	¥3.3 trillion (2.2 trillion rupees)
Investment ratio	74.46%

\* As of March 31, 2021 mutual fund only

#### 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	46
Assets under management*	¥1.7 trillion (US\$16.6 billion)
Investment ratio	19.33%

\* As of December 31, 2020

#### 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	630
Assets under management*	¥25.6 trillion (US\$247.6 billion)
Investment ratio	24.75%

\* As of December 31, 2020

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, 2021.

## Overseas Business

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

Overseas Insurance Companies\*<sup>1</sup>

7

Overseas Asset Management Companies\*<sup>2</sup>

7

(As of March 31, 2021)

\*<sup>1</sup> See p. 64–65 \*<sup>2</sup> See p. 60–61

Premium Revenue\*

¥406.6 billion

(As of March 31, 2021)

\* Simple total of premium revenue from overseas local insurance companies



Yutaka Ideguchi

Director and Senior Managing Executive Officer

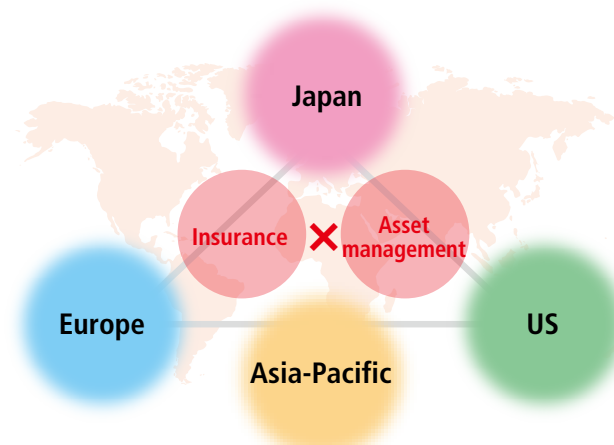
## Recognition of the Business Environment and Basic Strategy

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.

Currently, in the environment surrounding overseas business, there remains a sense of uncertainty about the future, due in part to the spread and prolonging of COVID-19 around the world. Despite this, we aim to (1) ensure growth opportunities that cannot be obtained domestically and secure profits stably over

the long term and (2) control risk through regional and business diversification and stabilize the Group's management, and are moving ahead with development and various kinds of initiatives for overseas business.

As social and economic conditions change, and customer needs grow increasingly diverse, we continue to work on providing services that meet customer expectations such as insurance and asset management in each country and region.



## Review

Nippon Life works to secure long-term, stable earnings through insurance and asset management business in America, Europe, and Asia-Pacific region.

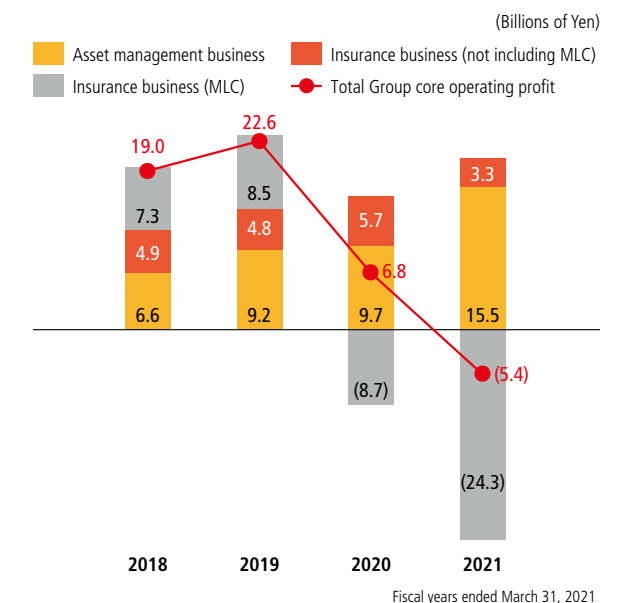
In the fiscal year ended March 31, 2021, the insurance business suffered a profit loss compared to the previous fiscal year. Factors behind this included net losses by MLC caused by the continuation of high claims for income protection insurance, which is becoming a challenge for the entire Australian life insurance industry, and worsening profitability of group insurance impacted by changes in regulations, as well as the spread of COVID-19.

In the asset management business, profit increased compared to the previous year. Thanks to financial and fiscal policies worldwide, market turmoil remained only temporary, after which there was an upturn and stability, leading to record-high profits at Nippon Life India Asset Management.

As a result, the core operating profit\* of the Group's entire overseas business significantly decreased.

\* Core operating profit is calculated based on net income before taxes of overseas life insurance subsidiaries and affiliates and overseas asset management subsidiaries and affiliates, with adjustments based on the stock ownership ratio and excluding impacts of interest rate fluctuation

## Group Core Operating Profit Trends (Overseas Business)



## Main Activities

We are concentrating efforts on strengthening our governance structure and business portfolios, and aim to establish a revenue base for sustainable growth and secure long-term, stable earnings.

### Strengthen Governance Structure

In an aim to strengthen overseas business, the "Global Business Risk and Control Office" was reorganized and upgraded to the "Global Business Risk and Control Department." Moreover, the "Global Asset Management Business Department" was newly established from the perspective of strengthening the business management platform related to overseas asset management.

We also newly established the "Special Committee for MLC Three-Year Plan Promotion," which deliberates on matters such as the status of execution of MLC's business plan, and changed the "Overseas Insurance Committee" to the "Global Business Committee." In this way, we strengthened deliberation systems related to issues such as policies and strategies concerning the entire overseas business and management plan and results for local overseas corporations.

In the new mid-term management plan as well, we are continually working on strengthening our governance structure, such as by implementing business management in anticipation of more stringent international regulations.

### Strengthen / Improve Business Portfolios

In light of the impact of COVID-19, we conducted additional investments aimed at maintaining the soundness of MLC and recovering its profits in June and December, among other things. We continue to accelerate initiatives aimed at recovery toward a growth trajectory and increasing mid- and long-term profit by executing MLC's three-year plan, among other measures.

In the insurance business in China and India, there are plans for business partners to sell equity shares of local joint ventures to Nippon Life. We are accelerating aggressive and active initiatives in order to welcome new business partners who will contribute to further growth for Great Wall Changsheng Life Insurance and Reliance Nippon Life Insurance.

In the new mid-term management plan, we will work on initiatives which make stable growth of existing investee companies the top priority. Alongside this, we will also evaluate new investment opportunities and promote strengthening of portfolios.



## 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 USA.

In particular, the firm has built a strongly favorable reputation among Japanese and South Korean companies that are operating in the USA 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	America
Established (Share acquisition period)	1972 (December 1991)
Main sales channels	Brokers
Premium revenue (FY2020)*	¥36.7 billion
Number of employees	97
Investment ratio	96.96%

\* January 2020 to December 2020

##### ■ 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 (FY2020)*	¥131.5 billion
Number of employees	1,527
Investment ratio	80.00%

\* January 2020 to December 2020

##### ■ 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 (FY2020)*	¥68.2 billion
Number of employees	13,195
Investment ratio	49.00%

\* April 2020 to March 2021

##### ■ Grand Guardian Nippon Life Insurance Company Limited



Grand Guardian Nippon Life Insurance mainly offers products such as endowment, travel, and agricultural insurances primarily through corporate channels.

By dispatching directors and other personnel, and sharing Nippon Life's experience and know-how in a broad range of fields, we will work to achieve stable and sustainable growth, 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 (FY2020)*	¥0.3 billion
Number of employees	207
Investment ratio	35.00%

\* October 2019 to September 2020

##### ■ 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 (FY2020)*	¥29.8 billion
Number of employees	643
Investment ratio	30.00%

\* January 2020 to December 2020

##### ■ 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 (FY2020)*	¥118.8 billion
Number of employees	1,187
Investment ratio	24.21%

\* January 2020 to December 2020

##### ■ 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 (FY2020)*1	¥21.1 billion
Number of employees	807
Investment ratio	20.00%*2

\*1 January 2020 to December 2020

\*2 Includes indirect investments

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, 2021.

## New Business

### Initiatives to Drive Innovation

We are working to plan and develop unprecedented new businesses and services through such means as utilizing advanced IT and monitoring 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\* in addition to setting up an internal entrepreneurship project to tap into the ideas of our employees and work together with originators to initiate efforts to make their business ideas a reality.

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 with an average life expectancy of 100 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

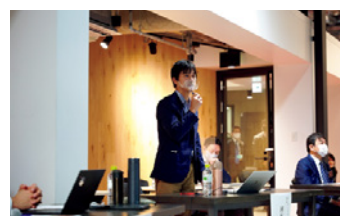
#### Research, Investment and Proof-of-Concept Trials for Overseas Case Studies

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 are moving forward on investing in venture capital and start-ups. We dispatched staff to London and Beijing from the fiscal year ended March 31, 2020.

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.



Internal entrepreneurship project (presentation)



Internal entrepreneurship project (review)



Silicon Valley Office

#### NISSAY People



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

I was newly appointed to Nippon Life X in the fiscal year ended March 31, 2019 and was involved in setting up the organization and building its foundations, including establishment of a new framework for open innovation. As a member of the new business development team, I practically implemented the latest methods and processes, including design concepts and lean start-ups, to bring about agile development, networked with advanced companies and investigated cutting-edge technologies through external acceleration programs. Now, using the expertise and experience I have acquired and the network I built, I am involved in investment and new business development in Silicon Valley, the front line of innovation. Looking ahead, I will make it my mission to move forward to create innovation and provide new value in unity with the Nippon Life Group.

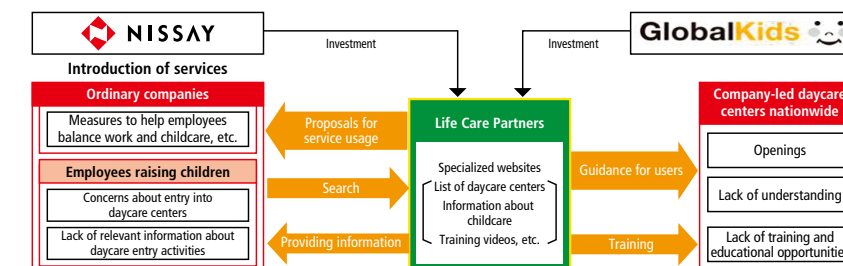
**Shota Endo**

Innovation Office,  
Corporate Planning  
Department

### Initiatives for Childcare Support and Responding to the Aging Society

We aim to provide new value to customers not only through insurance but also by supporting an era with an average life expectancy of 100 from various aspects, including planning and developing new businesses and services to resolve social issues, centered on "childcare support" and "responding to the aging society."

#### Childcare Support



Nippon Life planned "Childcare Support Mirai Concierge," a new business offering an online matching service that connects Company employees with Company-led daycare centers, and it has been operated by Life Care Partners, a subsidiary, since January 2020. "Childcare Support Mirai Concierge" enables employees of companies that have joined the service to search for openings and apply online to Company-led daycare centers that meet their needs. As of March 2021, approximately 50 companies and about 380 daycare centers were using the service.

The Nippon Life Group supports companies and employees in balancing childcare and work, and backs daycare center operators throughout Japan that are trying to solve the social issue of children being on standby to enroll in daycare centers. Looking forward, while cooperating with tie-up partner Global Kids Co., Ltd., a major daycare business operator, we will continue to move ahead with further developments.

#### Winning an Award at the 13th Parenting Awards

Nippon Life became the first major financial institution awarded with a Parenting Award for its new employee benefit service "Childcare Support Mirai Concierge," which supports the creation of environments that balance both childcare and work.



Note: The Parenting Awards awarded by childcare magazine media recognize childcare trends (people, things and concepts) to provide highly reliable, trendy information.

#### Responding to the Aging Society



Services to assist seniors in life				Posthumous services
Personal reference service	Living support service	Voluntary guardianship service	Lifestyle support desk	Posthumous administrative services
Serve as a personal reference or sponsor, etc. for seniors when they are admitted to a hospital or facility	Escort seniors during hospital visits/release, shopping, etc.	Wealth management, lifestyle and medical support, nursing care, etc.	Information on trip with special events, elderly monitoring services, etc.	Funerals, interment, disposal of personal belongings, etc.

Notes: 1. To use this service, customers must enter into contracts with the companies providing each service.  
2. Services may differ by region, depending on the details of the service.

Nippon Life is promoting the Gran Age Project to help the elderly lead an even better life and live positively in an era of extended longevity by enriching lives to help each and every person live with a sense of security and in the way that suits them in an era with an average life expectancy of 100. In April 2019, as part of the "Gran Age Project," we started providing "Gran Age Star," a package of paid services designed to help elderly customers live with security and individual freedom for the rest of their lives. Specifically, this package provides services while customers are alive and posthumously, combining personal reference, living support, voluntary guardianship, and posthumous administrative services, as well as a lifestyle support desk, an added service that provides details on matters such as trips with special events.

We will continue to help the elderly live positively in an era of extended longevity through various initiatives close to seniors.

Note: Please refer to p. 22 for initiatives related to healthcare.



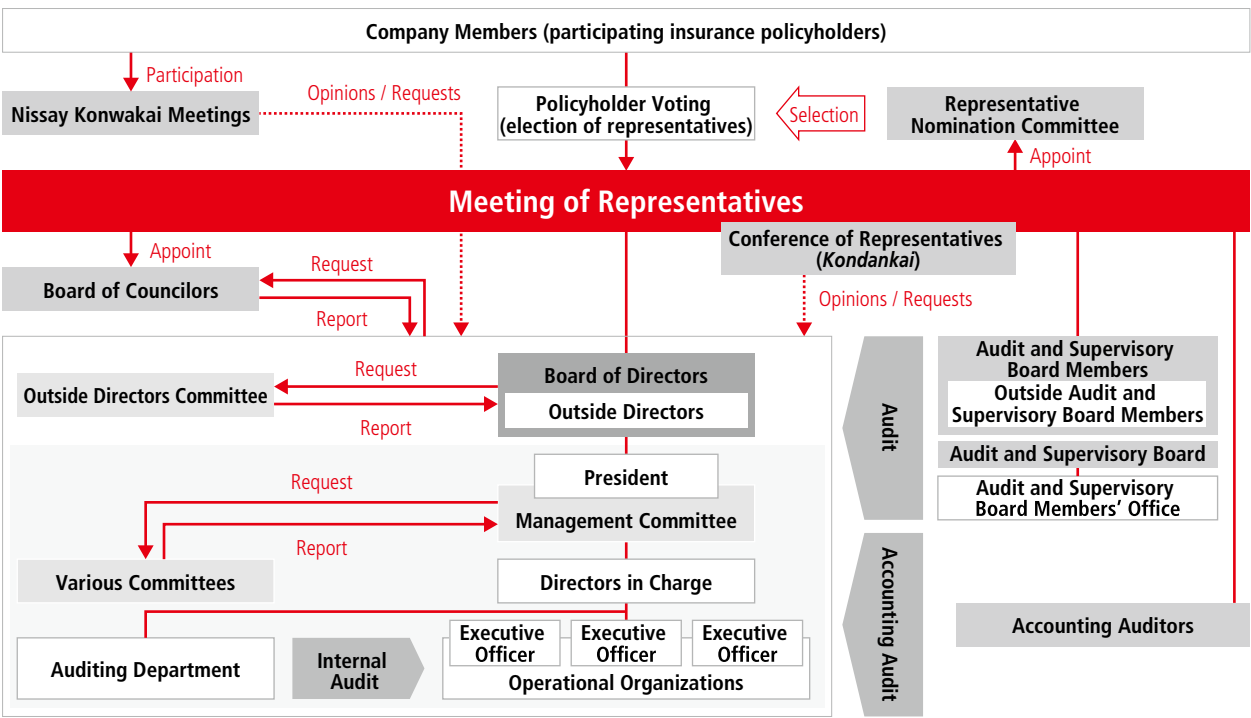
Corporate Governance

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



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, 2021, Nippon Life has total foundation funds (*kikin*) (sum of foundation funds (*kikin*) and reserve for redemption of foundation funds (*kikin*)) of ¥1,400 billion.

