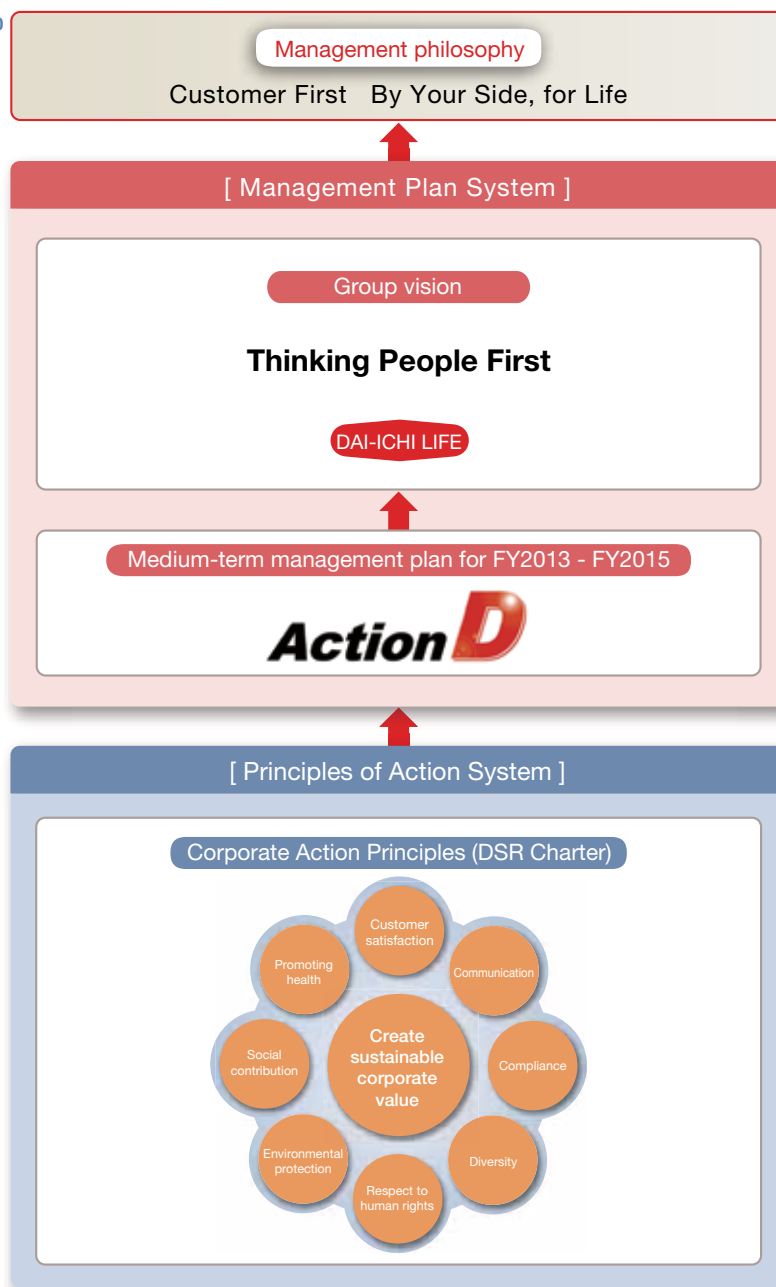


DSR Management Setup

Since our founding in 1902, for more than 110 years the Company has been striving to practice its *Customer First* management philosophy. We will continue to position this management philosophy as our permanent raison d'être, and continue to stand by the side of our customers and their loved ones, for life.

DSR Management Setup



What Is DSR (Dai-ichi's Social Responsibility)?

DSR stands for Dai-ichi's Social Responsibility (the social responsibility of the Dai-ichi Life Group). It is part of our management framework to fulfill our social responsibility to each stakeholder and increase the corporate value of the Dai-ichi Life Group by continually improving the quality of our management across the Group through the PDCA (Plan-Do-Check-Action) cycle.

Medium-Term Management Plan ‘Action D’ for FY2013 to FY2015

From fiscal 2013 to fiscal 2015, the Company will be working on its medium-term management plan *Action D The Group’s Collective Challenges for Achieving Further Growth*. DSR Management is our name for our framework for value creation management that achieves our Group vision of *Thinking People First*. We aim to realize consistent and sustainable growth based on this framework, in order to live up to the expectations of our stakeholders. We regard the three years that we will be developing under *Action D* as a time when we will collectively strive for further growth and take a wide variety of measures with a greater tilt toward growth based on our basic strategies consisting of the four *D*’s.



■ Growth Strategy [Dynamism]

Dynamic and flexible strategy to react to diversifying markets and achieve growth that meets stakeholders’ expectations

● Implement growth strategy to increase our share of the domestic life insurance market

We will achieve above market growth by continuing to launch highly competitive products that meet customer needs. Specifically, the Company plans to improve its products in the medical and nursing care areas, while The Dai-ichi Frontier Life Insurance Co., Ltd. will dynamically launch competitive savings-type products. We will also provide *consistent, high-quality* consulting services by leveraging the Company’s collective power.

We will work to create synergies by promoting sales as a Group, including boosting sales through collaborations between The Dai-ichi Frontier Life Insurance Co., Ltd., DIAM Co., Ltd., and the Company. We will also discover markets with growth potential by providing solutions based on our customers’ perspectives. We aim to continue to improve the efficiency of our fixed costs by pursuing the best cost structure to increase our competitiveness.

● Accelerate business development and increase the contribution to profits in overseas life insurance markets

We aim to build a regionally diversified overseas business portfolio over the medium term, taking into account growth potential and profitability. We will also strive to increase our value in countries where we have already made investments. We will upgrade our business administration system and infrastructure, creating a system for specialized human resources and expertise in a way that can be shared throughout the Group.

● Expand the contribution to profits in the asset management area

We will aim for profit growth in our asset management business. We will also endeavor to secure additional revenues by promoting our ALM operation (Note) and dynamically managing our assets.

