



# Management Strategy

## Management Strategy of the Dai-ichi Life Group

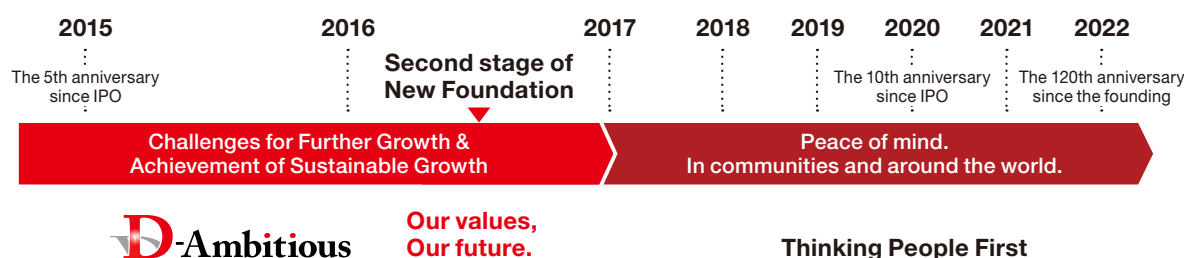
### Medium-Term Management Plan of Dai-ichi Life Group

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# Medium-Term Management Plan **D-Ambitious**

The Dai-ichi Life Group set the medium-term vision “Peace of mind. In communities and around the world.” as an objective for 2020, and aims to become an insurance group that continues to be selected by people around the world.

In the medium-term management plan “D-Ambitious/ Our values. Our future,” covering fiscal 2015 to 2017, we are working to achieve sustainable value creation to answer the expectations of all of the stakeholders of the Group including shareholders and investors by continuing to evolve DSR Management, our unique value-creating framework for creating corporate values.



## ■ Numerical targets<sup>\*1</sup>

Items		Management targets
Corporate value	EV growth rate (RoEV)	Average growth of <u>more than 8%</u>
	Consolidated adjusted net income <sup>*3</sup>	Fiscal 2017 <u>¥220 billion</u>
Top line (growth potential)	Annualized net premium from policies in-force of the Group	Actual result at the end of fiscal 2017 <u>9% growth</u> (compared to the end of fiscal 2014)
Capital level	Capital adequacy ratio (economic value) <sup>*2</sup>	By the end of fiscal 2017 <u>170% - 200%</u>
Shareholder Returns	Total payout ratio to consolidated adjusted net income <sup>*3</sup>	<u>40%</u> during the period of D-Ambitious

<sup>\*1</sup> The management targets above are based on the assumption that the economic environment will not differ much from the level at the time of setting the targets.

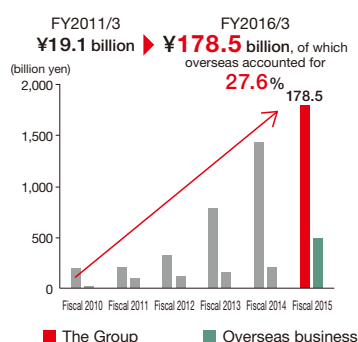
<sup>\*2</sup> Capital adequacy ratio (economic value) is an indicator of financial strength. It is calculated by dividing capital based on an economic value by a risk amount generated from an internal model (confidence level 99.5% on an after-tax basis).

<sup>\*3</sup> See page 65 for consolidated adjusted net income and total payout ratio.

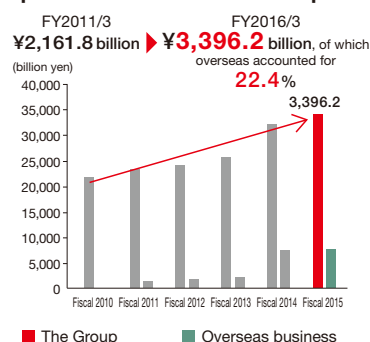
## ■ Actual results in fiscal 2015

The Group took the initiative with growth-oriented investments in both Japan and overseas, ahead of other companies. As a result, the Group is at an advanced stage of business diversification, regional diversification and the sophistication of asset management, all of which create an advantageous business foundation that is less susceptible to the current unstable economic environment. As a consequence, both the top line and the bottom line progressed favorably in the fiscal year ended March 31, 2016, and shareholder returns were also enhanced.

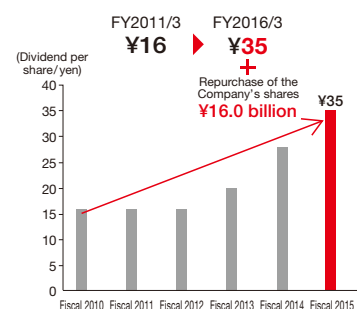
### Consolidated adjusted net income



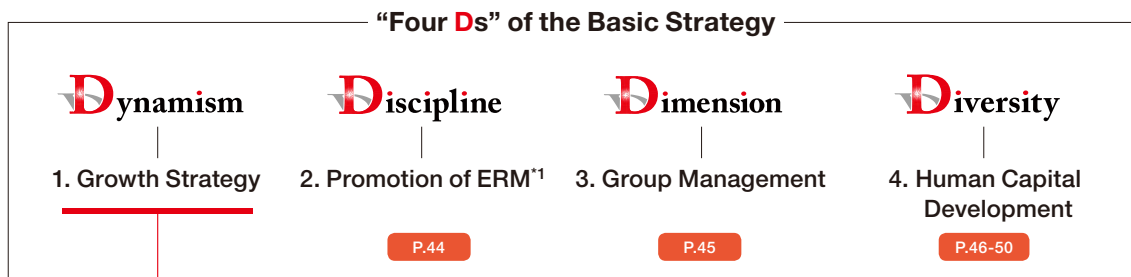
### Annualized net premium from policies in-force of the Group