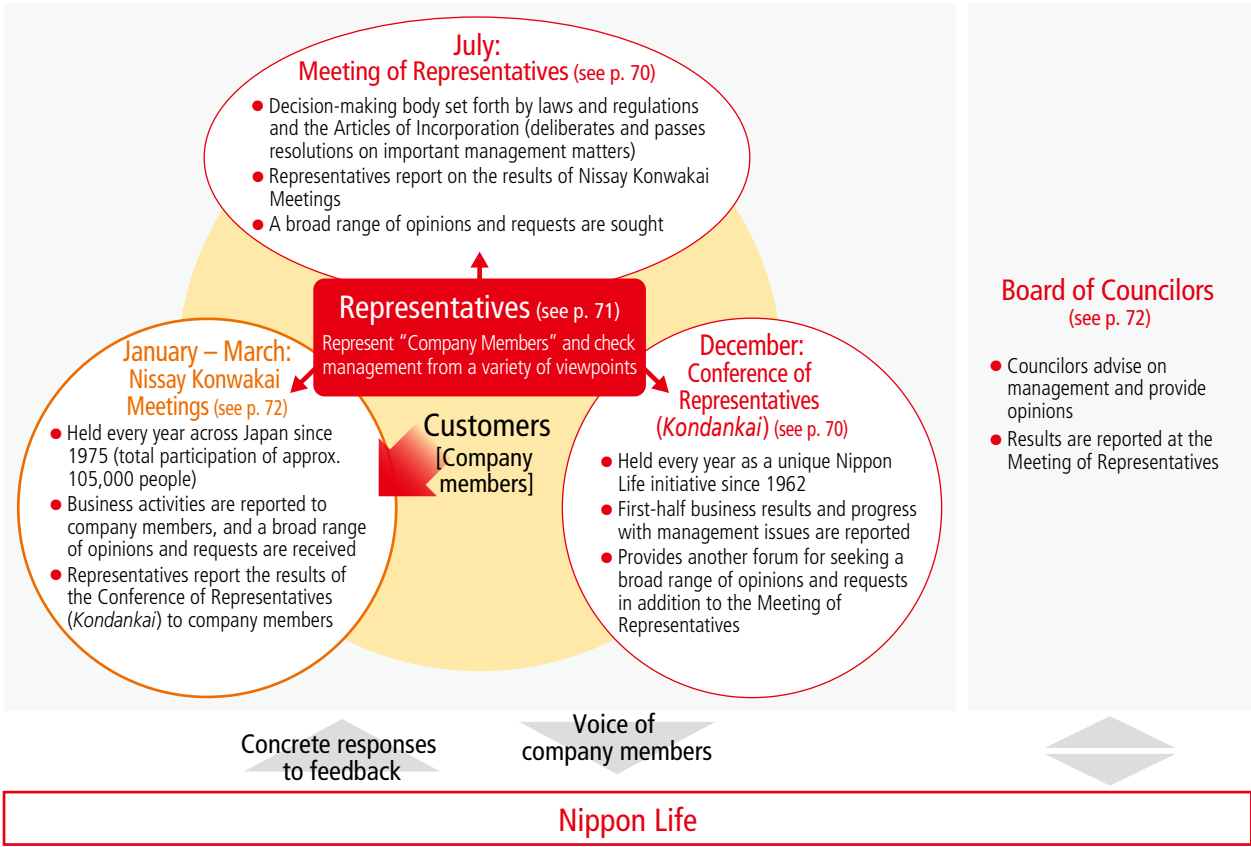
For transparency, we are improving corporate governance to make our management more transparent and enhancing public access to information about our operations through financial information meetings and on our website.

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



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>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>	Dividend distribution  * 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>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>Dividends distributed to shareholders</div> <div>⇒To shareholders</div>

## Corporate Governance

### 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 74th Meeting of Representatives



Please refer to p. 112–115 for an overview of the 74th Meeting of Representatives (July 2, 2021).

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, 2021 (held December 3, 2020), please see p. 114.

### Representatives and Their Election

#### Representatives (see p. 112-113 for the list of 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 9.63 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. 72), 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. The next election by policyholders is scheduled to be held in 2022 (voting slips will be sent out to all policyholders).

Note: 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



## Corporate Governance

### 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. 115) 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 Councilors. 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, 2021

From January through March 2021, we conducted Nissay Konwakai Meetings as online events and in writing, receiving a total of 7,702 opinions and requests from a total 3,260 policyholders, including 119 representatives.

We strove to provide easy-to-understand explanations, using



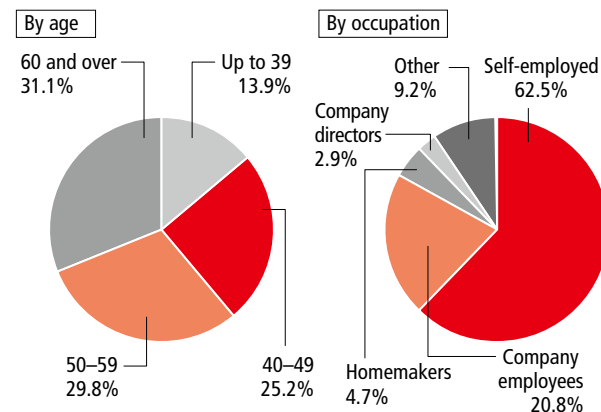
Online event: Video presentation of Nippon Life's business activities



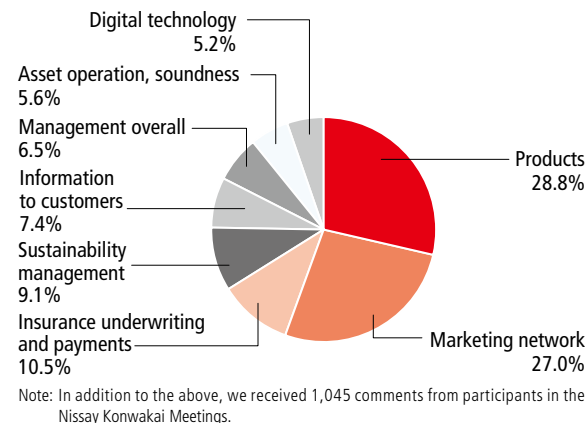
Online event: Question and answer session

video and other materials, of performance in the first half of the fiscal year ended March 31, 2021, 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.

#### [Description of Participants in the Fiscal Year Ended March 31, 2021]



#### [Categories of Opinions and Requests in the Fiscal Year Ended March 31, 2021]



Please see p. 115 for the main opinions and requests received at the Nissay Konwakai Meetings in the fiscal year ended March 31, 2021, 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 Councilors

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

\* 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.

#### 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

##### 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

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.

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.

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.

directors with a degree of independence\*<sup>1</sup>.

As of July 2, 2021, the Board of Directors had 20 members, including 5 outside directors qualifying as independent members of the board\*<sup>2</sup>.

\*<sup>1</sup> Details of these requirements are available on the Nissay website.

\*<sup>2</sup> For details of the composition of the Board of Directors as of July 2, 2021, please refer to P. 106-107.

[https://www.nissay.co.jp/kaisha/csr/governance/pdf/dokuritsusei\\_handan.pdf](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

Duties of the Directors and the Board of Directors  
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, 2021, 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 6 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 2 outside members must satisfy the relevant statutory requirements for independence. As of July 2, 2021, the Audit and Supervisory Board had 6 members\*, including 4 outside members who qualified as independent.

\* For details of the composition of the Audit and Supervisory Board as of July 2, 2021, please see p. 108.

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

Outside Directors Committee and approval by the Audit and Supervisory Board. Any appointments must then be ratified by the Meeting of Representatives.

- 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, 2021). The assistants have practical experience in sectors such as retail, international, investment management, actuarial, information systems, legal and compliance, internal audit, 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, 2021, the Company's Audit and Supervisory Board held a total of 14 meetings\*.

\* The attendance status of individual outside Audit and Supervisory Board members is presented on P. 108–109.

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, 2021, having identified these as key audit items for focusing on during audits.

- Status of measures to implement customer-oriented business operations
- Status of measures to raise the sophistication of the Group management structure
- Status of measures to rebuild and recover from COVID-19
- Status of measures to consider the next mid-term management plan

The Audit and Supervisory Board members used web conferencing systems and other tools to carry out their activities during the COVID-19 crisis. 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, and coordinating with Group company Audit and Supervisory Board members. The Audit and Supervisory Board members refrained from visiting certain overseas Group companies due to factors such as travel restrictions. As a means of inspecting those overseas Group companies, the Audit and Supervisory Board members received reports on their businesses using web conferencing systems and other tools. In addition, the Audit and Supervisory Board members discussed key audit matters\* with Deloitte Touche Tohmatsu LLC, the Company's Accounting Auditors, and received reports on the implementation of its audits.

\* Information on key audit matters is presented in the Independent Auditors' Report and Internal Control Report on p. 101 of the Financial Information section.

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 mid and long term. 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>



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 2021, the number of employees in the Auditing Department was 114).

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.

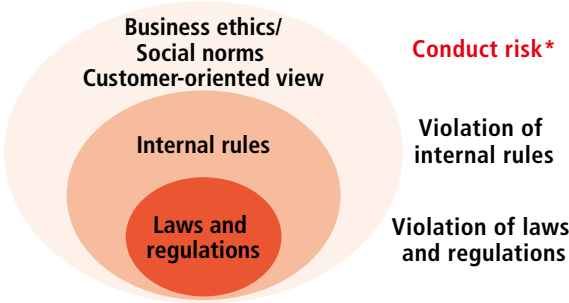
an emphasis on risk and conducting audits based on an awareness of the roles and responsibilities of the operating divisions, Risk Management Department, Legal Dept. and Compliance Department.

Initiatives toward Advanced Internal Auditing

The Board of Directors has approved an auditing policy (2021–2023) for audits to contribute to the realization of Mid-Term Management Plan "Going Beyond." Under the policy, the board will generate added value and contribute to improvement by implementing measures such as further promoting audits with

Promoting Compliance

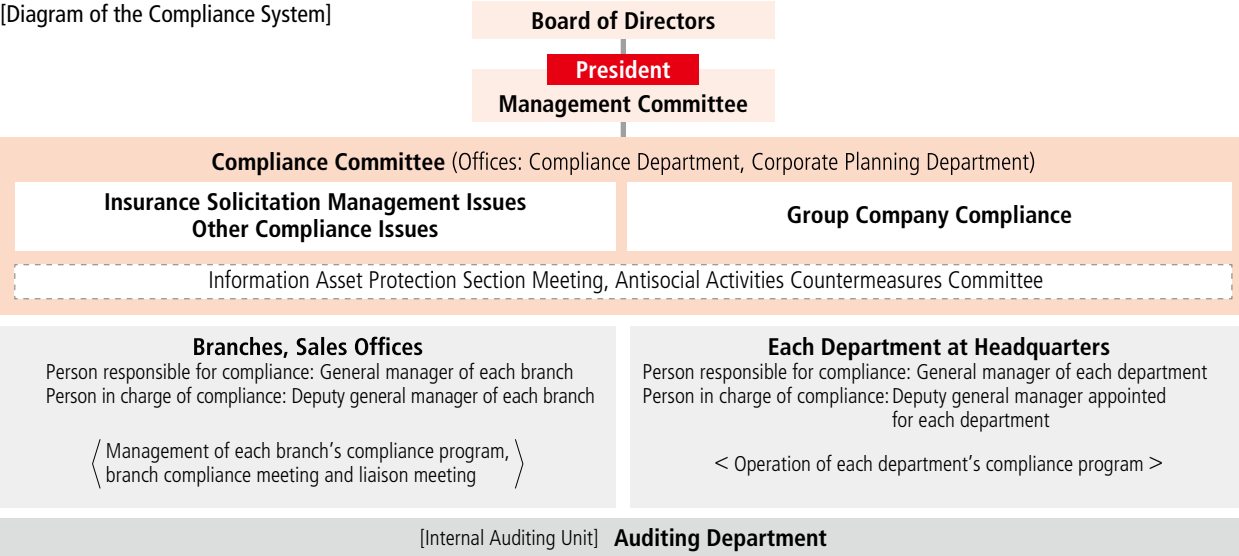
Compliance at Nippon Life goes beyond merely observing relevant laws and regulations, and extends to complying with all social norms, earning the trust of customers and society, and performing our work with sincerity. All directors and employees bear the responsibility of and strive to promote compliance throughout the Company based on the fundamental principle that compliance is an essential 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.

Additionally, in order to promote compliance at Group companies, Nippon Life has formulated the Group Company Compliance Policy. Under this policy, the Company requires Group companies to establish autonomous compliance systems and ensure conformity with basic compliance-related matters. Concurrently, the Company carries out management, guidance and related activities to ensure implementation of these systems and conformity with these matters. 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

### ■ Formulating and Implementing the Compliance Program

In accordance with Nippon Life's Basic Policy on Compliance and internal compliance rules, 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.

In addition, training seminars through compliance-related programs are provided regularly via internal satellite broadcasts (NICE-NET) for sales representatives. Quizzes are given after the sales representatives have watched these broadcasts to confirm that they 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.

### ■ Anti-Money Laundering and Countering the Financing of Terrorism (AML / CFT)

Financial institutions have a social responsibility to address money laundering and terrorism financing, and Nippon Life recognizes this responsibility as an important management priority. Nippon Life has formulated the Anti-Money Laundering and Counter-Terrorism Financing Rules. Under these regulations, Nippon Life is working to implement AML / CFT measures in

accordance with risks, through such means as establishing a Company-wide AML / CFT system with the Compliance Department serving as the general management office, to ensure the appropriate implementation of customer identification and filing of suspicious transaction reports (STRs).

### ■ 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 of customers' personal information.

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



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.

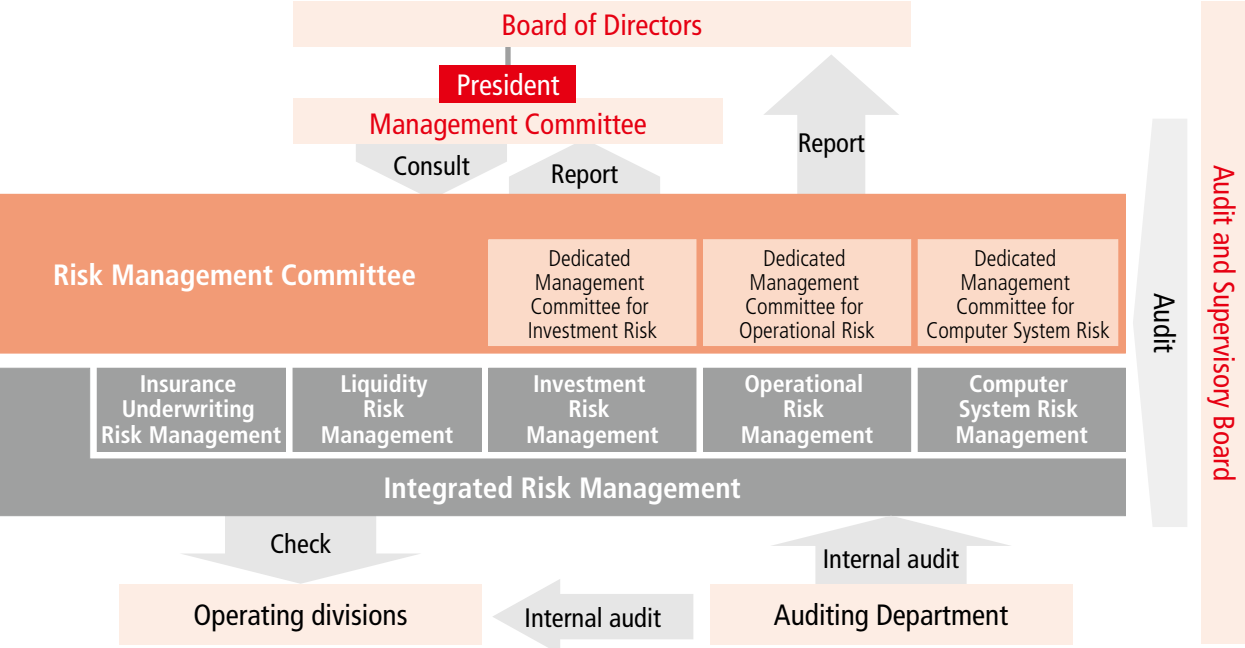
are of utmost importance and are promoting forward-looking risk management.

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

### ■ 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 strives to build a sound portfolio through measures such as establishing a system to perform credit analysis, including rigorous examinations of each transaction by the Assessment Management Department, which is independent of the departments handling investment and finance activities, and setting and

### 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 mid and long term. 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.

monitoring credit ceilings to 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.

### ■ 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 the spread of infectious disease.

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 the Great East Japan Earthquake and under the

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.

direction of the Disaster Response Headquarters led by the Company president, Nippon Life paid the full amount of coverage for deaths caused by the disaster, made payments without omission through safety confirmation and related activities, and carried out recovery support activities such as making donations and delivering emergency supplies.

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.

### ■ Response to COVID-19

Nippon Life has set up the COVID-19 Response Headquarters. While giving top priority to stopping the spread of infections within and outside the Company and securing the safety of staff members, we have implemented the following response measures.