(Note) See page 35 for details.

■ ERM (Note) [Discipline]

Disciplined decision-making through ERM for attaining a capital level on par with leading global life insurers, and an increase in capital efficiency and corporate value

We will strive to achieve a capital level comparable to that of leading global life insurers. We will also endeavor to increase our capital efficiency and corporate value and enhance returns to shareholders by reallocating capital.

(Note) See page 18 for details.

■ Group Management [Dimension]

Dimensions with evolution of the Group's management framework to support growth

We aim to accelerate the growth of the Group and further strengthen Group management centered on our Group Management Headquarters (Note). We plan to maximize our corporate value by sharing our vision and strategies with Group companies.

(Note) See page 19 for details.

■ Human Capital Development [Diversity]

Diversified human capital developed to compete effectively in the global market

We will enhance our channels to provide consistent, high-quality consulting services. We will also promote Diversity & Inclusion (Note) by ramping up our efforts to promote the active participation of women in the workplace, among other initiatives.

(Note) See page 21 for details.

Continuing to Stand by the Side of Our Customers for Life

We will look at the *present* and *future* of each of our customers, and through the concerted efforts of all our staff we will support sound and healthy lives for them through our comprehensive services in order to ensure their peace of mind.

Dai-ichi will remain a lifelong partner of our customers.

System to Provide Consulting Services that Leverage Dai-ichi's Organizational Power

In the Japanese life insurance market, competition has intensified due to significant environmental changes such as an increase in independent agents and online insurance sales, in addition to diversified customer needs.

In this environment, the Company has launched a comprehensive marketing strategy, and is promoting customer-oriented activities as the lifelong partner of its customers. The Company's Total Life Plan Designers (sales representatives) are serving as its core sales force by improving their relationships with each customer who has a policy through all points of contact across the Company.

From our experience after the Great East Japan Earthquake, which struck in March 2011, we renewed our awareness of the importance of providing consulting services tailored to each customer and promoting communications with their family members, including their beneficiaries, and also the importance of regularly updating their contact information, etc. to ensure that they receive their insurance claims and benefits, which is the primary role of life insurance.

Based on this understanding, we will continue to work to provide a wide range of services, such as insurance policies as well as health, medical services, and information on the social security system, which are all closely related to life insurance. We will do this during our face-to-face consultations at all points of contact with customers, from contract to expiration and payment, and by improving our *Periodical Insurance Information Check*. This is implemented when we send out our *Total Life Plan Report*, an annual notice of the contents of customer policies, and our *Medical Support Service*, which provides information on the health and medical services, child care, and nursing care available for policyholders and their family members.

With our Total Life Plan Designers across the country and all our staff drawing on their specialized skills to provide all our customers with consistent, high-quality consulting services, working as one strong, professional organization backed by teamwork that extends beyond the boundaries of each department, we can deliver substantial peace of mind that will be passed down to the next generation.

We will promote these initiatives to continue to be the company of choice for our customers, and will ensure the sustainable growth of our core business by increasing our profitability and competitiveness along with our customer satisfaction.

* See pages 54–62 for details.

■ Delivering our Total Life Plan Reports and implementing our Periodical Insurance Information Checks

Our Total Life Plan Report informs policyholders of the contents of their policies and the performance of the Company each year. At the time we send out the Total Life Plan Reports, our Total Life Plan Designers implement Periodical Insurance Information Checks, verifying the contents of customers' policies, their payment history, and seeing if there are any changes in their registered information.

The reports include not only the contents of life insurance policies of the Company but also the contents of nonlife insurance policies of Sampo Japan and the cancer insurance policies of AFLAC, which the Company has handled as an insurance agency, so that policyholders can confirm all their policies. Moreover, to ensure that policyholders can claim insurance benefits, the report also includes an eligibility list for the payment of claims on each main insurance policy and rider and a 10-year payment history for claims and benefits related to hospitalization and operation by policy, so that policyholders can access more detailed information about their claims.

Policyholders are able to verify the procedures related to filing claims and benefits using the Periodical Insurance Information check sheet and the Customer Service Information Registration form at the end of the Total Life Plan Report. We are also working to develop an environment to ensure that customers receive claims and benefits by registering family information and contact information for family members who are the recipients of these claims and benefits.

■ The DL Pad, a tablet computer for sales and business use

In August 2012, the DL Pad, our latest tablet computer for sales and business use, was introduced to replace eNavit, our former portable PC. The DL Pad is a tablet that allows Total Life Plan Designers to quickly make proposals and provide services anytime, anywhere. At the time of consultation, the DL Pad allows them to design an insurance plan with customers and explain a wide variety of information, including information on health and medical services and the social security system, by using illustrations and video comments to provide all customers with consistent, high-quality consulting services.

■ Tailoring our product lineup to more accurately meet customer needs

Based on the concept of delivering better-quality products, proposals and services for the duration of our customers' lives, we have been working to enhance our product lineup and services to more closely meet the needs of our customers and society. Following the launch of *Medical Yell* in 2010 and *Grand Road* in 2011, we launched *Junpu Life Power Medical* in 2012, a product that supports the treatment of disease from both insurance and service aspects (Note).

■ Nationwide Customer Survey

Nationwide Customer Survey in FY2012 Overall satisfaction

86.1%

[Purpose]	To clarify the reasons for customer satisfaction and dissatisfaction and to identify the steps required to improve customer satisfaction, through feedback from customers.
[Survey period]	September 3 to November 26, 2012
[Research agency]	Research and Development, Inc.

Each year, we calculate customer satisfaction as an indicator to measure the degree to which we are attaining our goal of *Maximize Customer Satisfaction*, as set forth in our basic management policy. We use customers' opinions from the survey to improve customer satisfaction.

Overall customer satisfaction improved year on year for the 11th consecutive year, and reached a record high of 86.1% in the Nationwide Customer Survey conducted in fiscal 2012.