### Shareholder Returns



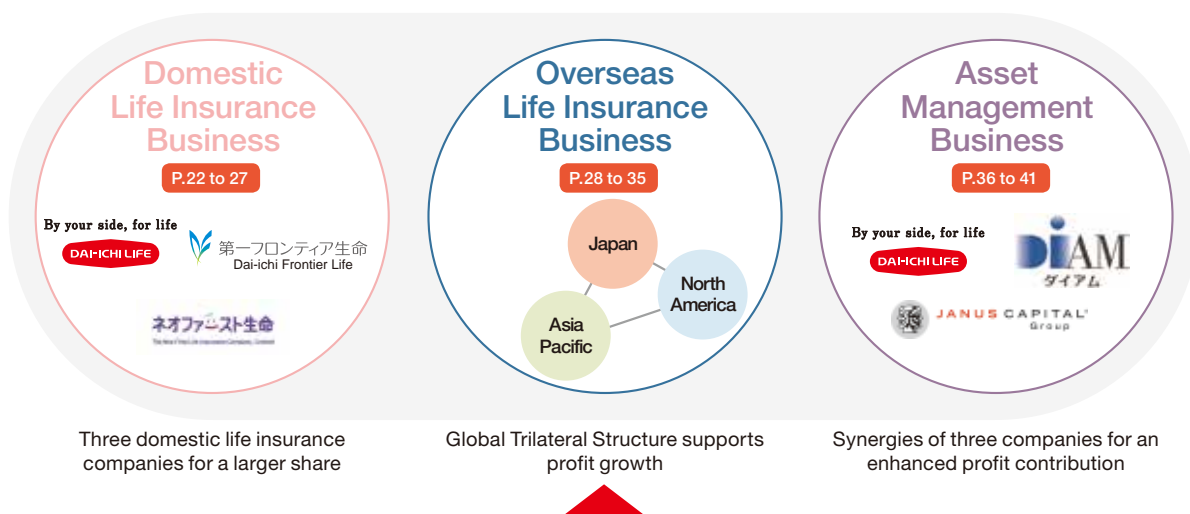
## D-Ambitious Overview of D-Ambitious



<sup>\*1</sup>: ERM (Enterprise Risk Management) is an effort to increase capital efficiency and corporate value by formulating strategies according to profits, capital and risks, taking into account the types and characteristics of the risks.

## Dynamism Growth Strategy

We will realize sustainable and solid growth with three growth engines (the domestic life insurance business, the overseas life insurance business and the asset management business).



### Initiatives to make the three growth engines stronger and more flexible

#### Business alliance with Japan Post Insurance

Through our business alliance with Japan Post Insurance, we aim to strengthen our business base and create new growth opportunities by harnessing the strengths of both companies in the areas of the overseas life insurance business, asset management business and domestic life insurance business.

#### Establishment of Asset Management One

In October 2016, Asset Management One will be established by integrating DIAM Co., Ltd. with the asset management companies and departments of Mizuho Financial Group, Inc. We will further strengthen our asset management business, with the aim of becoming the number one asset management company in Asia ranked with leading global management companies.

#### Promotion of InsTech

We will achieve innovation by developing an ecosystem in cooperation with other business categories with InsTech (a portmanteau of the insurance business [Insurance] with [Technology]) and aggressively taking in outside development capabilities and ideas.



# Dynamism Domestic Life Insurance Business

The structure of three domestic life insurance companies fully activated under our growth strategy  
 “By your side, for life – With You Project,”  
 aiming to meet diverse customer needs.



**Norimitsu Horio**

Representative Director, Deputy President

## Key points for the Fiscal 2015

By your side, for life

**DAI-ICHI LIFE**

Promotion of more sophisticated consulting of Total Life Plan Designers and the diversification of sales channels



第一フロンティア生命  
Dai-ichi Frontier Life

Succeeded in turning positive in a single year for the first time since its founding as a result of the steady accumulation of policies in force.

ネオファースト生命

The Neo First Life Insurance Company, Limited

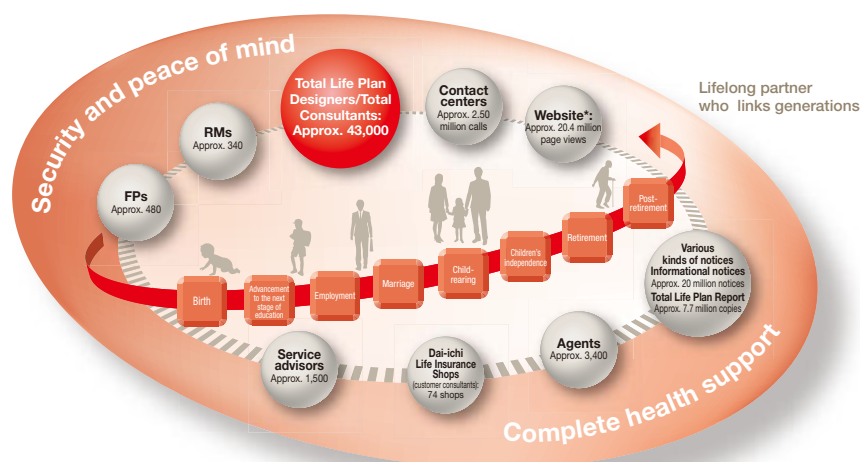
Providing products designed to promote improved health among our customers, such as a discount for non-smokers and discount for people who maintain a healthy state.

## Basic Strategy

### Provision of added value through life insurance

The Group provides each customer with higher added value based on strong teamwork among all officers and employees, each with a highly specialized skill-set such as Total Life Plan Designers, by further enhancing its

efforts to offer security and peace of mind and complete health support through life insurance, the core business of the Group, under its growth strategy “By your side, for life – With You Project.”