#### Initiatives to Support Customers

- For customers who prefer not to have sales representatives visit them at home, we provide remote support using digital tools, by post and other means.
- When visiting customers who prefer to have sales representatives visit them in-person, we adhere to strict protocols to prevent infections, such as health management, mask wearing, and hand washing and sanitizing.
- We have installed acrylic partitions at counters at Nissay Life Plaza locations.

#### Initiatives within Nippon Life

- We adhere to strict protocols for daily temperature checks and health management, mask wearing, and hand washing and sanitizing.
- We take steps to alleviate crowding and reduce the number of workers in the office, such as promoting telework and enforcing strict protocols for staggered working hours.
- We have established special handling procedures for supplying information and work management regarding the vaccination of employees.
- (If someone contracts COVID-19)
- We confirm the identities of staff members who might have been in close contact with those who have contracted COVID-19, and enforce strict protocols for keeping close contacts at home through telework and the acquisition of leave.
- We disinfect the offices and shared spaces used by those who have contracted COVID-19.



## Interview with the Director Responsible for the Compliance Department and Risk Management Department



### Kazuo Sato

Director and Managing Executive Officer  
Responsible for: Legal Dept., Compliance Dept.,  
Risk Management Dept.,  
Global Business Risk and Control Dept.,  
Credit Dept., Securities Operations Dept.

Apr. 1989 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Jul. 2020 Director and Executive Officer  
Mar. 2021 Director and Managing Executive Officer (present)

## Contribute to Customers and Society by Striving to Improve Earnings Capabilities and Financial Soundness through Swift Identification of Changes in the Environment and Risk Management with Foresight

### Could you please discuss the environment surrounding Nippon Life from risk management and compliance perspectives?

Nippon Life's business environment has been changing year by year, driven by factors such as the increased adoption of a new normal in daily life because of the COVID-19 pandemic, in addition to an aging population with fewer children, the continuation of ultra-low interest rates, and advances in digital technology. Moreover, regulations based on economic value for insurance companies are expected to be introduced in 2025. Under these conditions, it has become increasingly important to improve our financial soundness from the standpoint of fulfilling our long-term coverage obligations to customers.

Even with drastic changes expected in the future, Nippon Life's reason for existence will be to continuously meet the expectations of customers and society as Japan's most trusted life insurer. To fulfill our mission of providing customers with peace of mind and security, we will need to develop new products and services and businesses, along with enhancing our existing businesses. It will be crucial for us to appropriately identify, assess

and control various risks associated with those initiatives with foresight. Notably, as we work to enhance overseas, asset management and other businesses, we recognize that risk management on a Group-wide basis will be crucial to enhancing those businesses, and that the required scope and depth of this risk management has increased tremendously. Moreover, I believe that every employee will need to continuously meet the expectations and trust of customers and society. To do so, it is crucial that employees not only comply with narrowly defined laws and regulations, but also respect and follow all manner of social norms. Employees will also need to increase their awareness of compliance even further.

### The previous fiscal year was one that saw the materialization of risks associated with COVID-19. In hindsight, how do you see the previous fiscal year?

A life insurance company's business is driven by both the underwriting of insurance policies from customers and the investment of premiums it receives from them.

First, Nippon Life's business is to provide insurance that meets customer needs. Underwriting numerous insurance policies from a wide range of customers will ultimately lead to business stability. In the previous fiscal year, insurance sales decreased because we had no choice but to restrict the activities of sales representatives and other sales staff in response to the spread of COVID-19. Meanwhile, the payment of claims due to COVID-19 was lower than anticipated. As a result, the impact on income related to insurance was not large. Restoring insurance sales is one of our most urgent priorities. In parallel, considering factors such as heightened customer needs for virtual services and the acceleration of digitalization in recent times, I believe that further stepping up digital transformation is an urgent priority. For example, we need to establish a sales and service platform that incorporates digital technology into in-person services, so that we can provide customers with peace of mind and security. Moreover, we need to rapidly move forward with establishing rules to appropriately manage customer information and other data, in addition to addressing security risks in step with advances in our IT-based society and maintaining stable system operation and durability.

On the other hand, Nippon Life manages assets with a focus on diversification, to ensure that it provides customers with promised returns in a stable manner and reliably pays future claims and benefits. To this end, we invest the premiums received from customers not only in Japanese government bonds and other yen-denominated fixed-income instruments, but also in assets including corporate bonds, overseas real estate, and infrastructure, which offer relatively higher yields. In the fiscal year ended March 31, 2021, the market environment deteriorated globally at the beginning of the fiscal year in response to factors such as the impact of COVID-19. However, supported by subsequent monetary and fiscal policies and other measures, market conditions recovered and stabilized at the end of the fiscal year to a greater extent than we had anticipated. Despite this improvement, we recognize that the financial and economic environment remains highly uncertain, and that risks associated with asset management need to be monitored carefully.

### Could you please discuss any risk factors that you believe are particularly important and your efforts to address them?

Currently, there are four major risk factors that I believe are particularly important.

The first risk factor is the impact of COVID-19. As I said before, this risk could potentially have a large impact both on insurance underwriting and asset management. There have been dramatic changes in the social structure and living environment, such as increased adoption of a new normal in daily life. Going

forward, transformation is also expected to be necessary in the insurance business. We will need to continue to closely monitor and appropriately address a variety of changes in the business environment, including customer needs, in addition to trends surrounding COVID-19.

The second risk factor is the risk of deterioration in the financial and economic environment. For example, if domestic interest rates decline further and remain at low levels, there is a risk that we may be unable to generate stable investment returns and no longer be able to ensure the returns promised to customers. We will need to continue to accumulate equity so that we can steadily fulfill our coverage obligations regardless of the materialization of any type of risk, in addition to continuously generating long-term steady investment returns by ceaselessly reviewing our portfolio. Furthermore, we believe that developing and providing insurance products based on the financial and economic environment will also remain crucial.

The third risk factor is the risk of changes in the business environment and other conditions surrounding Group companies. As Group businesses in Japan and overseas grow, we believe it will be important to identify and appropriately address signs of changes at an early stage, based on a grasp of the business environment and other conditions surrounding Group companies, including country risk.

The fourth risk factor is the risk of the loss of trust from customers and society, including conduct risk. As part of our values, we are aware that all our operations have a connection with customers and society. Guided by these values, all executives and employees will need to continuously implement customer-oriented business operations even more than before, based on changes in the social environment and the feedback and needs of customers. Considering Nippon Life's reason for existence, which I touched on at the beginning, I believe that implementing customer-oriented business operations is our most important priority and something we must keep in mind at all times.

In other areas, important risk factors include cyberattacks and progress on medical screening and testing technologies, intensified competition associated with advances in cutting-edge IT and digital technologies, and climate change. After identifying various risk factors like these, Nippon Life conducts stress tests to analyze and evaluate their impact on profitability, financial soundness and other areas. The results of these stress tests are then put to good use in considering how to strengthen the Company's financial position and achieve other objectives.

Through swift identification of changes in the environment and risk management with foresight, we will continue working to establish even more robust earnings capabilities and a stronger financial base for the entire Group, as we demonstrate our social roles even further. By doing so, we seek to realize a society where all generations can live with peace of mind.

## ERM Promotion

### 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

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

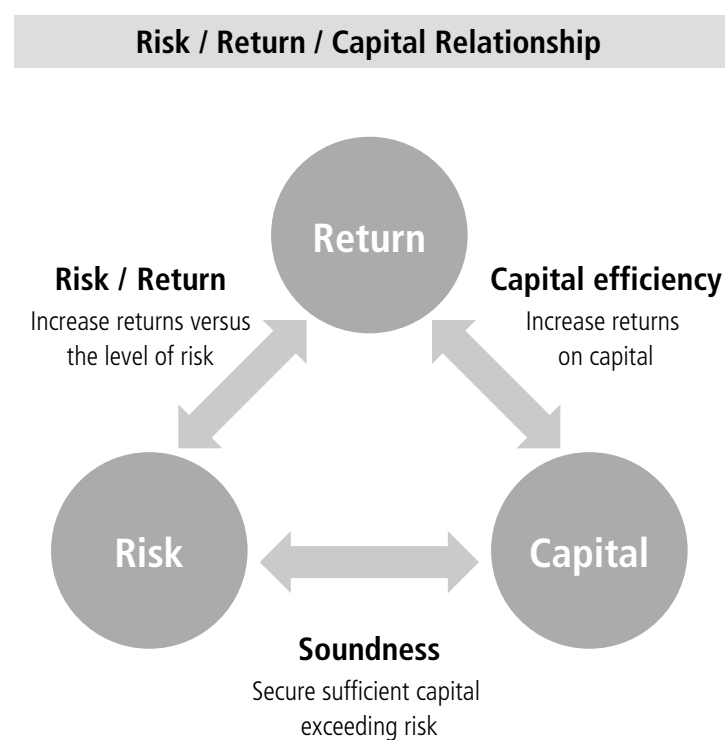
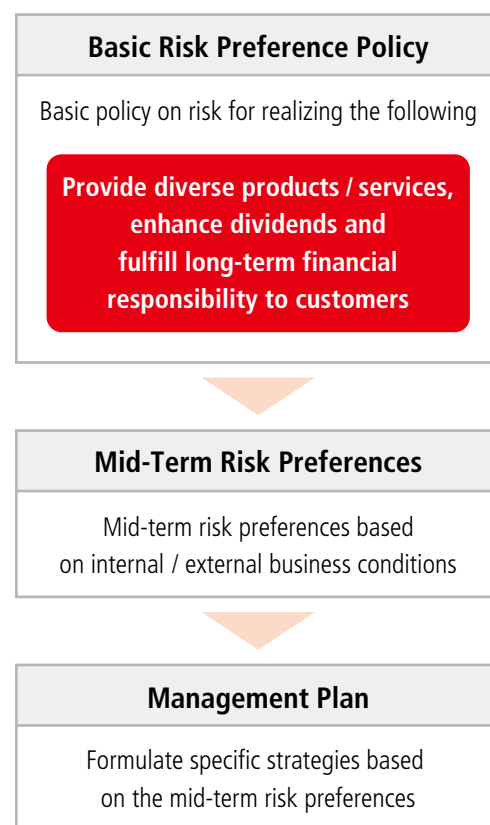
Specifically, our core mid-term risk preferences include:  
1) Provision of insurance products matching the diverse needs of customers and securing profitability through appropriate pricing;  
2) Improvement in investment yield over the mid- and long-term

integrated and strategic approach. The ultimate objectives of ERM are to consistently increase earnings over the long term and ensure financial soundness (for more information about Integrated Risk Management, please refer to p. 81.)

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.

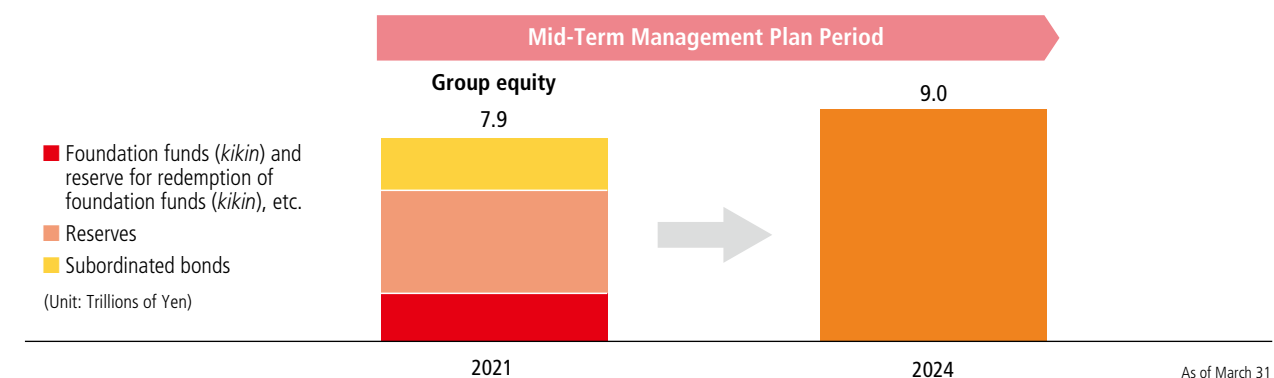
Equity is essential for the following purposes:

- Secure the world's top-class financial soundness
- Enhance policyholder interests through investments to achieve further growth
- Fulfill social roles as an institutional investor

To date, we have been working to enhance equity by accumulating reserves using annual earnings and steadily strengthening our foundation funds (*kikin*) and reserves for redemption of foundation funds (*kikin*) by the offering of foundation funds (*kikin*), which are the core capital of a mutual company. In addition, we have been diversifying our funding sources by financing through subordinated debts since the fiscal year ended March 31, 2013.

Under the Mid-Term Management Plan, Nippon Life is targeting Group equity of ¥9 trillion at the end of fiscal 2023. We plan to continue strengthening equity to reach this target.

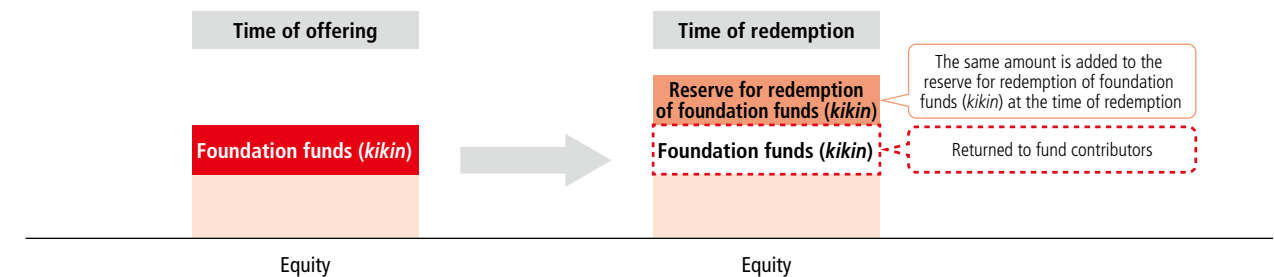
\* Referred to as share capital, etc. at subsidiaries and affiliates within the scope of consolidation that are classified as joint-stock companies.



#### 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.

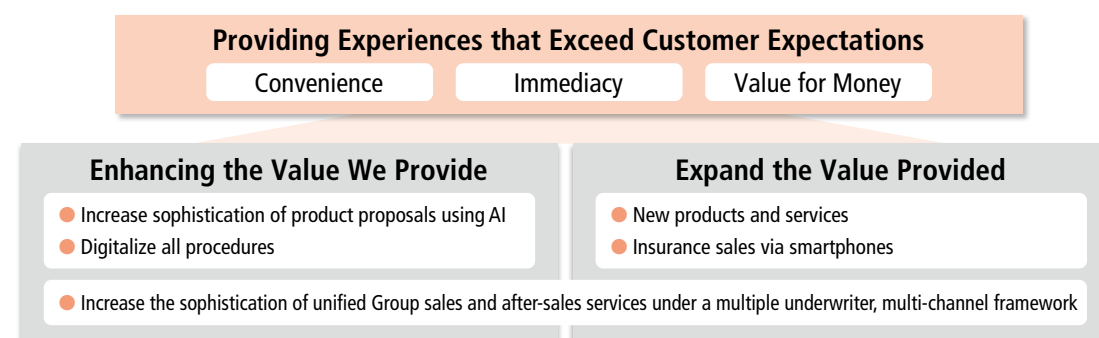
These characteristics make this type of debt similar to equity. As a result, life insurers are allowed to incorporate subordinated debt to some degree in the calculation of their solvency margins.



## Digital Applications

### Strategy and Basic Policy

Digital technology is being more widely used in sales methods, customer service, and products, which are being 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, we formulated the Nippon Life Digital 5-Year Plan in the fiscal year ended March 31, 2020. Under this plan, we have been actively promoting the use of advanced IT.



### 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

##### Utilizing AI and Robotic Process Automation (RPA)

Nippon Life was the first in the industry to introduce RPA. In addition, the Company has successively deployed Q&A chatbots using AI technology, handwriting recognition technology and other advanced digital technologies. Through these efforts, Nippon Life is working to improve its business processes.

### Strengthening the IT Personnel Base in Support of the Use of Digital Technology

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. These efforts are undertaken based on the priorities of securing highly specialized personnel and improving Company-wide digital literacy.

#### ● Secure Highly Specialized Personnel

Established an "IT strategy course" for new graduate recruits and bolstered the recruitment of personnel with a high degree of IT aptitude

#### ● Improve Company-wide Digital Literacy

Enhance and expand training sessions and in-house training seminars on trends in technologies such as advanced IT and case studies of technology applications

### Initiatives that Received External Recognition

#### ■ Received the Information Technology Award for the Third Time and for Two Consecutive Years

Nippon Life and Nissay Information Technology Co., Ltd. have received the "Information Technology Award (Supporting the New Normal in Daily Life Category)" in the Fiscal 2020 "Information Technology Award" organized by the Japan Institute of Information Technology.