■ Payment of Insurance Claims, Benefits, and Annuities

Payments in FY2012 ^(Note)
¥1,822.8 billion

The total amount of insurance claims, benefits, and annuities paid in FY2012 stood at ¥1,822.8 billion. As a lifelong partner of our customers, we will continue to support their total life plans through the payment of insurance claims, benefits, and annuities.

(Note) The payments above do not include the payment of cash surrender values, etc.

Accelerating Business Development for Growth

With changes in the social environment, the life insurance market is evolving. To respond to these changes and achieve sustainable growth, we have positioned our individual savings product business, overseas life insurance business, and asset management business as growth businesses.

Initiative in Savings-type Product Market

The life insurance market in Japan is being shaped by significant environmental and structural changes, such as demographic shifts associated with the declining birth rate and the aging society. Most baby boomers have retired from supporting their companies and families, and have started their second lives. Consequently, demand in the individual savings market to maintain a robust retirement and to enjoy long lives has been growing.

To bolster our operations in the savings-type product market, including the individual annuity insurance business, which we position as a growth field, our subsidiary The Dai-ichi Frontier Life Insurance Co., Ltd. commenced operations in October 2007. This subsidiary sells savings-type products, such as annuity insurance, through banks, securities companies, and other financial institutions.



Basic Management Policy of Dai-ichi Frontier Life

As a group company of Dai-ichi, whose management philosophy has been *Customer First (By Your Side, for Life)* since its foundation, Dai-ichi Frontier Life follows the concepts included in the basic management policies of Dai-ichi, positioning the following policies as the foundation of its management:

- To become a company with the very strong trust and support of its customers, business partners, and many other stakeholders, Dai-ichi Frontier Life will fully develop internal control systems, including a compliance system, and aim for sound and sustainable development.
- Dai-ichi Frontier Life is always striving to be ahead of changes in the business environment and the evolution of customers' needs and will continue to provide the most appropriate products and services that will satisfy customers.
- Dai-ichi Frontier Life will comprehensively pursue prompt, secure, and low-cost business operations and will seek to improve business efficiency.
- Employees will continue to perform challenging tasks to realize both their own dreams and the aspirations of Dai-ichi Frontier Life.

Dai-ichi Frontier Life – Main Financial Results

Dai-ichi Frontier Life delivers products tailored to customer needs through banks, securities companies, and other financial institutions. With sales results remaining firm, Dai-ichi Frontier Life has been growing steadily as a major supplier of life insurance products in the over-the-counter sales market.

Sum Insured of New Business

¥511.8 billion

(FY2012)

Sum Insured of New Business is an indicator showing the insured amount of the new insurance policies that a life insurance company has contracted in a given fiscal year. This stood at ¥511.8 billion (148.4% year on year) in fiscal 2012 due to strong sales of foreign currency-denominated products and variable annuities.



Sum Insured of Policies in Force

¥2,236.3 billion

(As of March 31, 2013)

Sum Insured of Policies in Force is an indicator showing the total insured amount of insurance policies held by a life insurance company. This has increased steadily, mainly attributable to the introduction of new products, and amounted to ¥2,236.3 billion at the end of fiscal 2012.

Premium and Other Income

¥551.0 billion

(FY2012)

Premium and Other Income stood at ¥551.0 billion in fiscal 2012, mainly reflecting the strong sales of foreign currency-denominated products and variable annuities, which we began selling in August 2012.

Total Assets

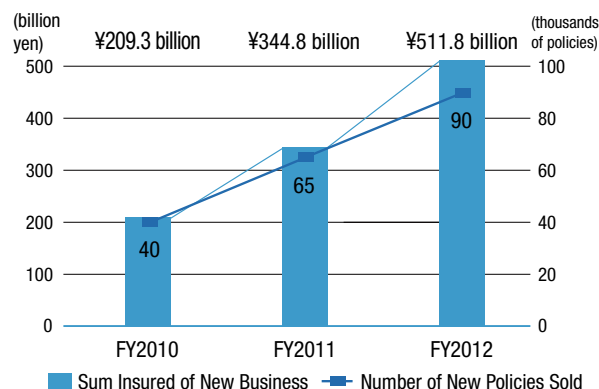
¥2,373.1 billion

(As of March 31, 2013)

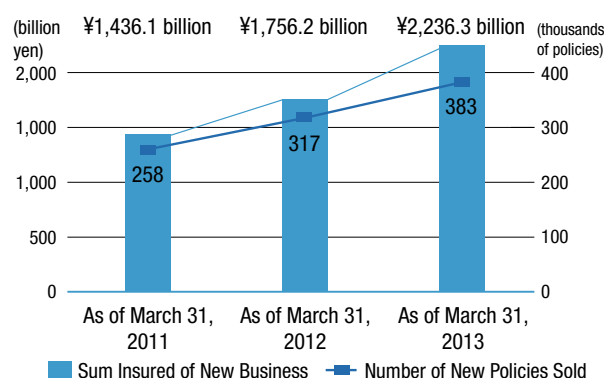
Total Assets represent the sum of assets such as cash and deposits, call loans, and securities. Total Assets at the end of fiscal 2012 came to ¥2,373.1 billion, an increase of ¥512.5 billion from the end of the previous fiscal year. Of the total assets of Dai-ichi Frontier Life, ¥817.5 billion are general account assets and ¥1,555.6 billion are special account assets (Note).

(Note) Receivables generated from transactions involving general account assets are deducted under the Insurance Business Act.