\*Number of page views from April 2015 to March 2016.



## Response to diversified needs based on the structure of three domestic life insurance companies

In the domestic market, customer needs are diversifying in association with significant changes in lifestyles, reflecting factors such as the advancement of the aging population and declining birth rate, a rise in the percentage of unmarried people and a fall in the average

number of persons per household. To respond to these diversified needs quickly and accurately, we will deliver the best-suited products through the optimum channel by building a structure of three domestic life insurance companies.

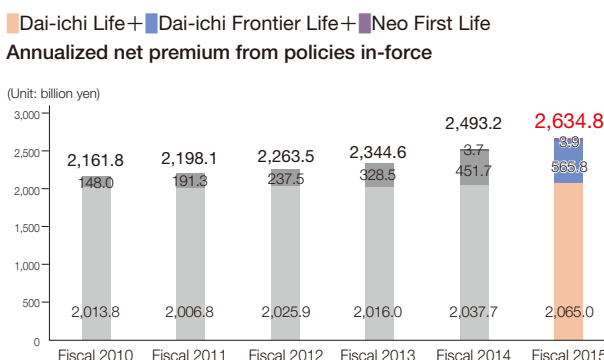
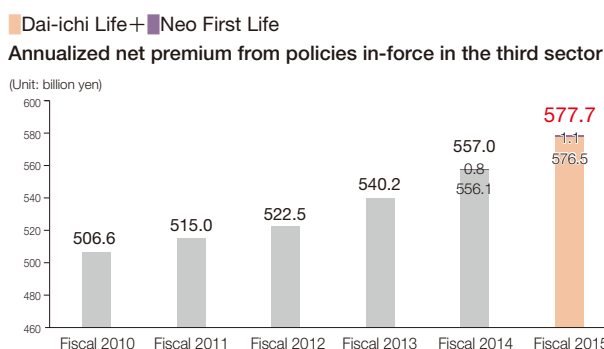
Customers' needs	High quality consulting/ high value-added services	Comparing products/ simple products and procedures		
Products	Products requiring consultation	Relatively simple products		
Distribution channels	Banks Securities companies	Sales representatives Insurance agents Walk-in shops	Banks	Direct sales
The Dai-ichi Life Group's presence	 第一フロンティア生命 Dai-ichi Frontier Life	By your side, for life 	 ネオファースト生命 The Neo First Life Insurance Company, Limited	To be determined

## Review of operations for fiscal 2015

In fiscal 2015, we were able to maintain a solid performance particularly in the third sector market and the individual savings market, which we regard as growth areas, based on the structure of three domestic life insurance companies, namely Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life.

In the third sector market, we steadily increased the annualized net premium from policies in-force in the third sector of the Group, thanks to strong sales of our main product “Bright Way,” the start of handling the partial benefit alteration system “Security Relay Plan” and the launch of medical insurance for women “Nadeshiko Yell.”

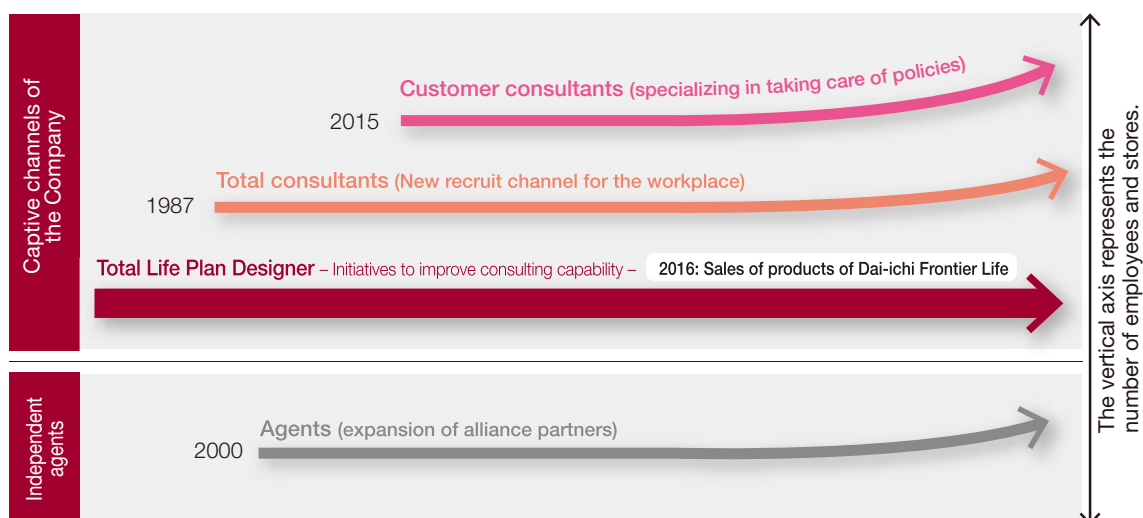
In the individual savings market, we solidly expanded the annualized net premium from policies in-force of the Group, given the strong sales of individual annuity insurance at Dai-ichi Life and firm sales of savings-type insurance through the bancassurance channel of financial institutions at Dai-ichi Frontier Life.



## Diversification of sales channels

For the purpose of further strengthening the follow-up system for customers, the Company is seeking to diversity its sales channel on top of the core Total Life Plan Designers, Total

Consultants consisting of new graduates and customer consultants who specialize in following up policies in force.



By your side, for life

DAI-ICHI LIFE

## Marketing using big data

We have embarked on an initiative to mechanically create information to provide the optimum products and services for each customer at the optimum moment by analyzing

big data, which added external information to customer information accumulated by the Company, and provide such information to Total Life Plan Designers.