The award recognized our efforts to create a new style of customer support that integrates in-person interactions and digital technology for the new normal in daily life through the

introduction of smartphones for sales representatives. It also recognized our efforts to promote work style reforms for sales representatives.

Additionally, other key considerations were our success in building large-scale systems in a short space of time using agile development and outside innovation, and the creative steps we applied to security measures to address the risk of a leak of customer information and other concerns.

#### About the "Information Technology Award"

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



#### ■ Received the Special Award at the "IT Japan Award 2020"

Nippon Life has received the Special Award at the IT Japan Award 2020. These awards were organized by Nikkei Computer magazine, which is published by Nikkei Business Publications, Inc. The Special Award recognizes that Nippon Life is making Company-wide efforts to achieve the goals of the Nippon Life Digital 5-Year Plan, which was formulated under the leadership of top management.

Nippon Life was the first life insurance company to receive an IT Japan Award.

#### ■ Acquired Patent for "Form Reading System"

Nippon Life and Nissay Information Technology Co., Ltd. have obtained a patent in Japan for their Form Reading System. This system is used to convert claims information for individual insurance claims and benefits into electronic data. (Japanese Patent No. 6736012)

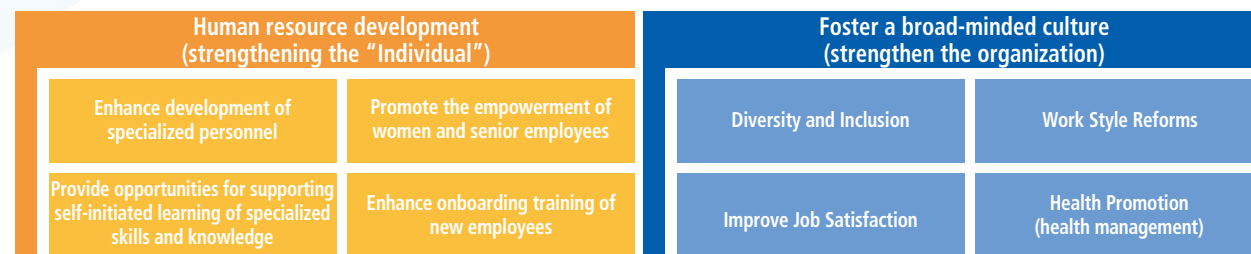
The introduction of this system has enabled the conversion of documents into electronic data, including documents in non-standard formats such as receipts. The system has allowed the automation of document inspection work that was previously performed through visual inspections by Nippon Life's administrative staff.

## Empowering Personnel

### 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



Received the Grand Prize in the “Good Career Company Award 2019” (The Minister of Health, Labour and Welfare’s Award)

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.



Won First Place in the Work-Life Balance Category in the 2021 “100 Best Companies Where Women Actively Take Part”

Nippon Life won first place for the third consecutive year in the work-life balance category of the 2021 “100 Best Companies Where Women Actively Take Part,” conducted by “Nikkei Woman,” (published by Nikkei Business Publications, Inc., and the Nikkei Womanomics Project.)

Received Japan’s Minister of State for Special Missions Prize (Gender Equality) at the “Advanced Corporation Awards for the Promotion of Women”

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.

女性が輝く  
先進企業  
2019

### Human Resource Development [Strengthening Individualism]

#### Enhancing Development of 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. Leveraging human resource information visualized using the “Talent Management System” introduced in 2021, we will inspire employees to acquire expertise autonomously and strengthen the connection between department development and personnel management.

New graduates for managerial track positions will be hired by course, with “IT strategy” and “asset management” added to the existing “actuary course.”



Global leadership program (This program offers training for those setting off for assignments at overseas subsidiaries with the aim of fostering Nippon Life’s future leaders)



Global internship program (This program offers short-term internships at overseas subsidiaries and offices)

#### Providing Opportunities for Supporting Self-Initiated Learning of Specialized Skills and Knowledge

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.

Moreover, we will encourage autonomous action through the following open recruitment system and support for self-improvement.

Skill-Up Challenge Program	This program promotes self-growth of employees by providing opportunities to attend online business school or other classes through open recruitment.
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.

#### Promoting the Empowerment of Women and Senior Employees

Nippon Life’s workforce is made up of about 90% women, and we have positioned female empowerment as a management strategy to support the sustainable growth of the Company and will promote this initiative even more aggressively than before.

We set a target to “raise the ratio of management positions filled by women to 30% in the 2020s and the ratio of women in positions equivalent to department manager to around 10% by the start of the fiscal year ending March 31, 2031,” further promoting female participation in management by expanding the base of female management candidates and strengthening the training of female managers.

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

- Sales representatives can defer their retirement to age 65, and we also have a post-retirement re-employment program for employees after they have reached retirement age.
- 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.



Exchange of opinions between the president and female department managers (online)



Mentoring by executives

#### Enhance Onboarding Training of New Employees

To develop business professionals who have a wide range of knowledge and perspectives, advanced expertise, and the ability to succeed, we are working to raise the basic skills of employees at all levels by enhancing onboarding training through group training, programming and data analysis training and other initiatives.



## Empowering Personnel

### Foster a Broad-Minded Culture [Strengthen the Organization]

We regard affiliation managers (section manager class), the key people in organizations, as the Nissay version of “*Iku-Boss*,” and work together with affiliated members to train and support them to nurture their ability to promote measures based on diversity and inclusion, improving job satisfaction, reforming work styles and promoting health to foster a broad-minded culture that remains conscious of the four *ikujis* (develop the next generation, develop the business foundation, develop work-life balance and develop oneself).

#### Diversity and Inclusion

Under the “Diversity Promotion Policy\*,” we are taking steps towards promoting participation of diverse personnel to succeed in various ways as the driving force for change, and advancing diversity and inclusion for synergetic effects.

\* 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 Inclusion

We aim to strengthen the organization by promoting inclusion in such ways as creating communication opportunities at each workplace and strengthening programs to improve the diversity and inclusion management abilities of managers.

#### 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.”

Nippon Life has acquired Kurumin certification\*, and as an initiative to support balancing child-raising with life events, we provide information on various topics before, during and after maternity leave.

\* Kurumin certification is recognition from the Minister of Health, Labour and Welfare of a company's commitment to supporting child-raising.



Moreover, since the fiscal year ended March 31, 2014, Nippon Life has been encouraging male employees to take 100% of their childcare leave, including taking leave within eight weeks of a child's birth, setting childcare participation days by enabling early returns home and working from home, from the standpoint of further understanding the work styles of men and women and promoting lifestyle support.

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 online 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.



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



A male employee on childcare leave



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

#### Becoming an LGBT-Friendly Company

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, 2021 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



PRIDE Index 2020 Gold

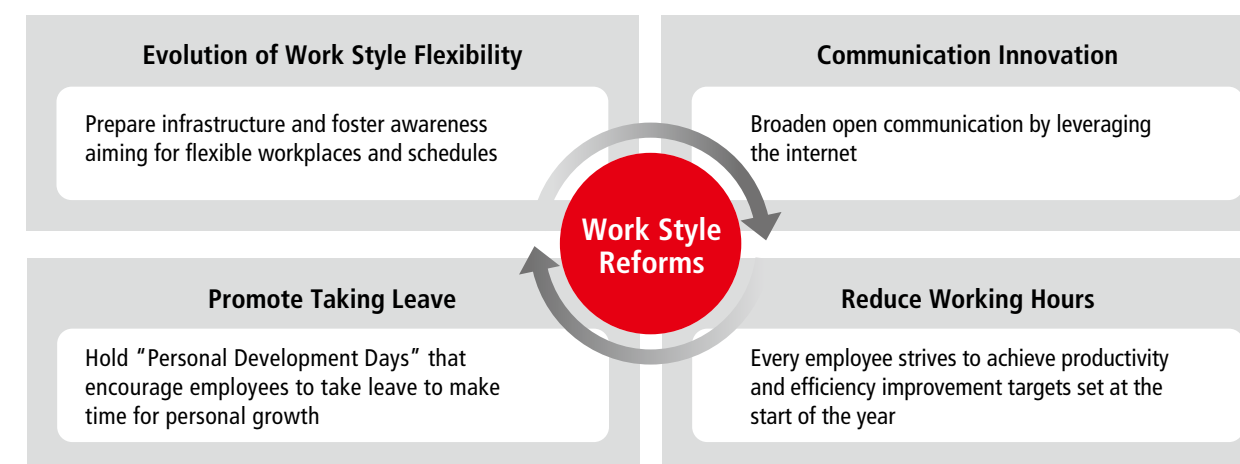
#### Improve Job Satisfaction

We aim to improve job satisfaction through initiatives to foster empathy with corporate principles, provide opportunities for self-development and foster a sense of solidarity in the workplace.

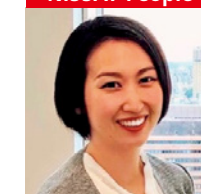
Foster empathy with corporate principles	Enhance and instill awareness of the fundamental management principles, customer-oriented and sustainability management
Provide opportunities for self-development	Enhance support for online skills development (Results for the fiscal year ended March 31, 2021: Approx. 255 courses / 37,000 users in total)
Foster a sense of solidarity in the workplace	Improve the management capabilities of all managers through online courses

#### Work Style Reforms

Nippon Life is strengthening its organization to enable each and every employee to thrive over a long time regardless of their circumstances by reforming work styles.



#### NISSAY People



Saori Yamamoto  
Human Resource Development Dept. and Kagayaki Promotion Office

**“By fostering an open-minded workplace culture, I want us to become a company where diverse human resources can succeed in a variety of ways.”**

As the person in charge of the Human Value Improvement Project, my job is to plan and manage measures to foster an open-minded workplace culture and training programs for “*Iku-Boss*,” the cornerstone of the workplace. In the fiscal year ending March 31, 2022, new communication methods and management skills are required within the Company to accommodate significant changes in people's lifestyles and work styles. I see these changes as opportunities that will give rise to an open-minded workplace, and I will do my best to make the Company one where every individual employee can display their various charms.

I work while raising a five-year-old daughter, and ideally a strong, positive organization should be able to link flexibility with the strengths of the company. I will continue to take pride in and responsibility for the development of our human resources, the foundation of the Nippon Life Group.

## Empowering Personnel

### 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.

#### Main Initiatives for Promoting Health Management

##### ● Prevention of lifestyle diseases

– Created and distributed awareness-raising videos to promote understanding of the Specific Health Guidance\* and raise motivation to participate.

\* Based on the results of specific health checkups, specialist staff (such as public health nurses and nutritionists) review the habits of those at high risk of developing lifestyle-related diseases and those who can expect to benefit from the preventative effects of lifestyle improvements in regard to lifestyle-related diseases.

##### ● Promotion of smoking cessation

– Support for smoking cessation from Company doctors and training on smoking cessation including its health risks and impact on others. In addition, as one aspect of promoting smoking cessation, smoking was completely banned on all Company premises from March 31, 2020.

##### ● Mental health measures

– Stress checks are conducted once annually to prevent mental health problems. Managers are given training on how to utilize the results within each department and work to improve the workplace environment.

##### ● Improve health literacy

– Web-based training on health maintenance and improvement was given to approximately 70,000 employees. We also conducted a questionnaire for all employees about lifestyle habits during the COVID-19 pandemic. Taking the questionnaire results into account, useful information is dispatched periodically to prevent infection, improve lifestyle habits and enhance immunity.

#### External Evaluation

Nippon Life has been recognized for 5 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.



### Human Resource Development for Sales Representatives

#### Developing Employees Who Can Take Charge of “Customer-Oriented” Activities

Under the new training methods introduced in 2019 that aim for a staff training model that allows employees to steadily thrive over the long term, we are moving forward with developing employees who can take on long-term efforts that closely support every customer throughout their lives.

And we are engaged in sales activities responding to new lifestyles, fusing traditional “face-to-face” and “non-face-to-face” sales to provide customers with various types of information and services in ways that meet their needs.

#### New Training Methods for a “Staff Training Model that Allows Employees to Steadily Thrive Over the Long Term”

Specialist training instructors provide training tailored to the characteristics and level of growth of individual sales representatives during their development period, from two to five years after joining the Company.

We clarify the level of expertise, skills and sales activities required; periodically assess the situation; and visualize the level of growth and any issues for each employee

Issues faced by employees are not only shared with the specialized training instructors, but also throughout all sales departments and branches (= ALL ONE Company-wide training), and improvement efforts are considered and implemented

#### Training to “Learn New Methods for Customer-Oriented Activities”

##### ● Leverage a rich array of digital content to:

1. Enable providing customers with ideal information in a timely and rapid manner; and
2. Widen education opportunities and standardize training content and levels by creating environments where sales representatives can learn on their own in addition to conducting conventional group training.

- We will also conduct simultaneous, nationwide internal training via satellite to develop the expertise, skills and digital literacy required for “customer-oriented” activities.

#### [Sales Activities and Sales Representative Training Incorporating Digital Content]

##### About 300 types of digital content \* As of June 1, 2021



##### Provide customers with ideal information in a timely and rapid manner



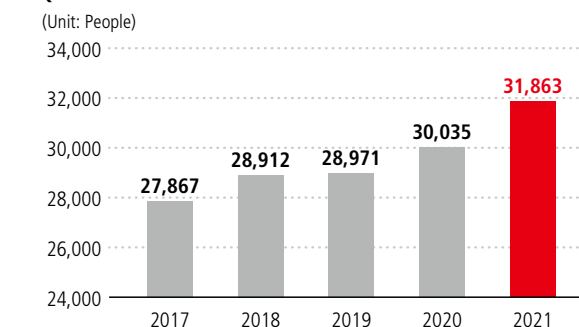
##### Create environments where sales representatives can self-study



#### Recommendations to Acquire Financial Planner Qualifications

We promote the acquisition of financial planner qualifications to make it possible to provide more sophisticated consulting services to customers. As of April 2021, 31,863 employees (approximately 60% of sales representatives) had obtained financial planner qualifications.

#### Number of Employees with Financial Planner Qualifications



Notes: 1. Counts those with qualifications as 3rd-Grade Certified Skilled Professional for Financial Planner or higher, Certified Financial Planner or Affiliated Financial Planner (multiple qualifications are not counted)  
2. As of April 2021



# Nippon Life's Relationships with Society

## Our Stakeholders



Customers



Communities and Society



Investors



Investees and Borrowers



Partners and Affiliates



Employees



Central and Local Governments



NPOs and Industry Bodies

## Customers

### Customer-Oriented Business Operations

To gain greater trust from customers and society, Nippon Life positions customer-oriented business operations as the foundation of all its activities. We will supply products and services that customers truly want and steadily fulfill our coverage obligations. Moreover, we strive to instill a customer-oriented awareness in all our executives and employees. In 2020, we maintained a high customer satisfaction level—which acts as an index to gauge establishment of that policy—at 90.6%.

In addition, Nippon Life has established a Customer-Oriented Business Operational Promotion Committee, which is mainly comprised of executive class members. With this step, Nippon Life has strengthened its system for monitoring the status of initiatives in each of the Company's domains.

Looking ahead, Nippon Life will supply information and services that address customer needs in the digital era. We will also strive to achieve priorities such as providing sincere support to seniors and other customers and raising awareness of corporate principles and compliance among individual employees.

Moreover, we analyze feedback on our initiatives in each domain from customers and employees. This feedback is gathered through events such as Nissay Konwakai Meetings and dialogue between executives and the sales front lines. We also analyze feedback on initiatives in each domain that customers provide daily. Based on those activities, we strive to continuously conduct PDCA cycles and ensure that every staff member implements a customer-oriented approach that captures the needs of the times.

**Customer-oriented business operations are positioned as the foundation of all Nippon Life's management activities.**

We will earn the trust of customers through the supply of products and services that customers truly want and the steady fulfillment of coverage obligations over the long term.