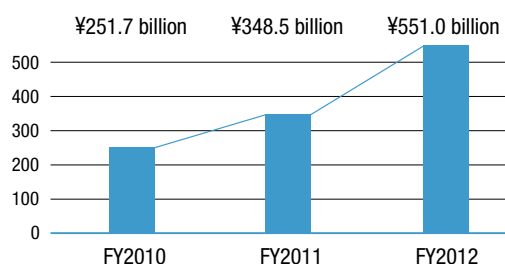
Sum Insured of New Business and Number of New Policies Sold



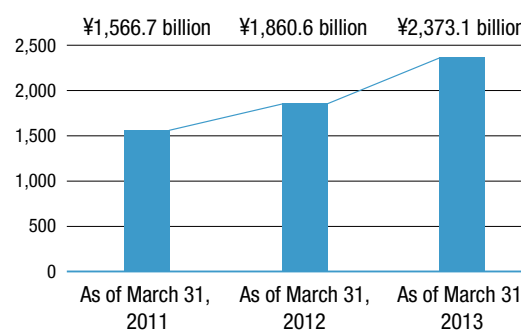
Sum Insured of Policies in Force and Number of Policies in Force



Premium and Other Income



Total Assets



Initiatives in the Overseas Life Insurance Business

We are working to accelerate the operation of overseas businesses for growth.

Through our overseas subsidiaries and affiliated companies, we contribute to the promotion of life insurance and the development of the life insurance market, and seek to expand our businesses from a medium and long-term perspective according to the economic development of each country. We are also contributing more to Group business by sharing the life insurance expertise we have accumulated over the past 100 years and pursuing added value based on greater cooperation among our overseas subsidiaries and affiliated companies.



Winner of the Indian Insurance Award

Number of employees ⁽¹⁾

1,891

Actual premium income ^{(2) (3)}

6,683 million rupees

(10.6 billion yen)

Year on year
+9.2%

Market share / ranking ^{(4) (5)}

2.4% / 11th



Sales managers conference

Number of employees ⁽¹⁾

1,961

Actual premium income ^{(2) (3)}

14,800 million baht

(41.7 billion yen)

Year on year
+11.5%

Market share / ranking ⁽⁴⁾

3.8% / 8th



Customer counter at the new head office

Number of employees ⁽¹⁾

555

Actual premium income ^{(2) (3)}

1,478.6 billion dong

(6.2 billion yen)

Year on year
+26.8%

Market share / ranking ⁽⁴⁾

8.0% / 4th



Signing ceremony with PT Panin Life

Number of employees ⁽¹⁾

218

Actual premium income ^{(2) (3)}

2,215.8 billion rupiah

(23.0 billion yen)

Year on year
+10.1%

Market share / ranking ⁽⁴⁾

2.8% / 12th



Commemoration ceremony for making TAL our subsidiary

Number of employees ⁽¹⁾

1,339

Actual premium income ^{(2) (3)}

1,864 million Australian dollars

(182.5 billion yen)

Year on year
+13.7%

Market share / ranking ⁽⁴⁾

13.5% / 2nd

India

Star Union Dai-ichi Life Insurance Company Limited, a joint life insurance company established in conjunction with two local state-owned banks, commenced operations in February 2009. This was the first time a Japanese life insurance company had entered the life insurance business in India.

Focusing on selling insurance through its joint partners, the two local state-owned banks, Star Union Dai-ichi Life Insurance is ranked 11th out of 23 private life insurance companies in a ranking of first-year premiums (January–December 2012), with the annualized premium being 6,683 million rupee in fiscal 2012, the fourth year since its founding.

Thailand

In July 2008, Dai-ichi agreed to take an equity stake in Ocean Life Insurance Co., Ltd. and form a strategic business alliance. Ocean Life Insurance subsequently became Dai-ichi's affiliate in the same year. ⁽⁶⁾

Since then, we have been cooperating with Ocean Life Insurance on an ongoing basis, for instance improving the sales capabilities of individual agents, to increase the corporate value of Ocean Life Insurance. In fiscal 2012, insurance premium income increased steadily, by 11.5% from the previous fiscal year. In addition, Ocean Life Insurance is rated highly in Thailand, and won the Excellent Insurance Company Award, which is given to insurance companies that are operated efficiently and have excellent corporate management, for the second consecutive year.

Vietnam

In January 2007, Dai-ichi acquired Bao Minh CMG, which commenced operations as Dai-ichi Life Insurance Company of Vietnam, Limited. This was the first instance of a Japanese life insurer operating in Vietnam.

With the life insurance market in Vietnam growing rapidly, the premium income of Dai-ichi Life Insurance Company of Vietnam increased faster than the market since the acquisition, reaching 4 times its pre-acquisition level in FY2006. The company's market share has also expanded from 4.4% in FY2006 to 8.0% in FY2012. Dai-ichi Life Insurance Company of Vietnam also enjoys a superior reputation in Vietnam. In 2013, for the fifth consecutive year, it received the Golden Dragon Award, which is given to foreign-affiliated companies that have contributed to Vietnam's economic development.

Indonesia

In June 2013, the Company entered into a new share subscription agreement with PT Panin Life (“Panin Life”) and PT Panin Internasional (“Panin Internasional”), the intermediate holding company of Panin Life, in Indonesia. Panin Life, a life insurance company in the Panin Group, a leading local financial group, is currently growing its business through multiple sales channels, including individual agents, bancassurance, and direct sales, while diversifying into other sales channels. Panin Life has been expanding its presence in the Indonesian market, as it increased its premium income by 10.1% from the previous fiscal year, a higher growth rate than the market, and boosted its industry ranking from 15th in 2009 to 12th in 2011.

We plan to accelerate our efforts to initiate a business alliance with the aim of developing a life insurance business and contributing to the economy in Indonesia, where tremendous growth is expected in a life insurance market backed by the world’s fourth largest population, by consolidating our expertise in the life insurance business with Panin Life’s strong brand and wealth of management resources.

Australia

In May 2011, TOWER Australia Group Limited, an affiliate of Dai-ichi, became a wholly owned subsidiary of Dai-ichi through a friendly acquisition scheme, and subsequently changed its corporate name to TAL Limited in June 2011.