1

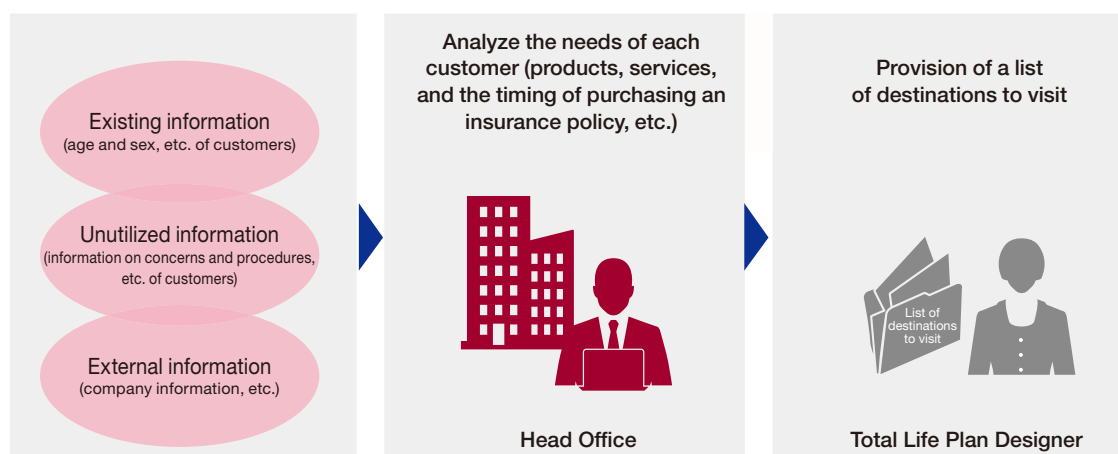
**Consolidation and accumulation of big data**

2

**Statistical analysis**

3

**Provide the analyzed results to Total Life Plan Designers**



## Dai-ichi Frontier Life moves into the black



This subsidiary sells single premium savings-type products, such as annuity insurance and whole life insurance, through financial institutions such as banks and securities companies.

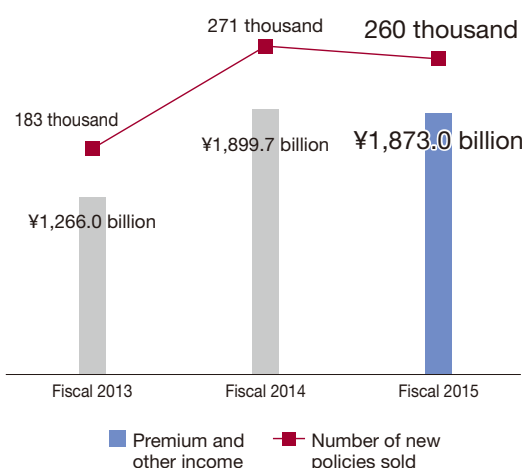
Since its founding in 2007, the subsidiary has been working on bolstering its product lineup

to meet diversified needs of the customer while fine tuning its sales support for agents.

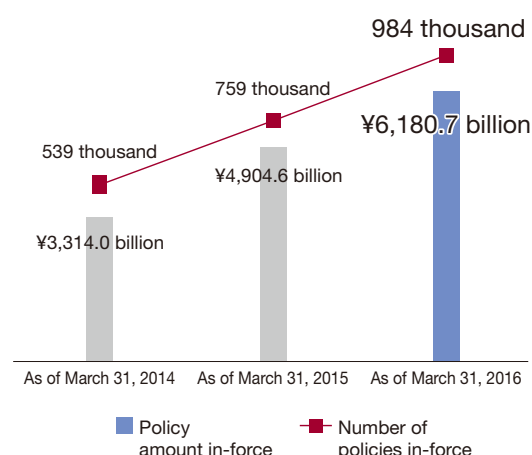
Thanks to these efforts, it steadily increased the amount of policies in force and became profitable on a single-year basis for the first time since its founding by posting net income of ¥24.3 billion in fiscal 2015.

### Dai-ichi Frontier Life – Main Financial Results

Premium and Other Income and Number of New Policies Sold



Policy Amount In-force and Number of Policies In-force



## Launch of insurance products by Neo First Life, using big data



To meet customer needs for selecting insurance at banks and walk-in insurance shops after making a comparative review, Neo First Life began providing protection-type products and services through banks and walk-in insurance shops in August 2015.

Immediately after its founding, Neo First Life launched a whole life medical insurance with non-smoker discount and lifetime medical insurance with reduced underwriting standards to which a discount for people who maintain good health is added—both industry firsts—using big data owned by Dai-ichi Life. In this way, the subsidiary provides products to encourage the health promotion and enhancement of customers. As a result, Neo First Life gained support from many

customers and agents, and the cumulative number of new policies sold in new products exceeded 10,000 in May 2016.



## ■ Focus

**Initiatives for Insurance Technology (“InsTech”), which will create new insurance products and services by combining the insurance business with technology.**