### Specific Initiatives

**Implement a customer-oriented approach that captures the needs of the times, with an emphasis on digitalization and social issues such as the aging of society**

#### Customer support in the digital era

- Supply information and services that address customer needs in the digital era
- Staff training to support the above mentioned initiative

#### Strengthen support for seniors and other customers

- Provide firsthand services and sincere support to customers
- Take measures to reduce complaints received regarding sales of foreign-currency denominated products

#### Raise awareness of corporate principles

- Facilitate understanding of action guidelines
- Rigorously implement staff guidance and training through various meetings, seminars and other activities

**Enhance compliance awareness / Foster an awareness of respect for others and seeing things from the perspectives of others**

**Formulate activity plans and conduct PDCA cycles in all areas**

Sensitively identify changes in voices and put what is realized to good use in each field

**Initiatives that harness the voices of customers and employees**  
(Nissay Konwakai Meetings and sharing issues through on-site visits of executives)

## Investors

### Initiatives for Domestic and Overseas Investors

#### Domestic

##### 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.



Selected from earnings and business strategy IR briefing materials from June 8, 2021

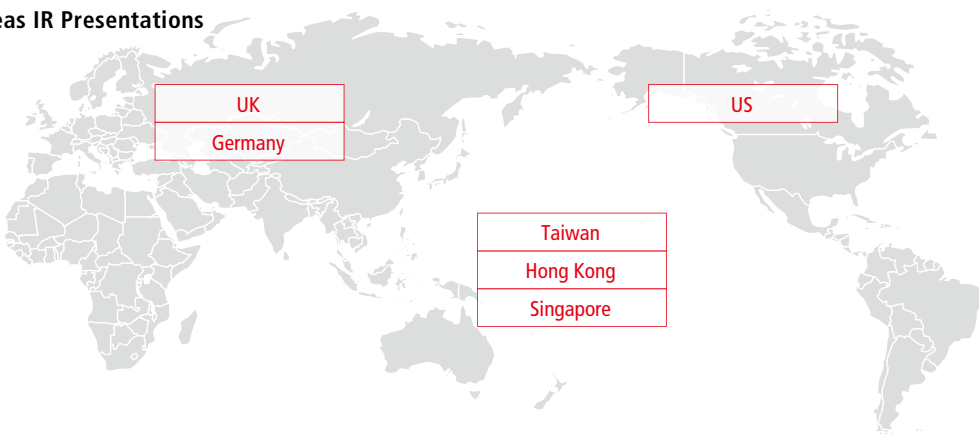
#### Overseas

##### 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



## Communities and Society

### 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 and society through public-private sector partnerships. These include comprehensive partnerships agreements and individual partnerships with prefectural governments and municipal governments.

For example, in the fiscal year ended March 31, 2021, we conducted collaborative social media campaigns, as part of efforts to promote regional tourism and local products from each prefecture. These efforts helped to make local governments more appealing.

In the recent COVID-19 crisis, we have also been cooperating

with local governments to supply information remotely. We have been providing this assistance at the request of local governments. Nippon Life employees are supplying a wide range of information to community residents through email, post, and other means.

While working closely with local governments, Nippon Life will continue to help energize local communities in a wide range of areas, such as the supply of products and services, improved health, support for child-raising, and healthy development of children and young people.



April 2021  
Comprehensive partnership agreement signed with Hyogo Prefecture  
Right: Toshizo Ido, Governor of Hyogo Prefecture  
Left: Yoshinobu Tsutsui, Chairman, Nippon Life



Flyers for social media campaigns carried out through collaboration between Nippon Life and local governments  
Examples  
Left: Saga Prefecture  
Right: Aomori Prefecture

Comprehensive partnership agreements concluded with  
**37 prefectures**  
\*As of May 2021

#### 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.

Since the fiscal year ended March 31, 2016, Nippon Life has conducted the “Action CSR-V: Social Contributions by 70,000 People” campaign in which all our approximately 70,000 executives and employees carry out social contribution activities. We will carry out these activities with the aim of staying by the side of customers and society “today,” so that we can continuously deliver a secure “future.”

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



Community cleanup activities (Musashino 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 conducts these activities because it wants to help children think about and develop their futures. To this end, our employees throughout Japan become teachers and directly convey to children the importance of life design and mutual support.

In 10 years,  
**686 schools,**  
68,121 participants



Visiting lesson (Kochi Branch)  
\*Photographed in 2019

#### 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

Together with our Group companies and foundations, Nippon Life has held the Nissay Group Summer Vacation Independent Research Project Festival! since the fiscal year ended March 31, 2017. The program makes the most of the diverse business fields and networks of Nippon Life and its partners. Through this project, the children who participated have been able to enjoy extraordinary experiences and discover hints for independent research.

Cumulative total  
**1,618**  
participants



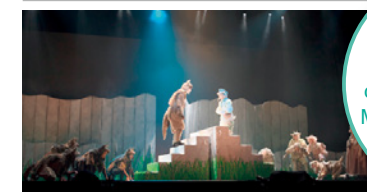
Learn about nursing care at the Nissay Group Summer Vacation Independent Research Project Festival (Nissay Seirei Health & Welfare Foundation)

#### 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 theater, hoping to foster in them good taste for the arts.

Today, the Nissay Theatre presents theater 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.



Nissay Theatre Family Festival  
Musical “One Stormy Night”  
(A scene from a performance in 2019 / Photo: Tsukasa Aoki)

In 57 years,  
**about 7.95 million**  
children were invited to Masterpiece Theatre and Masterpiece Series shows

#### 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 42 years, it has provided grants valued at approximately ¥8.6 billion to 13,662 groups in each of all 47 prefectures in Japan.

In 42 years, grants valued at approx.  
**¥8.6 billion**  
were provided to  
**13,662 groups**



Ogi Oubukan Children's Kendo Club (Saga Prefecture)  
(Goods donated through grant: Set of kendo equipment)

#### Contributions to the Fields of Medicine and Aging

Number of hospitalized patients  
Approx. **110,000**  
per year  
Number of outpatients  
Approx. **230,000**  
per year



External view of Nippon Life Hospital

#### 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.

#### 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 Matsudo Nissay Eden-no-Sono

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



Environment

Initiatives for the Global Environment

We are advancing environmental protection initiatives in three main areas, specifically initiatives for “climate change,” “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 and the Japanese government’s policies.

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

Life insurance business

Given that life insurance policies have long-term coverage periods, Nippon Life recognizes as a physical risk the impact that higher average temperatures driven by global warming and the increasing severity of extreme weather can have on people's health over the mid and long terms. We conduct scenario analysis of the impacts of such risks on our business.  
In addition, Nippon Life strives to reduce CO<sub>2</sub> emissions in various fields in order to reduce the environmental impact of its business activities.  
Note: For details on initiatives to reduce CO<sub>2</sub>, please see p. 102.

Asset management

Nippon Life undertakes mid- and long-term investment and finance to match the duration of its insurance policies. We believe 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. 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.  
Nippon Life will incorporate these perspectives on climate-related risks and opportunities into its investment and finance decisions through integration across all asset classes.  
Moreover, Nippon Life has set a target of ¥1,500.0 billion for the cumulative amount of ESG-themed investment and finance for the period covering the fiscal year ended March 31, 2018 to the fiscal year ending March 31, 2024. For ESG-themed investment and finance, the use of funds is linked to the theme of achieving the Sustainable Development Goals (SDGs). Nippon Life is actively working to achieve this target. We will also support positive initiatives by investee companies by conducting dialogue related to climate change. By doing so, we will strive to improve the corporate value of investee companies and reduce the climate change risk of our investment and finance portfolio.

<Conduct Dialogue Related to Climate Change>

Through dialogue with investee companies, Nippon Life encourages them (1) to conduct and disclose quantitative and qualitative analyses of business risks and opportunities associated with climate change and (2) to create a strategic plan for the reduction of CO<sub>2</sub> emissions. We also conduct dialogue based on the theme of climate change with the highest-ranked companies in terms of CO<sub>2</sub> emissions and similar entities, regardless of the type of industry.  
Note: For details on dialogue activities, please see p. 59.

Risk Management

Nippon Life conducts integrated risk management from the perspective of systematically managing the overall impacts that various risks, including climate change risks, could have on the Company. Climate change could have an impact on the life insurance business and asset management, and an assessment of this risk is outlined as follows.

Note: For details on risk management, please see p. 80.

Life insurance business

Asset management

Nippon Life conducts quantitative analysis based on scenarios that envision increases of 2°C or 4°C in the average temperature. This scenario analysis covers factors anticipated to have an impact on the life insurance business, including diseases and deaths associated with summer heat, such as heatstroke, and air pollution, and deaths caused by floods due to heavy rains and typhoons. Considering the current analysis findings, the impact on insurance profitability is expected to be limited. However, while making the most of the knowledge of Nippon Life and the entire Group, Nippon Life will continue working to raise the sophistication of impact analysis in its business. Concurrently, Nippon Life will strive to disclose the analysis findings and implement appropriate measures to address the relevant risks.

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 coal-fired power generation projects anywhere in the world, as such projects 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.  
Moreover, we are working to lay the groundwork for performing an impact analysis of our investment and finance portfolio. In the fiscal year ended March 31, 2021, we started measuring the CO<sub>2</sub> emissions of our investees. For the fiscal year ended March 31, 2020, the CO<sub>2</sub> emissions result was approximately 10 million tons (comprising 8 million tons for domestic stocks and 2 million tons for domestic corporate bonds).  
Note: Covers Scope 1 and 2 emissions of domestic stock and domestic corporate bonds investees. Measurement of CO<sub>2</sub> emissions employs figures announced by companies, MSCI and Bloomberg data, and estimates. The emissions figures may be recalculated to reflect factors such as revisions in the figures announced by companies and other data and changes in calculation methods.

Illustration of Measurement

Portfolio CO<sub>2</sub> emissions

=

Σ

Each company's CO<sub>2</sub> emissions

×

Share of investment

Share of investment

=

Investment (stocks + corporate bonds)

Enterprise value (market capitalization + interest-bearing debt)

Indicators and Targets

In order to help solve climate change issues, we have established the following CO<sub>2</sub> emissions reduction targets for Nippon Life (nonconsolidated).

Nippon Life's emission reduction targets

Fiscal year ending March 31, 2031: 40% reduction (base year: fiscal year ended March 31, 2014)\*1

Fiscal year ending March 31, 2051: Net-zero

Investee emissions\*2 reduction target

Fiscal year ending March 31, 2051: Net-zero

\*1 Nippon Life is considering revising its target for the fiscal year ending March 31, 2031, based on increases in government targets.

\*2 Covers domestic stocks and domestic corporate bonds.

Note: For our CO<sub>2</sub> emissions track record, please see the Nissay website.

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

In the fiscal year ended March 31, 2021, CO<sub>2</sub> emissions associated with business activities were approximately 150,000 tons. The cumulative reduction since the fiscal year ended March 31, 2014, the base year, was 22%.

Going forward, we will continue to steadily reduce emissions through measures such as deploying electric vehicles, saving electricity throughout Nippon Life, introducing renewable energy, and reducing paper use.

## Environment

### <<Initiatives for Climate Change>> (Continued)

#### ■ Initiatives to Conserve Energy at Sales Offices and Nippon Life-Owned Buildings

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\*<sup>1</sup> certification, the highest BELS\*<sup>2</sup> ranking. Ever since, with respect to the approximately 1,500 sales offices owned by Nippon Life nationwide, when constructing new sales offices due to the aging of buildings and other factors, Nippon Life constructs new sales offices to ZEB Ready standards, in principle. (Construction of 61 sites had been completed as of March 31, 2021.)

Moreover, solar panels and storage batteries systems were additionally installed at two of those sales offices (the Kawaguchi Sales Office of the Saitama Branch and the Fukko Sales Office of the Wakayama Branch). The two sales offices obtained ZEB\*<sup>3</sup> certification, the first for a life insurance company, in June 2021.

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

We seek to achieve a large reduction in CO<sub>2</sub> emissions at sales offices and Nippon Life-owned buildings, with the aim of reducing our environmental impact further.

\*1 ZEB stands for Net-Zero Energy Building. ZEB Ready 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.

\*3 ZEB is assigned to buildings that seek to achieve net-zero energy consumption within the building by combining power generation with renewable energy and energy-efficient performance, in tandem with maintaining a comfortable indoor environment.

#### ■ Deploying Electric Vehicles and Plug-In Hybrid Vehicles as Company Vehicles

The use of gasoline by company vehicles accounts for a large share of CO<sub>2</sub> emissions associated with Nippon Life's business activities. To reduce gasoline use, Nippon Life will successively replace its fleet of approximately 2,000 company vehicles in Japan with electric vehicles and plug-in hybrid vehicles.

#### ■ 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.

#### ■ 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.



External view of the Kawaguchi Sales Office of the Saitama Branch



Rooftop solar panels at the Fukko Sales Office of the Wakayama Branch



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



EV vehicle charger



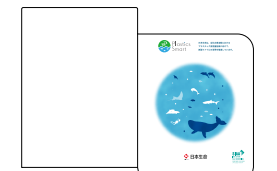
Recycling station (Marunouchi Building)

### <<Initiatives for Plastics>>

Amid increasing global concern over the issue of plastics, Nippon Life has been promoting initiatives to reduce the use of plastic in its business activities.

#### ■ Nissay Plastics Smart Campaign Declaration

The Nippon Life Group and its executives and employees endorse the Plastics Smart campaign, which is organized by the Ministry of the Environment. Under this campaign, Nippon Life strives to reduce, reuse and recycle plastic used in business operations and daily life.



Paper document folder

#### Zero Plastic Clear Document Folders

As part of these efforts, Nippon Life has established "zero plastic clear document folders" as its goal. This goal calls for Nippon Life to reduce the use of clear document folders in business activities and to switch all document folders to be newly purchased from those made from plastic to paper-based folders. From the fiscal year ending March 31, 2025, Nippon Life aims to switch all document folders to those made of paper.

### <<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 1.37 million trees have been planted since this program started, with the Nissay Forests Association now stretching across 203 sites in 46 prefectures (as of March 2021).

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 Katsurako Forest" (Toyama Prefecture)

Over 29 years,  
38,510  
participants

#### 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 CO<sub>2</sub> emissions of approx. 5,247 people
- Stored and purified annual drinking water for approximately 216,542 people
- Prevented erosion of enough soil to fill approximately 1,001 10-ton dump trucks
- 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)



Kokura Castle Takeakari (bamboo lantern festival) (Kitakyushu Branch), an event that seeks to solve the issue of abandoned bamboo forests



## Olympic and Paralympic Games

### Initiatives for 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."



#### «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 17 years since the start of these initiatives (as of March 31, 2021).

- Sprinting workshop with athletics 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 during the COVID-19 Crisis»

As COVID-19 spreads widely across society, the next generation of children has felt frustration because of setbacks such as the cancellation of sports tournaments. For these children, Nippon Life has carried out events that make use of online capabilities. More children than ever before have participated in these events.

- **Communication Events Held by Top Athletes such as Yoshihide Kiryu, athletics Athlete**  
– A total of 5 events were held and were viewed online by approximately 1.2 million people, primarily elementary, junior high, and high school students
- **Special Match Event Featuring Athletes Such as Hina Hayata, a Table Tennis Player**  
– 9 representatives of third-year high school students participated, and scenes from the event were broadcast online
- **Special Instruction Events Led by Candidate Athletes for Japan's National Karate Team for the Olympics Games Tokyo 2020**  
– A total of 5 events were held, attended by elementary school students devoted to karate across Japan

Many participants in these initiatives expressed the view that the program offered a valuable opportunity to interact with the athletes, and that even amid the challenging circumstances of the COVID-19 pandemic, the program inspired them to stay positive and work hard.



Online communication event held by Yoshihide Kiryu



Special match event featuring athletes such as Hina Hayata



Special online karate instruction event

#### «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.

- **Nippon Life Directors and Employees Watch and Support Paralympic Sports**  
– Approximately 22,000 individuals have participated over 6 years since the start of these initiatives (as of March 31, 2021)
- **Widening the Circle of Support for Local Customers**  
– Nippon Life employees provide tournament information to customers
- **Wheelchair Basketball Experience Events and Lectures Held Nationwide**

#### «Initiatives to Bring Together Wheelchair Basketball Players and Their Fans»

Nippon Life conducted an event called Nippon Life Insurance Country-Wide Caravan for All 2020 throughout Japan over a period of around 2 years from September 2018. The caravan was held to promote the Olympic and Paralympic movement nationwide. As part of the caravan, Nippon Life created booths where visitors could experience what it is like to play wheelchair basketball. In parallel, Nippon Life held a campaign where it presented special basketballs inscribed with messages of support as gifts to wheelchair basketball players, depending on the number of people participating in the wheelchair basketball experience.

As a result of the campaign, approximately 20,000 visitors experienced wheelchair basketball nationwide and the special basketballs were successively presented as gifts to all 768 registered wheelchair basketball players\* from July 2020 (\* the number of players registered with the Japan Wheelchair Basketball Federation, as of April 2020).



