

February 28, 2019

Dai-ichi Life to Impact Invest in Challenergy Inc. —Helping to reduce CO₂ emissions using the world’s first wind turbine capable of generating electricity even in typhoons—

The Dai-ichi Life Insurance Company, Limited (the “Company”; President and Representative Director: Seiji Inagaki) has decided to impact invest¹ ¥200 million in Challenergy Inc. (“Challenergy”; President and CEO: Atsushi Shimizu), a domestic startup that develops wind turbines capable of generating electricity even in typhoons, as part of its ESG investment program.

Social Impacts

Reducing CO₂ emissions

Reduce CO₂ emissions by replacing fossil fuel power generation on remote islands and other locations

Providing a stable supply of electricity

Provide a stable supply of electricity in regions such as remote islands with frequent typhoons



Challenergy has successfully developed the Magnus Vertical Axis Wind Turbine (VAWT)², the world’s first wind turbine capable of steadily generating electricity even under conditions such as typhoons—a difficult feat using conventional wind turbines. As a result, wind power generation providing clean energy from Magnus VAWTs is expected to replace fossil fuel power generation, which is used extensively in regions such as remote islands, and to help reduce CO₂ emissions. In addition, it is anticipated that Magnus VAWTs will provide a stable supply of electricity to remote islands in Okinawa and regions with frequent typhoons such as remote islands in Philippines.

Magnus Vertical Axis Wind Turbine

(Source: Challenergy)



The Company will provide capital support to Challenergy’s initiatives as it expects this investment will realize a high level of returns as well as help to reduce CO₂ emissions and provide a stable supply of electricity (social impacts). The Company will also continuously monitor progress.

In addition, the Company will include Challenergy’s wind turbines in its property portfolio and consider using them as power sources for its businesses and as emergency backup power supplies for local communities.

The Company will continue to enhance investment returns through increasingly sophisticated and diverse investment methods. As a responsible institutional investor that should contribute toward realizing a sustainable society, the Company is also actively engaged in ESG investment.

¹ Impact investment is an investment method where Dai-ichi Life makes investment decisions with the intent to gain investment returns and generate social impacts (e.g., structural change in society).

² A wind turbine capable of generating electricity under conditions of high winds and frequent changes in wind direction, including typhoons, through the use of a rotating cylinder wing instead of a propeller.

Challenergy's President and CEO Atsushi Shimizu made the following remarks:



“I am pleased to have received an investment from Dai-ichi Life, one of Japan's leading institutional investors, and to have started considering the introduction of our Magnus Vertical Axis Wind Turbine in its properties. In recent years, the damage caused by natural disasters has been growing, and the insurance industry is also aware of the importance of addressing climate change. Through this funding, we will accelerate development toward mass-production in 2020, realize a global energy shift, and grow Challenergy into a company with a social impact.”

Company Outline

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|----------------------|--|
| Trade name | Challenergy Inc. |
| Head Office | 4-36-21 Yahiro, Sumida-ku, Tokyo, Japan, 130-0003 |
| President and CEO | Atsushi Shimizu |
| Established | October 2014 |
| Business Description | Development of the Magnus Vertical Axis Wind Turbine |

Dai-ichi Life's Impact Investment History

| Headlines | Release date | URL |
|--|---------------|---|
| Dai-ichi Life to Engage in Impact Investment –First Impact Investment in Gojo & Company, Inc. which provides support for micro-finance business– | Oct. 23, 2017 | http://www.dai-ichi-life.co.jp/company/news/pdf/2017_043.pdf |
| Dai-ichi Life to Invest in Spiber Inc. –Second Impact Investment through Support for Development of New-Generation Bio-Materials– | Oct. 23, 2017 | http://www.dai-ichi-life.co.jp/company/news/pdf/2017_044.pdf |
| Dai-ichi Life to Invest in CureApp, Inc. –Third Impact Investment through Support for Treatment Applications– | Feb. 26, 2018 | http://www.dai-ichi-life.co.jp/company/news/pdf/2017_071.pdf |
| Dai-ichi Life to Impact Invest in CROWD CREDIT, Inc. –Energize Business Activities in Developing Countries to Alleviate the Global Supply-Demand Gap for Funds– | Apr. 5, 2018 | http://www.dai-ichi-life.co.jp/company/news/pdf/2018_002.pdf |
| Dai-ichi Life to Impact Invest in SUSMED, Inc. –Promote the Widespread Adoption of Non-Drug Therapies through Insomnia Therapy Apps– | Jun. 4, 2018 | http://www.dai-ichi-life.co.jp/company/news/pdf/2018_008.pdf |
| Dai-ichi Life to Impact Invest in MELTIN MMI –Mitigating Accidents Caused by Work in Hazardous Environments Using MELTIN's Avatar Robots– | Oct. 17, 2018 | http://www.dai-ichi-life.co.jp/company/news/pdf/2018_040.pdf |
| Dai-ichi Life to Impact Invest in MOLCURE Inc. –Shortening Pharmaceutical Development with the World's First Antibody Discovery Platform Utilizing AI – | Nov. 27, 2018 | http://www.dai-ichi-life.co.jp/company/news/pdf/2018_048.pdf |
| Dai-ichi Life to Impact Invest in QD Laser, Inc. –World's First Eyewear that Employs State-of-the-Art Laser Technology Improves Quality of Life for Low-Vision Patients | Dec. 12, 2018 | https://www.dai-ichi-life.co.jp/company/news/pdf/2018_052.pdf |