**Shunsuke Saito**

Manager of Marketing Strategy Unit and  
Marketing Strategy Department



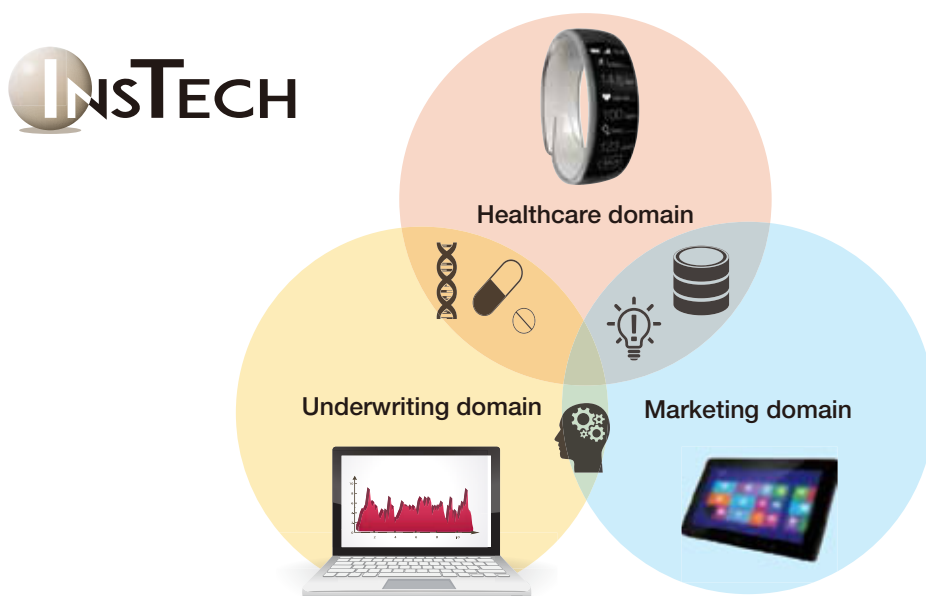
In the financial industry such as banks, FinTech, which provides new financial services by integrating finance with technology, has attracted attention in recent years. The Group calls its initiative to create innovations unique to the life insurance business from both aspects of the insurance business (Insurance) and Technology “InsTech” and positions it as the highest priority strategic issue required a concerned Group-wide effort. Here we discuss the rationale and direction of this initiative.

### **Innovations in three domains conceived by a team specializing in “InsTech”**

In December 2015, the Group built the InsTech Innovation Team to promote InsTech. The team, made up of approximately 30 members with specialties in various areas as a cross-sectional organization at head office, examines the provision of new added value that integrate big data and medical and healthcare information with cutting-age information and communication technology (ICT) in the three domains of healthcare, underwriting and marketing. The team also studies the possibility of finding practical application for cutting-

edge technical information owned by venture companies, venture capitals and high-tech companies (such as IT vendors) together with overseas Group companies, including those in the United States, by collecting and analyzing the information.

The team conducts active discussions and repeats trial and error in daily meetings. I am excited to create high value-added products and services and shapes the future of the insurance business through its efforts in InsTech.





## Innovations achieved by “InsTech”

In the healthcare domain, Neo First Life, a Group company, launched lifetime medical insurance with a non-smoker discount, the first of its kind in the industry, in August 2015 by analyzing medical big data owned by Dai-ichi Life\*. Non-smoking is one of the elements

that promotes health, and this product feature will provide an incentive for daily health improvements. In addition, we are also working to carry forward new innovations in the underwriting and the marketing domains, as the table below shows.

\*According to the survey of Neo First Life of the insurance products of life insurance companies that are members of the Life Insurance Association of Japan (as of June 29, 2015). Excluding medical-related riders, etc.

### Examples of initiatives

#### Healthcare

- Neo First Life launched a medical insurance product to which a discount for non-smokers is applied and a medical insurance product with a reduced underwriting standard to which a health discount is applied.

#### Underwriting

- Building a system for prompt, reliable payments by applying advanced technology to the payment operations of claims and benefits.

#### Marketing

- We have embarked on an initiative to mechanically create information to provide the optimum products and services to each customer at the optimum moment by analyzing intrinsic big data and provide the information to Total Life Plan Designers.

## The future business model which “InsTech” anticipates

Because the recent advancement of technologies is very rapid, it is important to follow the trends and respond quickly.

In the years ahead, we will introduce more advanced innovations in each domain of healthcare, underwriting and marketing, on top

of our existing achievements. For that purpose, we will aggressively incorporate not only knowledge inside the Group, but also outside development capabilities and ideas, with a view to developing an ecosystem in cooperation with other industries.

### Future initiatives

#### Healthcare

- Provision of life insurance and services that can contribute to an improved quality of life (QOL) and the extension of healthy life expectancy

#### Underwriting

- Faster administrative procedures for underwriting examination and policy management, using artificial intelligence (AI), etc.
- Building of a system for customers to be able to purchase insurance policies more easily by simplifying medical examination and declaration items at the time of purchasing policies.

#### Marketing

- Search for marketing methods suited for the age of the Internet of things (IOT) and artificial intelligence (AI)

# Dynamism Overseas Life Insurance Business

“Accelerated business development in overseas markets and the expansion of profit contribution”  
Creating greater shareholder value by promoting balanced growth in developed and emerging countries.

Shigeo Tsuyuki

Representative Director, Deputy President



## Key points for the Fiscal 2015

### Contribution to group profit

Protective Life's contribution enabled the overseas life insurance business to generate more than 20% of the profits of the Group.

### Reinforcement of framework

With the regional headquarters, and thus the Global Trilateral Structure, having operated stably for their first year, we have reinforced the framework for business management and support.

### Creating synergy

Inter-Group communication including both management and employees, as well as sharing of best practices and business solutions were promoted.

## Basic Strategy

### Designing a balanced business portfolio in the stable-market and the growth market

The economic and business environment surrounding life insurance market varies from one country to another. We expect to see profits in emerging markets in Asia and other regions to grow over the medium to long term through growth in the local economy and the development the insurance system, while profits are expected to grow more stably in developed markets such as North America. The Dai-ichi Life Group's overseas life insurance business aims for long-term profit growth by achieving a good balance between stability and growth potential through operating business in both developed and emerging markets. Moreover, in managing business overseas, we aim to plan and operate business in line with the environment surrounding each Group company, including maturity

of the local markets, which we believe leads to sustainable growth in the overseas life insurance business as a whole. We also commit ourselves to the creation of synergy between Group companies and to making a contribution to local communities through life insurance business.