Special basketball gift presentation ceremony held online

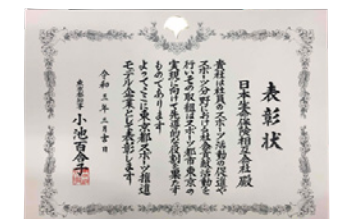


Candidate players for the Japan national wheelchair basketball team for the Tokyo 2020 Paralympic Games



#### Nippon Life Selected as a 2020 Tokyo Sports Promotion Model Company

Nippon Life was selected as a 2020 Tokyo Sports Promotion Model Company in recognition of its initiatives such as online events by athletes and gifts of special basketballs to wheelchair basketball players nationwide.



Certification of Commendation for selection as a 2020 Tokyo Sports Promotion Model Company

### 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.

In the Olympic Torch Relay, which began on March 25, 2021, Nippon Life worked to ensure the event would be welcomed by as many people as possible in various regions through safe and secure event operation. The Olympic Torch Relay allowed people across Japan to see and experience the Olympic and Paralympic movement firsthand.



A publicity event for Fukushima Prefecture's earthquake recovery was held, with members of an NPO that supports the earthquake recovery effort. The members were nominated by Nippon Life to participate in the Olympic Torch Relay as torchbearers



Nippon Life's leading vehicle provided positivity and hope to community residents



The Olympic Flame is passed through a torch kiss to a torchbearer featured in a Nippon Life television commercial (Right: Kodai Tojitani)



# Company Data

## Corporate Officers (As of July 2, 2021)

### ■ 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)



**Seiji Kito**

#### 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  
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  
Mar. 2020 Executive Vice President  
Jul. 2021 Director and Executive Vice President (present)



**Yosuke Matsunaga**

#### Director and Executive Vice President

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  
Mar. 2021 Director and Executive Vice President (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)



**Yuji Mikasa**

#### Director and Senior Managing Executive Officer

Responsible for: IT Planning Dept., IT Promotion Dept., Customer Service Headquarters  
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)



**Yutaka Ideguchi**

#### Director and Senior Managing Executive Officer

Responsible for: Global Insurance Business Dept. (except Australian business), 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)



**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)



**Nobuto Fujimoto**

#### Director and Senior Managing Executive Officer

Responsible for: Secretarial Dept., Affiliated Business Dept., Human Resource Planning Dept., Human Resource Development Dept., Human Resource 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  
Mar. 2021 Director and Senior Managing Executive Officer (present)



**Satoshi Asahi**

#### Director and Senior 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.  
Jun. 29, 1963 Born  
Apr. 1987 Joined Nippon Life Insurance Company  
Mar. 2014 Executive Officer  
Jul. 2017 Director and Executive Officer  
Mar. 2018 Director and Managing Executive Officer  
Mar. 2021 Director and Senior Managing Executive Officer (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)



**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)



**Kazuhide Toda**

#### Director and Managing Executive Officer

Responsible for: Global Insurance Business Dept. (Australian business)  
Position: Adviser (International Investment 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  
Mar. 2021 Managing Executive Officer  
Jul. 2021 Director and Managing Executive Officer (present)



**Junichi Hamada**

#### Director

Mar. 14, 1950 Born  
Apr. 1992 Professor, Institute of Socio-information and Communication Studies, University of Tokyo  
Apr. 1995 Head, Institute of Socio-information and Communication Studies, University of Tokyo  
Apr. 2000 Professor, Graduate School of Interdisciplinary Information Studies, University of Tokyo Concurrently, Dean, Graduate School of Interdisciplinary Information Studies, University of Tokyo Concurrently, Dean, Interfaculty Initiative in Information Studies & Graduate School of Interdisciplinary Information Studies  
Apr. 2005 Executive Vice President, University of Tokyo  
Apr. 2009 President, University of Tokyo  
Jun. 2015 Emeritus Professor, University of Tokyo (present)  
Jul. 2021 Director, Nippon Life Insurance Company (present)



**Naoki Akahori**

#### Director and Managing Executive Officer

Responsible for: Agency Marketing Headquarters, Financial Institution Relations Headquarters, Data Business Planning and Development Dept., Product Planning Dept., Marketing Planning Dept., Channel Development Dept., Sales Representatives Human Resource Dept., Agency Operations Dept., Financial Institution Relations Dept.  
Apr. 1988 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Jul. 2020 Director and Executive Officer  
Mar. 2021 Director and Managing Executive Officer (present)



**Kazuo Sato**

#### Director and Managing Executive Officer

Responsible for: Legal Dept., Compliance Dept., Risk Management Dept., Global Business Risk and Control Dept., Credit Dept., Securities Operations Dept.  
Feb. 16, 1966 Born  
Apr. 1989 Joined Nippon Life Insurance Company  
Mar. 2017 Executive Officer  
Jul. 2020 Director and Executive Officer  
Mar. 2021 Director and Managing Executive Officer (present)



**Akiko Osawa**

#### Director and Executive Officer

Responsible for: Treasury & Capital Markets Dept., Equity Investment Dept., International Investment Dept., Separate Account Investment Dept.  
Oct. 12, 1965 Born  
Apr. 1988 Joined Nippon Life Insurance Company  
Mar. 2018 Executive Officer  
Jul. 2021 Director and Executive Officer (present)

Note: Shin Ushijima, Kazuo Imai, Satoshi Miura, Tetsuro Tomita, and Junichi Hamada are outside directors and are also independent corporate officers satisfying the Company's Criteria for Independence of Outside 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 as 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 (present)



**Koki Utsumi**

**Senior 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  
Mar. 2021 Senior 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

### Shin Ushijima

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2021 15 out of 15 meetings  
Attendance at Outside Directors meetings in the fiscal year ended March 31, 2021 9 out of 9 meetings

Mr. Ushijima has been appointed as an outside director to attend meetings of the Board of Directors and Outside Directors Committee<sup>\*1</sup>, reflect his input in the Company's management, including supervision and 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<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Outside Directors meetings in the fiscal year ended March 31, 2021 9 out of 9 meetings

Mr. Imai has been appointed as an outside director to attend meetings of the Board of Directors and Outside Directors Committee<sup>\*1</sup>, reflect his input in the Company's management, including supervision and 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<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Outside Directors meetings in the fiscal year ended March 31, 2021 9 out of 9 meetings

Mr. Miura has been appointed as an outside director to attend meetings of the Board of Directors and Outside Directors Committee<sup>\*1</sup>, reflect his input in the Company's management, including supervision and 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<sup>\*2</sup> since he is not considered to have any conflicts of interest with general policyholders.

Director

### Tetsuro Tomita

Attendance at Board of Directors meetings in the fiscal year ended March 31, 2021 12 out of 12 meetings  
Attendance at Outside Directors meetings in the fiscal year ended March 31, 2021 7 out of 7 meetings

Mr. Tomita has been appointed as an outside director to attend meetings of the Board of Directors and Outside Directors Committee<sup>\*1</sup>, reflect his input in the Company's management, including supervision and 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<sup>\*2</sup> since he is not considered to have any conflicts of interest with general policyholders.

Director

### Junichi Hamada

Mr. Hamada has been appointed as an outside director to attend meetings of the Board of Directors and Outside Directors Committee<sup>\*1</sup>, reflect his input in the Company's management, including supervision and advice, from an objective standpoint based on his broad experience and knowledge as an academic. Furthermore, he is deemed to be an independent corporate officer based on the Company's Criteria for Determining Independence of Outside Corporate Officers<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2021 14 out of 14 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<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2021 14 out of 14 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<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2021 14 out of 14 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<sup>\*2</sup> 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, 2021 15 out of 15 meetings  
Attendance at Audit and Supervisory Board meetings in the fiscal year ended March 31, 2021 14 out of 14 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<sup>\*2</sup> since he is not considered to have any conflicts of interest with general policyholders.

<sup>\*1</sup> For the Outside Directors Committee, please see p. 74.

<sup>\*2</sup> For the Company's Criteria for Determining Independence of Outside Corporate Officers, please see the Nissay website.

Executive Officers

<div>Senior Managing Executive Officer</div> <div>Junjiro Tabata</div>	<div>Position: General Manager of Metropolitan Area Headquarters, General Manager of Metropolitan Area Headquarters Tokyo Corporate &amp; Worksite Marketing Dept.</div> <div>Oct. 1, 1963 Born</div> <div>Apr. 1986 Joined Nippon Life Insurance Company</div> <div>Mar. 2013 Executive Officer</div> <div>Mar. 2017 Managing Executive Officer</div> <div>Mar. 2020 Senior Managing Executive Officer (present)</div>	<div>Managing Executive Officer</div> <div>Masakazu Omura</div>	<div>Position: General Manager of Head Office 1st Corporate Marketing Dept., General Manager of 3rd Corporate Marketing Dept.</div> <div>May 16, 1963 Born</div> <div>Apr. 1987 Joined Nippon Life Insurance Company</div> <div>Mar. 2015 Executive Officer</div> <div>Mar. 2019 Managing Executive Officer (present)</div>
<div>Managing Executive Officer</div> <div>Kazuyuki Saigo</div>	<div>Position: Head of Asia Pacific, Head of India, Adviser (Global Insurance Business Dept., Global Asset Management Business Dept., Global Business Planning Dept.)</div> <div>Jul. 31, 1964 Born</div> <div>Apr. 1988 Joined Nippon Life Insurance Company</div> <div>Mar. 2016 Executive Officer</div> <div>Mar. 2020 Managing Executive Officer (present)</div>	<div>Managing Executive Officer</div> <div>Hideki Ohno</div>	<div>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)</div> <div>Jun. 14, 1965 Born</div> <div>Apr. 1988 Joined Nippon Life Insurance Company</div> <div>Mar. 2016 Executive Officer</div> <div>Mar. 2020 Managing Executive Officer (present)</div>
<div>Managing Executive Officer</div> <div>Kazuya Kishibuchi</div>	<div>Position: Deputy General Manager of Customer Service Headquarters, General Manager of Service Planning Dept.</div> <div>Feb. 6, 1967 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2017 Executive Officer</div> <div>Mar. 2021 Managing Executive Officer (present)</div>	<div>Managing Executive Officer</div> <div>Mitsugi Iwasaki</div>	<div>Position: General Manager of Head Office Osaka Corporate Marketing Dept.</div> <div>Jul. 25, 1965 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2017 Executive Officer</div> <div>Mar. 2021 Managing Executive Officer (present)</div>
<div>Executive Officer</div> <div>Tatsuya Haraguchi</div>	<div>Position: Adviser (IT Promotion Dept.)</div> <div>Jan. 20, 1967 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2017 Executive Officer</div> <div>Mar. 2021 Managing Executive Officer</div> <div>Apr. 2021 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Kazuyuki Tanaka</div>	<div>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.)</div> <div>Jun. 28, 1958 Born</div> <div>Apr. 1981 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Norihiro Fujimasa</div>	<div>Position: General Manager of Kinki Regional Headquarters, Deputy General Manager of Head Office Osaka Corporate Marketing Dept. (Kinki)</div> <div>Feb. 11, 1967 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Keizo Hasehira</div>	<div>Position: General Manager of Head Office 2nd Corporate Marketing Dept.</div> <div>Apr. 28, 1964 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Chiaki Osone</div>	<div>Position: General Manager of Financial Institution Relations Headquarters, Deputy General Manager of Agency Marketing Headquarters</div> <div>Dec. 29, 1966 Born</div> <div>Apr. 1990 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Minoru Kimura</div>	<div>Position: Head of the Americas and Europe, Adviser (Global Insurance Business Dept., Global Asset Management Business Dept., Global Business Planning Dept.)</div> <div>Jun. 20, 1967 Born</div> <div>Apr. 1990 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Yasutoyo Takada</div>	<div>Position: Adviser (Group Business Dept.)</div> <div>Jul. 6, 1967 Born</div> <div>Apr. 1990 Joined Nippon Life Insurance Company</div> <div>Mar. 2018 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Takayuki Maeda</div>	<div>Position: General Manager of Agency Marketing Headquarters, Deputy General Manager of Financial Institution Relations Headquarters</div> <div>Feb. 5, 1967 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Eiichi Hanawa</div>	<div>Position: General Manager of Planning and Research Dept.</div> <div>Aug. 24, 1967 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Tetsuya Ueda</div>	<div>Position: General Manager of IT Promotion Dept., Head of Digitalization Office</div> <div>Sep. 23, 1967 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>

<div>Executive Officer</div> <div>Seiichi Tachi</div>	<div>Position: General Manager of Corporate Planning Dept., Adviser (Group Business Dept., CSR Promotion Dept.)</div> <div>Dec. 5, 1967 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Yoshitaka Nakamura</div>	<div>Position: General Manager of Marketing Planning Dept., General Manager of Sales Representatives Human Resource Dept., Adviser (Channel Development Dept.)</div> <div>Feb. 26, 1969 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Naoki Akiyama</div>	<div>Position: Adviser (Group Business Dept.)</div> <div>Mar. 28, 1969 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2019 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Akihiro Maeda</div>	<div>Position: General Manager of Sales Representatives Training Dept., Head of Shin Ikusei Program Promotion Office, Adviser (Sales Representatives Operations Management Dept.)</div> <div>Feb. 2, 1963 Born</div> <div>Apr. 1986 Joined Nippon Life Insurance Company</div> <div>Mar. 2020 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Shinji Kuge</div>	<div>Position: General Manager of Finance Planning &amp; Management Dept.</div> <div>Jul. 11, 1965 Born</div> <div>Apr. 1989 Joined Nippon Life Insurance Company</div> <div>Mar. 2020 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Takahiro Miyajima</div>	<div>Position: General Manager of Risk Management Dept.</div> <div>Apr. 14, 1966 Born</div> <div>Apr. 1990 Joined Nippon Life Insurance Company</div> <div>Mar. 2020 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Shinichiro Ito</div>	<div>Position: General Manager of Sales Representatives Operations Management Dept., General Manager of New Activities Promotion Office</div> <div>Mar. 23, 1969 Born</div> <div>Apr. 1991 Joined Nippon Life Insurance Company</div> <div>Mar. 2020 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Shinichi Okamoto</div>	<div>Position: General Manager of Finance &amp; Investment Planning Dept.</div> <div>Jun. 4, 1969 Born</div> <div>Apr. 1992 Joined Nippon Life Insurance Company</div> <div>Mar. 2020 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Kei Nakashima</div>	<div>Position: General Manager of Head Office East Japan Corporate Marketing Dept., Deputy General Manager of Agency Marketing Headquarters (Hokkaido, Tohoku), Deputy General Manager of Financial Institution Relations Headquarters (Hokkaido, Tohoku), General Manager of Market Development (Hokkaido, Tohoku), Adviser (Sales Representatives Operations Management Dept.)</div> <div>Jun. 19, 1963 Born</div> <div>Apr. 1987 Joined Nippon Life Insurance Company</div> <div>Apr. 2021 Executive Officer (present)</div>	<div>Executive Officer</div> <div>Takashi Masuyama</div>	<div>Position: Adviser (Channel Development Dept.)</div> <div>Dec. 21, 1969 Born</div> <div>May 1993 Joined Nippon Life Insurance Company</div> <div>Mar. 2021 Executive Officer (present)</div>
<div>Executive Officer</div> <div>Shinichiro Kashima</div>	<div>Position: Deputy General Manager of Tokai Regional Headquarters, General Manager of Hamamatsu Branch</div> <div>Mar. 9, 1968 Born</div> <div>Apr. 1993 Joined Nippon Life Insurance Company</div> <div>Mar. 2021 Executive Officer (present)</div>		

Composition by Gender Ratio

Directors and Audit and Supervisory Board Members	Executive Officers
Males: 24 / Females: 2 (Ratio of females: 7.7%)	Males: 37 / Females: 2 (Ratio of females: 5.1%)



Overview of the 74th Meeting of Representatives

On July 2, 2021, the 74th Meeting of Representatives was held at the RIHGA Royal Hotel Osaka located at 5-3-68 Nakanoshima, Kita-ku, Osaka.

The 38 representatives who attended the meeting on the day (199 individuals including those attending by proxy) discussed agenda items after reporting items were explained. In the current fiscal year, Nippon Life created an environment where representatives who had difficulties coming to RIHGA Royal Hotel Osaka and attending the meeting in person could participate through web conferencing tools from their homes, places of work, or other locations. This measure was implemented to ensure that the meeting could be held safely and reliably even with no prospects for an end to the COVID-19 pandemic. 153 representatives attended the meeting through web conferencing tools.