TAL Limited employs strategies specializing in protection-type products, and increased its premium income by 13.7% year on year in FY2012, expanding its share of the protection-type insurance market in Australia, which has high growth potential. The management of TAL Limited is highly regarded in Australia. In March 2013, for the third consecutive year, the company received an award for the ‘Life Insurance Company of the Year,’ which is given to insurance companies that exhibit all-around excellence in terms of financial strength, products, and services.

We plan to support the growth of TAL Limited more than ever by strengthening our cooperation through the exchange of human resources.

- (1) Staff in the sales channel are not included. However, the staff involved in the direct sales of TAL Limited are included in the number of employees.
- (2) The period is January–December for Dai-ichi Life Insurance Company of Vietnam, Limited, Star Union Dai-ichi Life Insurance Company Limited, Ocean Life Insurance Co., Ltd., and PT Panin Life, and April–March for TAL Limited. Actual premium income represents premium and other income for Dai-ichi Life Insurance Company of Vietnam, Limited, TAL Limited, Ocean Life Insurance Co., Ltd., and PT Panin Life, and the annualized premium for Star Union Dai-ichi Life Insurance Company Limited.
- (3) Currencies are converted based on the following exchange rates: 1 dong = ¥0.0042, 1 Australian dollar = ¥97.93, 1 rupee = ¥1.59, 1 baht = ¥2.82, and 1 rupiah = ¥0.0104.
- (4) The basis of comparison is premium and other income for the Vietnamese, Thai, and Indonesian markets, the annualized premium of policies in force for the Australian market (the protection-type insurance market), and the first-year premium for the Indian market.
The period of comparison is January–December 2011 for the Indonesian market, January–December 2012 for the Vietnamese, Indian, and Thai markets, and the end of December 2012 for the Australian market.
- (5) The market share and ranking are among private life insurance companies, excluding the state-owned Life Insurance Corporation of India (LIC), in which the Indian government has a 100% stake.
- (6) Ocean Life Insurance Co., Ltd. changed its name to OCEAN LIFE INSURANCE PUBLIC COMPANY LIMITED in July 2012, due to its reorganization from a nonpublic stock company to a public stock company.

Initiatives for the Asset Management Business

Regarding the asset management business, the Company is working to develop business in this growth area.

We aim to benefit from the growth potential of the market by actively participating in the asset management market, where high, sustainable growth is expected against the backdrop of an aging population, a worldwide population increase, and measures to promote individual savings, mainly in developed countries, through our affiliates in Japan and overseas.

We have also made inroads into the asset management business overseas by taking a stake in Janus Capital Group Inc. in the United States in fiscal 2012. We plan to further bolster our efforts in the asset management business, using it as a driver to support the sustainable growth of the Group over the medium and long term, along with our efforts in the overseas life insurance business.

■ DIAM Co., Ltd.

In October 1999, Dai-ichi Life Asset Management Co., Ltd., IBJ NW Asset Management Co., Ltd. and IBJ Investment Trust Management Co., Ltd. merged to form DLIBJ Asset Management Co., Ltd., which was then renamed DIAM Co., Ltd. ("DIAM") in January 2008.

DIAM has been building a track record, mainly in the pension and investment trust businesses, as an asset manager in which the Company and Mizuho Financial Group, Inc. have a 50-50 stake. The balance of assets under management is ¥7 trillion (as of the end of March 2013) in the investment advisory business and ¥4.8 trillion (as of the end of March 2013) in the investment trust business, both of which boast one of the largest assets under management in Japan. DIAM, as well as the funds DIAM manages, is also highly regarded by external evaluation organizations for its strong investment capabilities, as it has been winning various prizes every year from Morningstar and Lipper, etc., which recognize those asset managers and funds that exhibit excellent investment performance.

Number of employees ⁽¹⁾	Assets under management ⁽¹⁾	
		Year-on-year change
409	¥11.8 trillion	+14.7%

(1) As of March 31, 2013



Awarded various prizes for excellent investment performance

(Major awards)

- DIAM: Morningstar Award, 'Fund of the Year 2012,' International Bond Fund (unhedged) division, Best Fund Award (received in 2013)
- DIAM: Lipper Fund Awards Japan 2013, 'Japanese Medium and Small-Cap Stock Fund (over 5 years),' Best Fund (received in 2013)
- DIAM: Lipper Fund Awards Japan 2013, 'Japanese Yen Bond Fund (over 10 years),' Best Fund (received in 2013)

■ Janus Capital Group Inc.

After entering into a capital and business alliance agreement in August 2012 with Janus Capital Group Inc. ("Janus"), a US-based asset manager, we took a 19.9% stake in Janus in January 2013 to make it our affiliate. The United States is the world's largest asset management market, and medium and long-term growth is expected against the backdrop of the growing retirement population. Janus has established a solid brand in the US market based on its competitiveness and wide-ranging sales network, particularly in its stock investments.

Since we entered into this business alliance, we have been working to develop specific alliance initiatives, including a Janus mandate, dispatching human resources, and selling Janus's products in Japan in collaboration with DIAM, our affiliate, so that we can maximize our alliance with Janus and Janus's corporate value.



Commemorative photo upon the CEO's arrival in Japan



Number of employees ⁽¹⁾	Assets under management ^{(1) (2)}	
		Year-on-year change
1,156	US\$156.8 billion (¥13.5 trillion)	+5.8%

(1) As of December 31, 2012

(2) Currencies are converted at ¥86.58 to the US dollar.

(Major awards)

- Janus: Lipper Fund Awards 2013, 'Global Multi-Cap Value Fund (over 5 years),' Best Fund (received in 2013)
- Janus: Lipper Fund Awards 2012, 'Global Multi-Cap Growth Fund (over 5 years),' Best Fund (received in 2012)

Promotion of ERM and Dai-ichi's Capital Strategies

The Company is striving to achieve a capital level comparable to that of leading global life insurers, and to improve its capital efficiency and corporate value by promoting ERM.