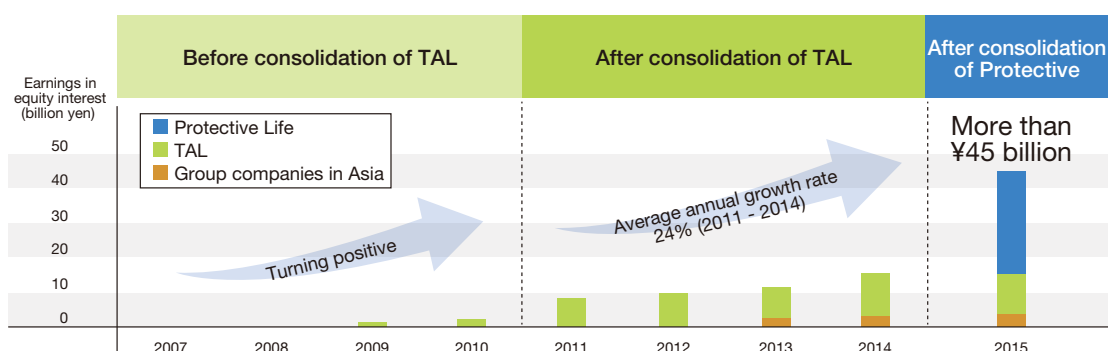


## Review of operations for fiscal 2015

### Achieved significant growth under the Global Trilateral Structure with effective operation of the regional headquarters

The contribution of the overseas life insurance business to group profit has been steadily growing, by expanding it into a total of six countries, starting with the business expansion to Vietnam in 2007. In fiscal 2015, having the regional headquarters in North America and the Asia Pacific region achieve stable operation for their first year under the Global Trilateral Structure, we took another step forward to accomplish the targets set in our medium-term management plan “D-Ambitious,” by reinforcing our business management and support frameworks, which are capable of expanding

existing businesses. Initiatives that effectively incorporate each Group company’s strengths and harness the regional headquarters’ geographical advantage have allowed the Group to achieve outcomes such as the acquisition of a large group insurance policy contract by TAL, which operates in a stable market (Australia). Thanks to the strong performance of the Group companies and the profit contribution of the newly consolidated Protective Life (U.S.), the overseas life insurance business generated profits of more than ¥45 billion, accounting for more than 20% of the group profit in fiscal 2015.



### Overseas Group companies demonstrated their strength in their respective markets

#### Protective Life acquires in-force blocks of term life insurance

Our U.S. group company Protective Life acquired in-force blocks of term life insurance owned by a wholly-owned subsidiary of Genworth Financial, Inc. in Virginia, the United States. This was the first acquisition deal conducted by Protective Life after joining the Dai-ichi Life Group. Protective Life has strength in the acquisition business of in-force blocks of insurance policies. It has successfully concluded 48 acquisition deals to date, including this deal, achieving an industry-leading track record in the U.S.

#### Business alliances formed by Dai-ichi Life Vietnam

Our Vietnamese group company Dai-ichi Life Vietnam signed an exclusive bancassurance agreement for 10 years with HD Bank\*. This first long-term exclusive bancassurance agreement concluded between a Japan-based life insurance company and a leading Vietnamese bank, will enable Dai-ichi Life Vietnam to distribute its life insurance products through HD Bank’s approximately 220 branch offices spread

throughout Vietnam. Dai-ichi Life Vietnam has subsequently signed an exclusive bancassurance agreement for 15 years with Vietnam Post, and the companies Dai-ichi Life, Vietnam Post and Japan Post Insurance have signed a memorandum regarding trilateral collaboration, including cooperation in the insurance distribution described above (See pages 42 and 43 for details).

\*Ho Chi Minh City Development Joint Stock Commercial Bank



Commemoration ceremony of business alliance with HD Bank

## ■ Focus

### “Respecting each other, Learning from each other and Growing together” Seeking Value Creation Synergy

**Gekka Kim**  
Senior Assistant Manager,  
International Business Administration Group,  
International Business Management Department



The Dai-ichi Life Group promotes inter-Group communication, as well as sharing each group company's strength and best practices. We believe this leads to the Value Creation Synergy we seek for synergies through which new value is generated. Let me introduce the significance of this initiative and the objective we see ahead of it.

### Respecting each other, learning from each other and growing together

In the six countries where the Group operates overseas life insurance business, the market environment is unique, for example in terms of the demographic structure, the social security system and economic conditions. Group companies continue to grow steadily in their local markets, overcoming such differences, by designing distinct strategies that reflect their

individual competencies. We believe that Group companies respecting each other and learning from each other, rather than Dai-ichi Life unilaterally conveying its philosophy, policies and initiatives, leads to the significant growth of the whole Group, generating synergy which in turn enables value creation.

### Active inter-Group communication and know-how sharing: management and employees together, including insurance agents.

The Group stimulates inter-Group communication at a broad range of job levels, as well as sharing of ideas and know-how, through opportunities represented by a variety of meetings held.

To cite an example of personnel exchange, Executive Summit, where executives from our Group companies gather in one place, and invitation of the overseas management to the Company's Executive Management Board, would be examples to show our effort

to stimulate inter-Group communication. We also invite overseas insurance agents who have achieved excellent results to a commendation ceremony of sales representatives held in Japan. The sight of Japanese sales representatives and insurance agents from other countries having a pleasant chat and taking pictures together makes me realize how our employees' sense of belonging to the Group is strengthened, and how the Group is more united.



Executive Summit



Sales representatives and overseas insurance agents taking the stage at the commendation ceremony in 2015.



Sharing know-how initially began with a one-to-one basis at the initiative of the Company, but before long had spread to know-how sharing on a Group-wide basis, including the Company. Today, this movement continues to show progress, represented by more active sharing of know-how between overseas Group companies, not only led by the Company but also by the Group companies themselves.