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"><li>• The fiscal year ended March 31, 2021 business report, nonconsolidated balance sheets, nonconsolidated statements of income, non-consolidated statements of changes in net assets, consolidated balance sheets, consolidated statements of income, and consolidated statements of changes in net assets</li><li>• Report on the results of the Nissay Konwakai Meetings held and advisory matters for the Board of Councilors</li></ul>	<ul style="list-style-type: none"><li>• Approval of proposed appropriation of surplus for the fiscal year ended March 31, 2021</li><li>• Allocation of policyholder dividends based on the fiscal year ended March 31, 2021 performance</li><li>• Partial amendment of the Articles of Incorporation</li><li>• Appointment of Board of Councilors members</li><li>• Appointment of Representative Nomination Committee members</li><li>• Appointment of 11 directors</li><li>• Appointment of 1 Audit and Supervisory Board member</li></ul>

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 four themes brought up by the questions. The chairperson and the relevant executives also directly responded to questions they received at the meeting.

[Questions Received in Advance]

Q. From the perspectives of not only the realization of sustainability of society but also the maximization of policyholder interests, I recognize that ESG investment and finance are important activities. Nippon Life has provided extensive explanations of ESG investment and finance from the former perspective (the public good) in its disclosure materials. From the latter perspective (profitability), why not provide even more information on the significance of Nippon Life’s emphasis on ESG investment and finance?

- A

  - As you said, Nippon Life is carrying out ESG (environmental, social, and governance) investment and finance from the perspectives of realizing the sustainability of society and maximizing policyholder interests.
  - Based on those approaches, we conducted ESG-themed investment and finance in the previous mid-term management plan, which began in the fiscal year ended March 31, 2018. On a cumulative basis through the fiscal year ended March 31, 2021, we executed investment and finance of approximately ¥1 trillion, which surpassed our target of ¥700.0 billion.
  - We have widely disclosed information about these ESG investment and finance initiatives through disclosure tools such as integrated reports and sustainability reports.
  - Under the Mid-Term Management Plan “Going Beyond,” which was launched in the fiscal year ending March 31, 2022, we have set a new target for ESG-themed investment and finance. Specifically, we are targeting investment and finance of ¥1.5 trillion on a cumulative basis from the fiscal year ended March 31, 2018 to the fiscal year ending March 31, 2024.
- Guided by this plan, we seek to introduce ESG integration, which incorporates ESG factors into investment and finance, across all asset classes. Additionally, in our existing efforts to actively engage in dialogue with investees and borrowers, we seek to further enhance dialogue themes so that we can support these companies’ efforts to realize a sustainable society. Moreover, we will strengthen our initiatives to address climate change. Notably, we will establish a target for net zero emissions by 2050 with respect to the CO<sub>2</sub> emissions of investees\*.
  - Through these initiatives to support the realization of a sustainable society, we will strive to maximize policyholder interests by securing long-term, stable investment returns.
  - In autumn this year, we plan to newly issue a Summary Report on ESG Investment and Finance based on perspectives including the maximization of policyholder interests, which you have brought up as a topic of discussion. We will also strive to enhance our outward disclosure of information.

\* Scope: Domestic stocks and credit assets in the investment and finance portfolio.

Other Opinions and Requests

[Questions Received in Advance]

- Looking at MLC Limited (Australia), its shareholders’ equity has deteriorated due to the recording of losses since the fiscal year ended December 31, 2019. Furthermore, I have strong concerns about the fact that Nippon Life has provided MLC with additional capital of more than ¥100.0 billion through three capital increases. Could you please discuss the following matters?
  - (1) Nippon Life noted that the increase in payments for income protection insurance was the main reason for the losses and the additional investments in MLC. Was this not foreseen when you acquired MLC?
  - (2) According to MLC’s three-year plan, MLC will revise income protection insurance premiums and streamline operating expenses. By around how much do you expect these measures to contribute to profitability? Also, will the premium revisions be applied to existing policies as well?
  - (3) When it acquired MLC Limited, Nippon Life said that the acquisition was strategically significant because it would increase net income by Group companies. What is your assessment of the situation now?
- Have you set standards for investment timeframes, exit strategies, and other factors in your overseas business investments?
- Could you please discuss your policy on investment and finance in existing and new thermal power generation businesses as part of your measures to address carbon neutrality?
- In your stewardship activities, you said that you have adopted a policy of strengthening dialogue based on the theme of climate change while continuing to expand dialogue to other themes. What are your plans for expanding those themes going forward?
- Overseas insurance companies provide detailed disclosures related to the Task Force on Climate-related Financial Disclosures (TCFD). Nippon Life, as a mutual company, has the advantage of being able to conduct even more proactive and consistent initiatives and disclosure. May I recommend that Nippon Life provide disclosure of information focused only on TCFD, separately from the integrated report?
- Could you please share Nippon Life’s perspectives on the following three points in relation to inflation attributable to various factors such as climate change risks, and inflation (stagflation) in periods of economic stagnation due to the spread of COVID-19 and related factors?
  - (1) Prediction of the likelihood of occurrence and duration, etc.
  - (2) Impact on assets and businesses
  - (3) Responses including protection of policyholder assets
- In customer satisfaction surveys specific to each business sector, Nippon Life has been unable to obtain the highest rankings, and I believe that Nippon Life may have fallen behind other companies in certain respects. Without becoming complacent with its high level of customer satisfaction, I would like Nippon Life to further promote customer-oriented business operations by, for example, considering survey methods that can clearly identify issues in each of its customer interfaces.
- There has been a heightened need for financial education among young people, with plans for asset formation to be taught in high school classes from 2022. In this context, could you please discuss Nippon Life’s initiatives, including its plans?
- Social contribution activities by public interest incorporated foundations are meaningful activities. I would like the public interest incorporated foundations to continue working to solve social issues, such as supporting young caregivers, after appropriately reevaluating the contents, as part of efforts to promote the healthy development of children and young people.
- An increasing number of companies have adopted work-from-home arrangements due to the spread of COVID-19. I assume that insurance sales at worksites have become challenging. What steps are you taking to address this issue?
- Are there any special considerations you are making regarding the payment of claims and benefits to those who have contracted COVID-19?
- I believe that raising the morale of employees will be crucial to increasing the number of customers and making Nippon Life’s business sustainable. As part of work style reforms, may I recommend implementing measures such as improving your office environment?
- Nippon Life is working to develop human resources, with a view to enhancing the consulting capabilities of sales representatives. What kinds of in-house certification programs do you have?
- Have you established indicators such as key goal indicators (KGIs) and key performance indicators (KPIs) in the areas of raising operating efficiency and strengthening sales capabilities using digital technology?
- Health and wellness are attracting attention as key priorities for ensuring the sustainability of the social security system. What are you focusing on to support corporate health management programs?
- Regarding your digital innovation strategy, I don’t think it is very easy to do things like gather information to form collaborations with start-ups. Could you please discuss your decision-making criteria for partnerships and investments, and risk assessment techniques and engagement with businesses in your investment activities?

[Agenda Item Proposal No. 6]

- Two of your eleven director candidates are women. I believe this proposal represents progress in terms of ensuring diversity in the Board of Directors. Japan’s Corporate Governance Code states that the board should be constituted in a manner to achieve diversity and appropriate size. Going forward, what kinds of steps will you take to ensure diversity?

[After Deliberation of Proposals]

- Regarding Nippon Life X, you said that you called on employees to submit ideas that could lead to new businesses. What kinds of results have you achieved?
- In terms of addressing climate change as part of sustainability management, Nippon Life is working to reduce CO<sub>2</sub> emissions in two areas, specifically in its business activities and in asset management through its role as an institutional investor. These efforts have been progressing rapidly in the industrial field over the past few years. In business activities, I would like Nippon Life to bring forward its efforts to achieve its targets of a 40% reduction in emissions by 2030 and net-zero emissions by 2050. Also, in asset management, Nippon Life is targeting net-zero emissions by 2050. Why not also establish an intermediary target?
- In a challenging business environment, Nippon Life achieved three of its four numerical targets under “Zen Shin –next stage–.” The only target it did not achieve was its target for Group company net income. Under the Mid-Term Management Plan “Going Beyond,” I would like Nippon Life to continue working to achieve its goals. I believe the situation, including overseas businesses, will improve as the COVID-19 pandemic subsides. Therefore, I have high hopes that Nippon Life will achieve further development.
- How many female directors do you plan to appoint to ensure diversity in the Board of Directors?

Note: The results of the annual general meeting can be viewed on the Nissay website.

## Opinions Expressed on the Day of the Conference of Representatives (Kondankai) for Fiscal 2020 (December 3, 2020)

- As the spread of COVID-19 weakens people-to-people connections, there are some people who seek face-to-face services, while others do not seek such services. For this reason, I am concerned that the number of customers and cash flows will decrease over the mid and long term. I would like to recommend that Nippon Life launch new businesses where customers can apply online to purchase affordable and easy-to-understand products, such as internet-only life insurance, and to conduct initiatives through M&As.
- How does Nippon Life's appointment of female managers compare with that of other life insurance companies? When does Nippon Life expect to achieve the government's target of 30% for the ratio of female managers, and what measures is it taking to address this target?
- Nippon Life has appointed two female executive officers (including one director). Isn't your appointment of female managers too low? I would like Nippon Life to devote more effort to the appointment and development of female managers.
- With regard to increasing the efficiency of operations through digital transformation, I believe that Nippon Life will need to carry out fundamental reforms considering factors such as changes in the social environment, instead of merely pursuing the digitalization of existing operations. What kinds of measures are you taking to address this issue?
- In promoting digitalization, I believe that it is important for Nippon Life to build systems that are easy for elderly customers to use, read and understand. What steps are you taking to address this issue?
- Work styles have changed in step with the spread of COVID-19. Could you please discuss Nippon Life's approaches and responses to the following three matters: (1) review of the Head Office organization and work styles independent of location, such as work from home; (2) how conferences should be held for the purpose of sharing information and communicating intentions in a telework environment; and (3) labor management and personnel evaluation.
- The news media and other sources have reported on the fraudulent acquisition of money by former employees of another life insurance company. Does Nippon Life offer any products with ultra-high investment returns that only certain customers are eligible to purchase? In the wake of this incident, I would like Nippon Life to increase its awareness of the importance of compliance.
- At the Meeting of Representatives in July, I was briefed on matters such as the additional increase in capital of approximately ¥24.0 billion in MLC Limited in June. In the first half of the fiscal year ending March 31, 2022, MLC Limited continues to face challenging circumstances, such as recording an ordinary loss of more than ¥5.0 billion. Therefore, I believe that Nippon Life faces issues regarding the control of overseas subsidiaries. Could you please discuss what kinds of measures you will implement to address these issues on the funding and human resources fronts?
- I have extremely high expectations for initiatives that will be undertaken through comprehensive partnership agreements between Nippon Life and various prefectures, such as regional health enhancement and tourism promotion initiatives, and matching activities with companies. It has been reported that other life insurance companies are pursuing regional revitalization by forming partnerships with regional banks. In response to the COVID-19 pandemic, what kinds of initiatives will Nippon Life implement to realize regional revitalization?
- I believe that initiatives to address the CO<sub>2</sub> issue will accelerate further. We have already seen encouraging developments such as the 2050 Carbon Neutral Declaration and the U.S. rejoining the Paris Agreement. However, considering Japan's industrial and energy structure, I believe that reducing CO<sub>2</sub> will be a difficult issue for the country to tackle. What measures will Nippon Life take to address the CO<sub>2</sub> issue in the future as an institutional investor?
- In response to the COVID-19 pandemic, measures have been implemented to allow pregnant women to take a leave of absence by presenting a medical certificate. Considering these and other developments, I believe it will be necessary to develop products from new perspectives and revise the scope of medical conditions covered by existing products. Could you please discuss any related initiatives you may already be considering?
- I believe that your healthcare initiatives are good steps. However, I would like Nippon Life to strive to ensure that its services can reach more companies, particularly small enterprises with less than 10 employees. Additionally, only around 20–30% of people who have been assessed to have severe medical conditions in health check-ups seek treatment at hospitals, so measures to address the prevention of severe medical conditions are crucial. For this reason, I would like Nippon Life to keep on considering such measures. Looking ahead, I expect economic disparity to grow as the population continues to decrease and there are fewer children. Under these conditions, I have strong expectations for Nippon Life's initiatives.
- As COVID-19 continues to spread, I feel that the task of preserving the sales front lines has been extremely challenging. I believe that Nippon Life is here today because its more than 50,000 sales representatives have always safeguarded the sales front lines. I urge Nippon Life to continue to implement measures such as expressing its appreciation for the sales front lines and entrenching principles. Doing so will ensure that Nippon Life can maintain the sales representative channel, which is the starting point of its business.

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 Fiscal 2020 and Our Responses

**Q. Special handling measures such as providing exemptions of interest payable on new policy loans in consideration of the impact of COVID-19 were highly effective assistance measures. I would like Nippon Life to continue to support policyholders and stand close by their side.**

- A**
- As COVID-19 continues to spread, Nippon Life has responded to the needs of customers in a variety of ways as it strives to remain closely attuned to their circumstances and emotional wellbeing. In doing so, we will ensure that Nippon Life fulfills its social responsibilities as a life insurance company.
  - Specifically, we have carried out the steps listed below, which include the exemptions of interest payable on new policy loans that you have commended, as special handling measures for policies.
    - Exemptions of interest payable on new policy loans (207,628 cases)\*<sup>1</sup>
    - Extensions of premium payment deadlines (24,856 cases)\*<sup>2</sup>
    - Making payment of hospitalization benefits applicable even in cases where a customer receives treatment at home or another location (7,005 cases, ¥901.89 million)\*<sup>3,4</sup>
    - Regarding payment of coverage for deaths caused by disaster, etc. that were directly attributable to COVID-19, customers were made eligible for payments, such as those through the accident rider with extra premium (102 cases, ¥777.82 million)\*<sup>5,6</sup>.
  - In addition to the measures described above, Nippon Life has implemented the following investment and finance and social contribution measures.
    - Investment and finance in Japan and overseas to fulfill companies' demand for funds
    - Deferment of rent payments from tenants such as restaurants that have had to close temporarily
    - Donations to medical-related institutions and other measures
  - Looking ahead, Nippon Life will continue to consider its response according to conditions, as it strives to offer close-knit support to customers, communities, and society. Concurrently, Nippon Life will continue to carefully monitor social conditions and national government and local government policies related to COVID-19.

\*<sup>1</sup> The number of cases for which exemptions of interest payable were granted from the new loan start date to September 30, 2020. (Application acceptance period: March 16, 2020 to June 30, 2020)

\*<sup>2</sup> The sum total (as of March 31, 2021) of the number of cases for which extensions of up to 6 months were accepted from March 16, 2020 for the policies of customers throughout Japan, and the number of cases for which extensions of up to 6 months were accepted from January 8, 2021 for the policies of customers in regions where a state of emergency declaration had been issued from January 2021 or later. In addition, extensions of up to 6 months have been accepted from April 25, 2021 for the policies of customers in regions where a state of emergency declaration had been issued from April 2021 or later.

\*<sup>3</sup> Number of cases addressed since the start of handling on April 7, 2020. (As of March 31, 2021)

\*<sup>4</sup> This handling measure may be revised due to reasons such as future amendments to laws and regulations.

\*<sup>5</sup> Number of payments since the start of handling on April 16, 2020. (As of March 31, 2021)

\*<sup>6</sup> While considering conditions surrounding COVID-19, in cases such as those where the concept of disaster coverage no longer applies, this handling measure may be ended after providing broad prior notice of such a change.

**Q. I highly commend the screen sharing system that allows customers to complete insurance enrollment procedures online. While continuing to emphasize the importance of face-to-face activities, I would like Nippon Life to take steps to fulfill a diverse array of needs in combination with online capabilities.**

- A**
- Thank you very much for highly commending Nippon Life's initiatives.
  - From June 2020, Nippon Life has worked to deploy the screen sharing system at certain sales offices and other sites. In January 2021, the deployment of the screen sharing system was completed at all sales offices and other sites\*<sup>1</sup> throughout Japan.
  - The use of this system allows sharing of the screen of the TASKALL mobile device for sales representatives and the PC screens of customers. For customers who do not seek in-person interactions and customers located afar, sales representatives and customers can carry out insurance enrollment, policy maintenance and other procedures together with customers while they view the same screen online.
  - In addition, we are working to enable sales representatives to interact with customers online through such means as email and social media. As part of these efforts, we are distributing the N-Phone smartphone for sales representatives to all sales representatives\*<sup>2</sup>.
  - Moreover, we are striving to enhance the information we provide by upgrading and expanding content that can be sent online via email, social media, and other means. This content includes product explanation videos designed to encourage customers to become interested in insurance, and a tool that enables customers to run simulations of premiums on their smartphones.
  - While we advance these sorts of online initiatives, we also recognize that, as you point out, there are customers who would like to consult or confirm matters with sales representatives in person, as before. These customers seek to meet with sales representatives to, for example, receive detailed explanations of the policies they are currently enrolled in and any insurance coverage they may need.
  - We will continue to combine both face-to-face and online channels so that we can fulfill a diverse array of customer needs. In the process, we will work to ensure that we can provide services that match the preferences of every customer.