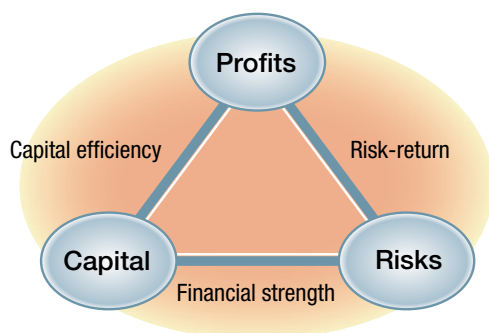
Promotion of ERM

The Company promotes ERM (Enterprise Risk Management) across the Group.

What is ERM?

ERM is a risk management approach to promote business activities by formulating a management plan and a capital strategy in accordance with a company's capital conditions, risks, and profits. In other words, it aims to achieve strategic targets by properly controlling capital, risks, and profits, taking into consideration the source, types, and characteristics of risks.

Relationship Between Capital, Risks, and Profits



Achieving a capital level comparable to that of leading global life insurers

By the end of fiscal 2014, the Company aims to achieve a capital level on an economic value basis that will allow it to weather risks assumed to only occur once every 2,000 years by developing new policies and reducing risks, taking market trends into account.

Improving capital efficiency and corporate value

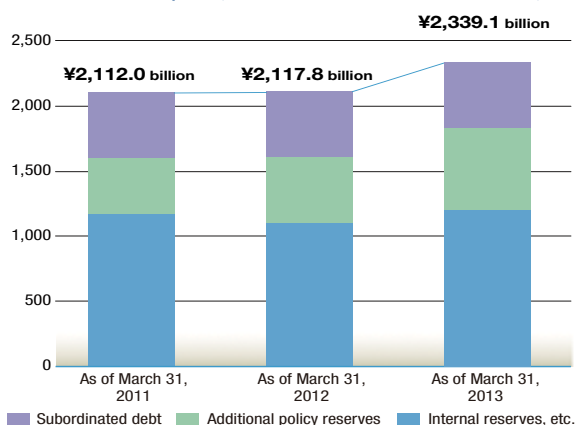
The Company plans to improve its capital efficiency and realize stable growth in its corporate value as represented by its embedded value (Note) by putting into practice initiatives such as improving its risk/return relationship and allocating capital into growth areas in a disciplined manner, taking into account the characteristics of each business line. (Note) See page 37 for details.

Dai-ichi's Capital Strategies

Dai-ichi understands that building a strong capital base is important if it is to retain the trust of its customers. To this end, Dai-ichi has sought to enhance capital by securing periodic income and building up shareholders' equity and internal reserves, such as a contingency reserve and a reserve for price fluctuations. Dai-ichi has also been accumulating additional policy reserves since fiscal 2007 and improving its future negative spread to enhance its financial stability.

Based on regulatory trends, Dai-ichi will continue to maintain a capital base adequate to deal with risks.

Breakdown of Capital (For Dai-ichi on a non-consolidated basis)



[Capital level on an economic value basis]

The Company's capital level on an economic value basis is measured for internal control purposes to determine a capital level in which assets and liabilities that are not given accounting valuations are valued.

Group Management Headquarters

■ Primary Purpose of Establishment

In our medium-term management plan *Success 110* for fiscal 2011 and fiscal 2012, we established the acceleration of business development for growth as one of our strategies, and have been steadily advancing our initiatives in the overseas life insurance business in countries where we have already introduced businesses, such as Vietnam, Thailand, and India, as well as Australia, where we made TAL a wholly owned subsidiary.

In Japan, we also launched new products in the Third Sector and the individual savings markets based on our growth strategies, while The Dai-ichi Frontier Life Insurance, our subsidiary, has been steadily increasing the balance of its assets under management by launching new products.

With the number and size of our subsidiaries and affiliated companies increasing as we further our efforts in these growth areas, it is necessary to strengthen our Group management more than ever before. For this purpose, in 2012 we established a Group Management Headquarters based on our existing structures. We feel that this is currently the best framework to accelerate the Group's growth and strengthen its management, while maintaining management efficiency and speed.

■ Structure of the Group Management Headquarters

The Group Management Headquarters oversees eight units as its subsidiary organizations, and has appointed the President as Chief of the Headquarters and Executive Officers as heads of the subsidiary units. The Group Management Headquarters has also appointed employees to an additional position based on existing organizational departments such as corporate planning, international business management, profit management, human resources, and risk management. Under the new Group management structure, we will further accelerate the growth of the Group and increase corporate value as a whole by bolstering the necessary business management skills and functions, developing infrastructure, and promoting ERM across the Group. We are doing this along with establishing multiple business lines through domestic and cross-border M&A.

■ Group Management Headquarters' Meetings

In fiscal 2013, the first year of our new medium-term management plan, *Action D: The Group's Collective Challenges for Achieving Further Growth*, we have positioned the Group Management Headquarters' Meetings as a deliberative organ to

Structure of the Group Management Headquarters



strengthen the structure of our Group Management Headquarters (Note). At the Group Management Headquarters' Meetings, we will discuss the important management issues of the Group and the execution of important businesses. The Group Management Headquarters' Meetings consist of the Chief and Deputy Chief of the Headquarters, the heads of subsidiary units, and other Executive Officers appointed by the Chief of the Headquarters.

(Note) See page 45 for an overview of the Company's management control system.

Business Alliances

We are strengthening the competitiveness of our businesses by forming strong partnerships with our business alliance partners and establishing a framework to offer non-life insurance, cancer insurance, and other financial products and services.

Mizuho Financial Group

In our full-scale business alliance with The Industrial Bank of Japan (currently Mizuho Financial Group, Inc. [hereinafter "Mizuho Financial Group"]), which we announced in October 1998, we have steadily achieved results, primarily in the financial sector. These include the establishment of IBJ-DL Financial Technology Co., Ltd. (currently Mizuho-DL Financial Technology Co., Ltd.), a joint venture engaging in the research and development of advanced financial technologies, in April 1999, and the establishment of DLIBJ Asset Management Co., Ltd. (currently DIAM Co., Ltd.), a merger of three investment trust and investment advisory companies, in October 1999. This full-scale business alliance has been preserved under the consolidation and reorganization system of Mizuho Financial Group.