Above all, the Global Management Conference (GMC), one of the major initiatives, where executives both domestic and overseas

are brought together, has made impressive progress. Its conference theme has now expanded to a broad range of areas, from product development, sales, and public relations to IT. Although operating such events can sometimes be challenging, given the diversity in cultures and customs of members, I feel the work's importance and joy in the preparation, especially when I hear feedback from the participating members such as: "It was great to share similar concerns" or "I got useful ideas for designing future strategies."

## Examples of sharing know-how

- Insurance agents from Thailand, India and Indonesia visited Japanese branch offices and sales offices.
- GMC is regularly held for executives to share and discuss best practices.
- A U. S. group company and Dai-ichi Life shared successful examples of insurance sales through distribution partners utilizing the Internet.



Group photo at GMC



Meeting between Dai-ichi Life Vietnam and Star Union Dai-ichi Life

- As a bancassurance channel through local financial institutions continue to develop in Vietnam, our Vietnamese group company visited our Indian group company, which has strength in bancassurance, to exchange opinions on future business strategy.

## For further promotion of value creation

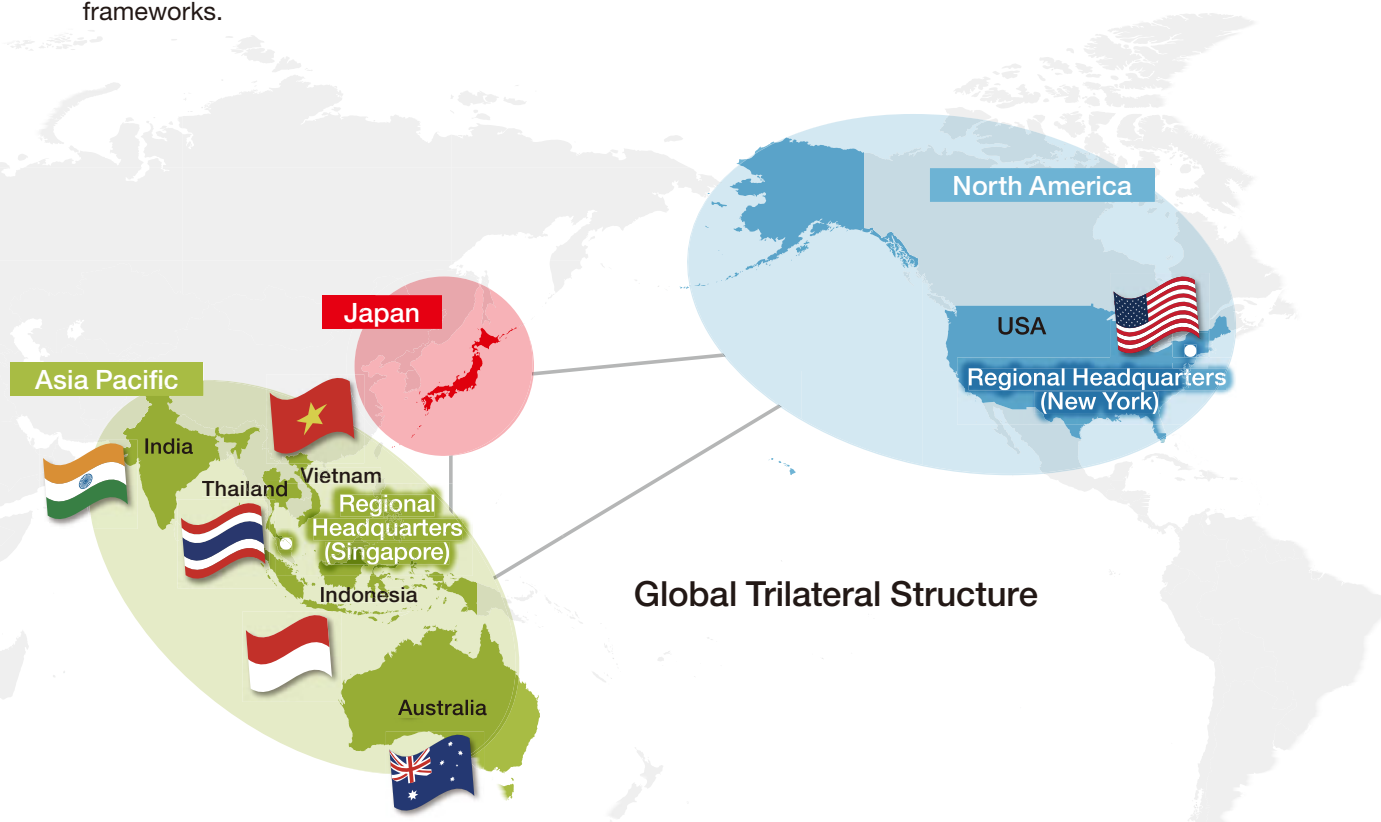
Our future challenge will be to effectively match the different strengths and challenges of the Group companies, in order to achieve problem solving and enrichment of growth potential, producing visible consequences of know-how sharing. We have also begun working on new initiatives such as creating opportunities for our overseas managers

and mid-level to young employees in Japan to exchange opinions face to face, with the aim of sharing the thoughts of the overseas management with employees solely engaged in domestic business. We will continue to seek Value Creation Synergy by further enhancing the members and contents of inter-Group communication and know-how sharing.



## Overseas Life Insurance Companies of the Dai-ichi Life Group

The Dai-ichi Life Group operates life insurance business in six countries overseas. The Group established the Global Trilateral Structure, which includes the two regional headquarters in North America and the Asia Pacific Region, aiming to strengthen its business management and support frameworks.