\*<sup>1</sup> Deployment has been completed at Nissay Life Plazas, branches and other sites throughout Japan, in addition to all sales offices.

\*<sup>2</sup> N-Phone smartphones have been successively introduced since January 2020, with distribution to all sales representatives scheduled to be completed by August 2021.

### Other Opinions and Requests

#### [Products and Services]

- Will you develop insurance products focused on providing insurance coverage for COVID-19?
- I would like Nippon Life to expand the lineup of products and services focused on an era with an average life expectancy of 100 years—products and services that everyone, including seniors, can enroll in.
- Ninchisho Support Plus* is a good product that fits the current times and needs. I expect Nippon Life to continue to develop and offer these sorts of products going forward.
- 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 that are easy to enroll in, or supply information via social media and other channels.

#### [Sales Networks]

- I would like Nippon Life to continue to strengthen the consulting capabilities of sales representatives and thereby provide appropriate proposals and information.
- I would like Nippon Life to conduct more asset formation seminars and seminars for young employees of companies by making use of a full range of resources, including online capabilities.

#### [Supply of Information]

- I have a favorable impression of Nippon Life's TV commercials. However, the product details are difficult to understand. May I suggest running TV commercials that highlight Nippon Life's products in greater detail?

#### [Administrative Procedures]

- I would like Nippon Life to advance paperless operations and improve convenience through efforts such as upgrading and expanding the functionality of its website and smartphone apps.

#### [Digital Technology]

- It is good that Nippon Life is promoting the digitalization of procedures for requesting payment of benefits and other processes, but I would like it to also consider the needs of customers such as seniors who are not used to digital technology.

#### [Asset Management and Soundness]

- Could you please discuss your initiatives to generate investment returns in an ultra-low interest rate environment? In addition, I would like Nippon Life to enhance dividends to policyholders.

#### [Sustainability Management]

- Could you please discuss your SDGs initiatives? Also, may I suggest that you highlight these initiatives even more?



## Balance Sheets / Statements of Income

### ■ Main Items in Balance Sheets

#### Consolidated

As of March 31	2021	
Total assets	85,589.9	<b>A</b>
Cash and deposits	1,771.8	
Call loans	540.0	
Monetary receivables purchased	316.3	
Assets held in trust	0.1	
Investments in securities	70,741.6	<b>B</b>
Loans	8,423.9	
Tangible fixed assets	1,941.0	
Intangible fixed assets	385.6	
Reinsurance receivables	26.7	
Other assets	1,367.1	
Net defined benefit asset	0.4	
Deferred tax assets	13.5	
Customers' liability for acceptances and guarantees	71.7	
Allowance for doubtful accounts	(10.3)	
Total liabilities	76,773.3	
Policy reserves and other reserves:	68,266.9	<b>C</b>
Policy reserves	66,916.1	
Reinsurance payables	8.0	
Corporate bonds	1,432.6	
Other liabilities	3,871.1	
Accrued bonuses for directors and Audit and Supervisory Board members	0.4	
Net defined benefit liability	438.2	
Accrued retirement benefits for directors and Audit and Supervisory Board members	0.6	
Reserve for program points	8.5	
Reserve for price fluctuations in investments in securities	1,610.7	<b>D</b>
Deferred tax liabilities	962.3	
Deferred tax liabilities for land revaluation	101.8	
Acceptances and guarantees	71.7	
Total net assets	8,816.5	
Foundation funds	① 100.0	<b>E</b>
Reserve for redemption of foundation funds	② 1,300.0	
Reserve for revaluation	③ 0.6	
Consolidated surplus	④ 709.5	
Total foundation funds and others (=①+②+③+④)	2,110.2	
Net unrealized gains on available-for-sale securities	⑤ 6,767.2	
Deferred losses on derivatives under hedge accounting	⑥ (163.0)	
Land revaluation losses	⑦ (57.4)	
Foreign currency translation adjustments	⑧ (25.7)	
Remeasurement of defined benefit plans	⑨ (6.5)	
Total accumulated other comprehensive income (=⑤+⑥+⑦+⑧+⑨)	6,514.4	
Share acquisition rights	1.3	
Noncontrolling interests	190.5	
Total liabilities and net assets	85,589.9	

#### **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 mid- 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.

#### Nonconsolidated

As of March 31	2021	
Total assets	73,974.2	
Cash and deposits	861.5	
Call loans	540.0	
Monetary receivables purchased	172.6	
Assets held in trust	0.1	
Investments in securities	62,230.7	
Loans	7,430.7	
Tangible fixed assets	1,710.6	
Intangible fixed assets	189.7	
Reinsurance receivables	0.3	
Other assets	807.4	
Customers' liability for acceptances and guarantees	71.2	
Allowance for doubtful accounts	(8.2)	
Allowance for investment loss	(32.8)	
Total liabilities	65,655.9	
Policy reserves and other reserves:	58,646.0	
Policy reserves	57,420.2	
Reinsurance payables	0.4	
Corporate bonds	1,321.5	
Other liabilities	2,730.7	
Accrued bonuses for directors and Audit and Supervisory Board members	0.4	
Accrued retirement benefits	375.6	
Reserve for program points	8.5	
Reserve for price fluctuations in investments in securities	1,521.9	
Deferred tax liabilities	877.5	
Deferred tax liabilities for land revaluation	101.8	
Acceptances and guarantees	71.2	
Total net assets	8,318.2	
Foundation funds	① 100.0	
Reserve for redemption of foundation funds	② 1,300.0	
Reserve for revaluation	③ 0.6	
Surplus	④ 494.5	
Total foundation funds and others (=①+②+③+④)	1,895.2	
Net unrealized gains on available-for-sale securities	⑤ 6,642.1	
Deferred losses on derivatives under hedge accounting	⑥ (161.5)	
Land revaluation losses	⑦ (57.4)	
Total valuations, conversions, and others (=⑤+⑥+⑦)	6,423.0	
Total liabilities and net assets	73,974.2	

#### **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

Fiscal year ended March 31	2021	
① Ordinary income:	8,160.9	
Revenues from insurance and reinsurance	5,190.1	<b>F</b>
Investment income:	2,682.0	<b>G</b>
Interest, dividends and other income	1,558.9	
Gain on sales of securities	537.3	
Other ordinary income	288.8	
② Ordinary expenses:	7,685.3	
Benefits and other payments:	4,696.7	<b>H</b>
Death and other claims	1,233.4	
Annuity payments	991.9	
Health and other benefits	847.0	
Surrender benefits	1,278.2	
Other refunds	256.1	
Provision for policy reserves:	1,508.2	
Provision for policy reserves	1,486.7	
Provision for interest on reserve for dividends to policyholders (mutual company)	21.4	
Provision for interest on reserve for dividends to policyholders (limited company)	0.0	
Investment expenses:	347.2	<b>I</b>
Loss on sales of securities	47.6	
Loss on valuation of securities	6.7	
Loss on derivative financial instruments, net	146.2	
Operating expenses	791.7	
Other ordinary expenses	341.3	
③ Ordinary profit (=①-②)	475.6	
④ Extraordinary gains	1.5	
⑤ Extraordinary losses:	93.4	
Provision for reserve for price fluctuations in investments in securities	79.1	
⑥ Extraordinary gains (losses) (=④-⑤)	(91.9)	
⑦ Provision for reserve for dividends to policyholders (limited company)	11.9	
⑧ Surplus before income taxes: (=③+⑥-⑦)	371.7	
Income taxes – current	154.6	
Income taxes – deferred	(119.0)	
⑨ Total income taxes	35.6	
⑩ Net surplus (=⑧-⑨)	336.0	<b>J</b>
⑪ Net loss attributable to noncontrolling interests	4.5	
⑫ Net surplus attributable to the parent company	331.5	

#### **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

Fiscal year ended March 31	2021	
① Ordinary income:	6,475.3	
Revenues from insurance and reinsurance	4,264.6	
Investment income:	2,083.0	
Interest, dividends and other income	1,381.9	
Gain on sales of securities	507.2	
Other ordinary income	127.6	
② Ordinary expenses:	6,044.2	
Benefits and other payments:	3,803.4	
Death and other claims	999.5	
Annuity payments	803.4	
Health and other benefits	661.3	
Surrender benefits	1,108.8	
Other refunds	228.3	
Provision for policy reserves:	1,221.3	
Provision for policy reserves	1,199.9	
Provision for interest on reserve for dividends to policyholders	21.4	
Investment expenses:	227.4	
Loss on sales of securities	40.1	
Loss on valuation of securities	4.9	
Loss on derivative financial instruments, net	48.0	
Operating expenses	575.2	
Other ordinary expenses	216.7	
③ Ordinary profit (=①-②)	431.0	
④ Extraordinary gains	0.0	
⑤ Extraordinary losses:	86.8	
Provision for reserve for price fluctuations in investments in securities	73.9	
⑥ Extraordinary gains (losses) (=④-⑤)	(86.7)	
⑦ Surplus before income taxes: (=③+⑥)	344.2	
Income taxes – current	134.3	
Income taxes – deferred	(113.5)	
⑧ Total income taxes	20.8	
⑨ Net surplus (=⑦-⑧)	323.4	

#### **I** Investment Expenses

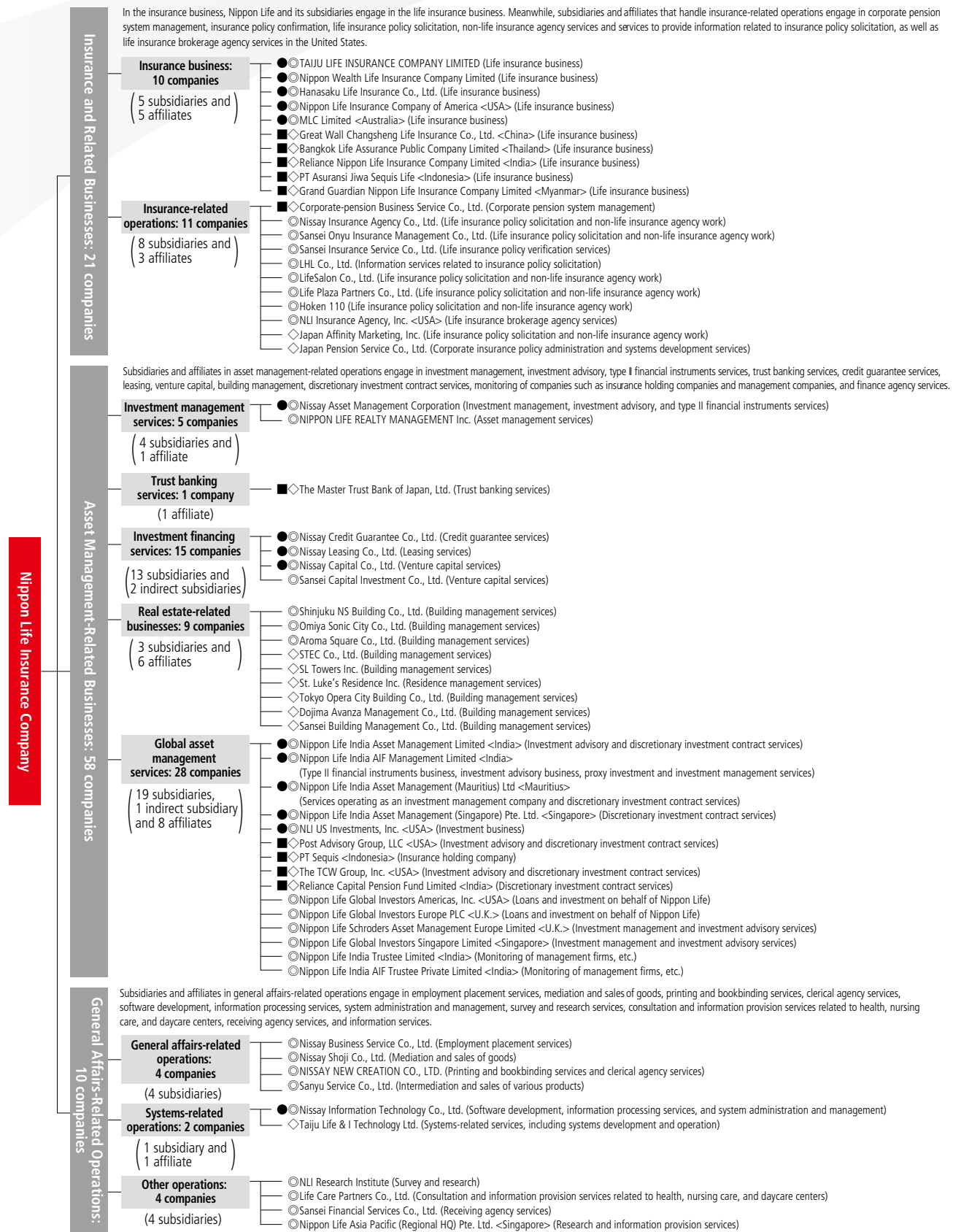
These are expenses including loss on sales of securities, loss on valuation of securities and others.

#### **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.

## Business Structure / Subsidiaries and Affiliates

### ■ Business Structure (As of March 31, 2021)



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

### ■ 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, 2021.

#### 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 (%)
TAIJI LIFE INSURANCE COMPANY LIMITED	Tokyo (Chiyoda-ku), Japan	Life insurance business	August 1, 1947 (December 29, 2015)	(Millions of Yen) ¥167,280	85.00	—
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) ¥40,000	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) \$3,265	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) ₹6,165	74.99	—
NLI US Investments, Inc.	Delaware, USA	Investments	March 25, 2013	(US Dollars) \$2	100.00	—

Notes: 1. NLI US Investments, Inc. changed its name to Nippon Life Americas, Inc. on May 1, 2021.  
2. The locations shown in parentheses in the location column for overseas subsidiaries represent the locations of the head office of each subsidiary.  
3. "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.  
4. "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, 2021.

#### 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.	Osaka (Osaka-shi), 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	—	19.33
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.
June 9, 2020	Nippon Life conducted an additional investment in MLC Limited, bringing MLC Limited's capital to AUD 2,735 million.
December 29, 2020	An additional investment was made in MLC Limited, bringing MLC Limited's capital to AUD 3,265 million.
March 16, 2021	Nippon Life acquired additional shares in TAIJI LIFE INSURANCE COMPANY LIMITED, bringing the percentage of voting rights held by Nippon Life to 85%.
March 31, 2021	Nippon Life acquired additional shares in Hanasaku Life Insurance Co., Ltd., bringing Hanasaku Life Insurance Co., Ltd.'s capital to ¥40 billion. The percentage of voting rights held by Nippon Life remains unchanged at 100%.



■ Outline of Nippon Life Insurance Company (As of March 31, 2021)


Name	Nippon Life Insurance Company
Locations	Osaka Head Office: 3-5-12, Imabashi, Chuo-ku, Osaka 541-8501, Japan Tokyo Headquarters: 1-6-6, Marunouchi, Chiyoda-ku, Tokyo 100-8288, Japan
President	Hiroshi Shimizu
Established	July 4, 1889
Offices	● Branches ..... 108 ● Sales offices ..... 1,521 ● Global representative offices ..... 4 ● Agencies* ..... 18,562
Group Companies	● Insurance and insurance-related businesses ..... 21 ● Asset management-related businesses ..... 58 ● 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	<a href="https://www.nissay.co.jp/english/">https://www.nissay.co.jp/english/</a> <small>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.</small>	
Nissay Life Plaza (Consulting service counter for daily life and insurance)	<ul style="list-style-type: none"><li>● <b>Business days: Monday to Friday</b> (Excluding public holidays and the period from December 31 to January 3) Certain Nissay Life Plaza locations provide insurance consulting services on Saturdays. <small>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.</small></li><li>● <b>Business hours: Business hours vary with each Nissay Life Plaza retail outlet.</b> For details, please check the Nissay website.</li><li>● <b>For details on the Nissay Life Plaza consulting service counter for daily life and insurance, please visit the following website</b> <a href="https://www.nissay.co.jp/madoguchi/">https://www.nissay.co.jp/madoguchi/</a></li></ul>	
Nissay Call Centers	<b>0120-201-021</b>	
Phone line for elderly customers	<b>0120-147-369</b> <b>Operating hours: 9:00–18:00 Monday to Friday; 9:00–17:00 on Saturdays</b> (Excluding public holidays and the period from December 31 to January 3) <small>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.</small>	

Nippon Life Apps



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