■ Efforts to Sell Insurance Products through Bancassurance

In the bancassurance business, we sell the individual annuities and whole life insurance products of The Dai-ichi Frontier Life Insurance at companies affiliated with Mizuho Financial Group.

We also exchange human resources by sending Dai-ichi staff with consulting expertise in life insurance to Mizuho Financial Group.

As described, we have been entering into business alliances in a wide range of areas. We will

continue to strengthen our relationship with Mizuho Financial Group to better meet the needs of our individual and corporate customers.

Resona Holdings

In our business alliance with Resona Holdings, Inc. (hereinafter "Resona Holdings") which we announced in July 2007, we plan to strengthen the business competitiveness of both companies by offering better products and services in the insurance field to meet the increasingly sophisticated and diversified needs of our customers.

■ Efforts to Sell Insurance Products through Bancassurance

In the bancassurance business, we sell the individual annuities and whole life insurance products of The Dai-ichi Frontier Life Insurance at banks affiliated with Resona Holdings. We also exchange human resources by sending Dai-ichi staff with consulting expertise in life insurance to Resona Holdings.

We will continue to offer products tailored to customer needs in cooperation with Resona Holdings.

Sompo Japan Insurance

In our full-scale business alliance with Yasuda Fire and Marine Insurance Co., Ltd. (currently Sompo Japan Insurance Inc. [hereinafter "Sompo Japan"]), which we announced in August 2000, we seek to form the "strongest and most comprehensive life and non-life insurance group" with them as an equal partner, while maintaining the uniqueness of both companies.

■ Mutual Product Offering

In the non-life insurance area, our Total Life Plan Designers (sales representatives) sell an auto insurance product called ONE-Step as well as other Sompo Japan products. We aim to improve customer satisfaction, taking advantage of Sompo Japan's strong brand and products and its dependable accident response system.

In the life insurance area, Sompo Japan agents sell Dai-ichi products (in the First Sector, death protection products) to complement and strengthen the product lineup of the Sompo Japan Group.

■ Strengthening Alliances

To further strengthen our alliance, we took a stake in Sompo Japan DIY Life Insurance Co., Ltd. in September 2008, and Sompo Japan invested in The Dai-ichi Frontier Life Insurance.

AFLAC

In our business alliance with AFLAC (American Family Life Assurance Company), which we announced in September 2000, we seek to form the 'strongest partnership in the First and Third Sectors (death protection insurance and medical insurance)'

as an equal partner, leveraging the strengths of both companies while maintaining their distinctiveness.

■ Sales of Cancer Insurance

In the area of cancer insurance, we sell AFLAC's *Ikirutameno Gan Hoken* [cancer insurance for life] Days as *Ikirutameno Gan Hoken* Days Dai-ichi Life Full-Support Plan, which is customized for the Company. With this product we plan to offer comprehensive support for a wide range of areas, from economic support to mental health care, in an effort to minimize customers' concerns regarding their cancer treatments.

Diversity & Inclusion

The Company seeks to create a work environment in which diversified human resources can play an active role, with the aim of realizing *Diversity & Inclusion*.

Concept of Diversity & Inclusion

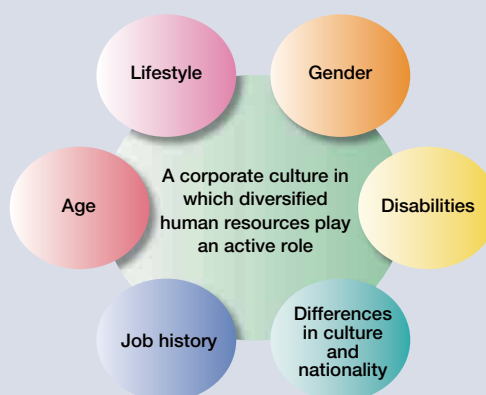
We believe that the social mission of the Dai-ichi Life Group is to create, deliver, and expand the values of 'peace of mind, health and safety' for our customers and society by offering our products and services, which constitute our core business, and our social action programs, leveraging the Company's unique attributes. We aim to realize our group vision of *Thinking People First* by practicing DSR Management, while sharing among all the employees of the Dai-ichi Life Group the concept of *Passing On Peace Of Mind* to our customers and society.

Although the active roles played by various individuals will become the basis for creating these new values, we believe that it is important to create new values as an organization on the whole by mutually accepting diversity (Inclusion). A perspective of Diversity & Inclusion is essential to realize the value creation management the Dai-ichi Life Group is aiming for.

Diversity & Inclusion means that various professionals work effectively as a team based on their individual characteristics by accepting each other, and this overlaps with the Dai-ichi Life Group's human resources development policy, *Professional & Team Work*. The individual characteristics mentioned here not only include gender differences, but also people's various perspectives and backgrounds, such as their disability, culture, nationality, age, and job history, etc.

The Dai-ichi Life Group aims to become a highly adaptable company and a strong organization in which diverse human resources are able to play an active role.

We will seek to refine the work methods and actions of individuals and organizations to enable them to achieve the challenging goals they have set, while sharing the vision of Diversity & Inclusion in all our services and businesses, both in Japan and overseas.



Social Evaluation of Our Initiatives for Diversity & Inclusion and Major Awards

2010	
Ministry of Health, Labour and Welfare, Prize for Equal Employment/Work and Family Harmonization	Commendation for Companies Promoting Equal Employment, Excellent Award of the Director-General of the Tokyo Labour Bureau Commendation for Family-Friendly Companies, Excellent Award of the Director-General of the Tokyo Labour Bureau
2011	
NPO J-Win	Diversity Award Grand Prize
Diversity Management Grand Prize (Toyo Keizai Inc.)	Work-Life Balance Section Award
Ministry of Health, Labour and Welfare, Prize for Equal Employment/Work and Family Harmonization	Commendation for Family-Friendly Companies, Excellent Award of the Minister of Health, Labour and Welfare
Nikkei WOMAN	Ranked fourth for companies where women play an active role
2012	
NPO J-Win	Diversity Award Continuation Prize
Diversity Management Grand Prize (Toyo Keizai Inc.)	Diversity Management Grand Prize
Nikkei WOMAN	Ranked third for companies where women play an active role
Japan Productivity Center	Mentor Award Excellence Prize Work-Life Balance Award, Excellence Prize
Cabinet Office	Certified <i>Kaeru-no-Hoshi</i> (Group Insurance Business Section)
Japan Institute of Workers' Evolution	Work-Life Balance Certification
Nikkei Inc.	Ranked sixth in research of Companies with a Pleasant Working Environment
2013	
Ministry of Economy, Trade and Industry	Diversity Management Selection 100
Nikkei WOMAN	Ranked third for companies where women play an active role

Dai-ichi Life Group's Corporate Action Principles (DSR Charter)

The Dai-ichi Life Group will help build a sustainable society by adopting its corporate action principles (DSR Charter) so it can continue to meet the expectations of customers, society, shareholders, investors, and employees.

Dai-ichi Life Group's Corporate Action Principles (DSR Charter)

[Customer satisfaction]	We provide high-quality products and services with the intention of standing by the side of our customers for life. Everything we do is designed to exceed our customer's needs and deliver customer satisfaction.
[Communication]	We hold ourselves accountable to our stakeholders and sincerely accept their opinions, reflecting them in our corporate management.
[Compliance]	We set the bar high for ethical standards and maintain full compliance in all our business activities. We respect privacy and fully enforce the protection and management of personal information.
[Respect to human rights]	We respect the culture and customs of every country and region, always operating in a way that contributes to local development. We also respect human rights and proactively operate in a way that reflects this.
[Diversity]	We actively cultivate human resources by ensuring a rewarding work environment in which diversified human resources can play an active role.
[Environmental protection]	We actively engage in environmental protection on a daily basis, recognizing that preserving the global environment is our social responsibility.
[Social contribution]	We head social action programs, growing together with communities as an active corporate citizen.
[Promoting health]	We manage the Company to help improve the health of the people in our local communities. We also promote the mental and physical health of our employees.
[Creating sustainable corporate value]	Based on the eight principles above, we are working to create sustainable corporate value by effectively using our management resources, improving the productivity of our business, and maintaining and strengthening our financial base.

Relationships with Shareholders and Investors

We aim to create sustainable corporate value.

Investor Relations Policy

The Company, through its IR activities, strives to provide information, including information about its management strategies, financial condition, and financial results, to shareholders, investors, and securities analysts (collectively, “Investors”) in a fair and timely manner. By making efforts to accurately deliver information, the Company strives to earn the trust and an appropriate evaluation from the financial markets.

The Company is committed to fair disclosure in accordance with (1) laws and ordinances including the Financial Instruments and Exchange Act (the “Act”) and (2) Securities Listing Regulations (the “Regulations”) of the Tokyo Stock Exchange. The Company will also make fair and timely disclosure of information that is not required to be disclosed by such laws and regulations, ordinances, and the Regulations, but which it believes helps the Investors achieve a better understanding of the Company.

Requests and opinions obtained from Investors will be reported to the Company’s management to be considered and shared within the Company to improve its corporate value.

Communication and Information Disclosure

We place great value on our communications with shareholders and investors. The Company provides an opportunity for its senior management to communicate directly with these stakeholders at its results briefings held four times a year, at its management meetings held twice a year, and in meetings with institutional investors (more than 300 were held in the most recent year, of which more than 100 were overseas). To offer more insight into the Company, senior management also participates in IR events for individual investors, such as the Nikkei IR Fair 2012, as well as company information sessions.

The Company has set up a page for shareholders and investors on its website and posts useful information for shareholders, investors, and security analysts, such as news releases, briefing documents, videos, and voice clips. We also provide clear explanations about our market share, management strategies, and embedded value, so that individual investors can develop a better understanding of the Company.

Shareholders’ Meeting

We held our Annual General Meeting of Shareholders for the Third Fiscal Year on June 24, 2013 (number of shareholders attending: 2,020. Duration: 2 hours and 34 minutes). At the meeting we reported our business results and passed a resolution on four proposals.

In reporting our business results, we improved the presentation so that our shareholders can understand more easily the explanations of our business operations and initiatives in the previous fiscal year as well as our newly formulated medium-term management plan. In addition we sought to improve our communications with shareholders through a Q&A about our Company proposals and business operations. We also displayed panels related to the Company’s efforts to promote health and salaried workers’ *Senryu* at the venue, and distributed a questionnaire to shareholders who attended the meeting.

As in the previous year, we sent a convocation notice to shareholders well in advance of the meeting, and posted this notice on our website before mailing it to give them enough time to consider the proposals.

After the meeting, we disclosed information on our website by posting a video that reported our business results and explained our new medium-term management plan, as well as a summary of the questions we received from shareholders at the meeting and a notice of the resolutions.

Enhancing Shareholder Returns

We regard providing stable dividends to shareholders as the basis of our shareholder returns. Specifically, we aim to increase our returns to shareholders in tandem with growth in our profits by setting as a medium-term target a total payout ratio of around 30% based on our consolidated adjusted net income.

* See page 33 for an overview.

[Consolidated adjusted net income]

Consolidated adjusted net income is the indicator showing our effective real profitability, which is calculated by adding back to our consolidated net income items such as a provision for a contingency reserve in excess of the statutory amount (after-tax).

[Total payout ratio]

Total payout ratio = (Total dividends to shareholders + Total amount of the Company’s own stock repurchases) / Consolidated adjusted net income