Protective Life Corporation

**Protective Life Corporation (USA)**

**Protective.**



Employees participating in a charity event

Number of employees <sup>2</sup>	<b>2,542</b>
Actual premium income <sup>3</sup>	<b>4,689 million US dollars (565.6 billion yen)</b>
Market share / ranking <sup>4</sup>	<b>0.4% / 48th</b>

Protective Life, which operates throughout the United States under a name that incorporates its mission of “protecting people’s tomorrow,” has advanced competencies in the acquisition of in-force blocks of insurance policies, in addition to the traditional life insurance and individual annuity business. It is one of the industry’s strongest performers, successfully completing a total of 48 acquisition deals<sup>1</sup>. Its commitment to minimizing costs to ensure efficient operations is one of Protective Life’s strengths, which has enabled its corporate growth based on a distinctive business model wherein capital generated through the retail business is utilized for the expansion of acquisition business. Alliances with strong partners and adoption of the latest technologies are examples of further initiatives Protective Life is taking with the aim of achieving organizational distinctiveness.

## TAL Dai-ichi Life Australia Pty Ltd TAL (Australia)



Presentation by Brett Clark, CEO

TAL promotes strategies specializing in protection-type products. It became the industry leader in the Australian (protection-type) life insurance market in December 2013 in terms of annualized net premium from policies in-force, thanks to its effective use of sales channels, including retail, group and direct. Since then, it has continued to increase its share as the market leader. TAL is locally highly regarded for a wide range of business areas, well indicated by the fact that TAL was commended as the best life insurance company throughout the year in fiscal 2015. It also won multiple awards<sup>5</sup> for its products which meet customer needs.

Number of employees <sup>2</sup>	<b>1,616</b>
Actual premium income <sup>3</sup>	<b>3,020 million Australian dollars</b> (260.5 billion yen)
Market share / ranking <sup>4</sup>	<b>17.2% / 1st</b>

## Dai-ichi Life Insurance Company of Vietnam, Limited Dai-ichi Life Vietnam (Vietnam)



Ceremony for the Vietnam Prime Minister's

Dai-ichi Life Vietnam, which is expanding its business ahead of the market, increased its market share to 9.3% today from 4.4% at the time it started its business. It is also developing new networks, concluding an exclusive bancassurance agreement with Ho Chi Minh City Development Joint Stock Commercial Bank and Vietnam Post. Highly regarded at home and overseas, it received the Vietnam Prime Minister's Award in fiscal 2014. In fiscal 2015, it was commended for its CSR activities<sup>6</sup> in one of the largest contests in the Asian insurance industry.

Number of employees <sup>2</sup>	<b>785</b>
Actual premium income <sup>3</sup>	<b>3,539.1 billion dong</b> (19.1 billion yen)
Market share / ranking <sup>4</sup>	<b>9.3% / 4th</b>

## Overseas Life Insurance Companies of the Dai-ichi Life Group

PT Panin Dai-ichi Life

### Panin Dai-ichi Life (Indonesia)

**PaninDai-ichiLife**  
By your side, for life



Group photo at Jakarta Kizuna Ekiden in fiscal 2015

Number of employees <sup>2</sup>	<b>440</b>
Actual premium income <sup>3</sup>	<b>3,775.3 billion rupiah (33.2 billion yen)</b>
Market share / ranking <sup>4</sup>	<b>3.0% / 10th</b>

Panin Dai-ichi Life, a member of the Panin Group, a leading local financial group, is steadily improving its results mainly through its two largest sales channels, individual agents and bancassurance, increasing its presence in the Indonesian market. Dai-ichi Life's Mission shared as a common goal, it is also highly engaged in making contributions to local communities. Sponsoring the Jakarta Kizuna Ekiden and running an origami program to support childhood cancer patients<sup>7</sup> are examples showing their engagement. In fiscal 2015, highly regarded in the local market, Panin Dai-ichi Life received an award as the best life insurance company, for its strong financial position (in the division of life insurance company with total assets of five to 15 trillion rupiah)<sup>8</sup>.

Star Union Dai-ichi Life Insurance Company Limited

### Star Union Dai-ichi Life (India)

**Star Union Dai-ichi**  
Life Insurance



Ceremony of ASSOCHAM Corporate Governance Excellence Award<sup>9</sup>

Number of employees <sup>2</sup>	<b>3,039</b>
Actual premium income <sup>3</sup>	<b>11,178 million rupees (20.3 billion yen)</b>
Market share / ranking <sup>4</sup>	<b>1.79% / 12th</b>

Star Union Dai-ichi Life is the first joint venture company launched business in India with Japanese life company. It has achieved growth by simultaneously strengthening its insurance sales channel through two local state-owned banks, its joint venture partners, and the individual agent channel. In February 2016, it introduced a new individual agent channel which adopts a fixed salary system, as another step towards further growth. It is highly regarded for its wide range of business areas in the Indian life insurance market. In fiscal 2015, it won multiple awards for its strong business performance, excellent corporate governance and active contribution to society<sup>9</sup>.



## OCEAN LIFE INSURANCE PUBLIC COMPANY LIMITED

### Ocean Life (Thailand)



President Nusara (front row, right), individual agents and President Watanabe of Dai-ichi Life (front row, left)

Number of employees <sup>*2</sup>	<b>1,947</b>
Actual premium income <sup>*3</sup>	<b>13,627 million baht (45.5 billion yen)</b>
Market share / ranking <sup>*4</sup>	<b>2.6% / 10th</b>

Since entering into a business alliance with Dai-ichi Life, Ocean Life, which excels in its individual agent channel, has always cooperated with Dai-ichi Life in a mutual effort to raise its corporate value. Initiatives to develop the sales abilities of individual agents are an example. In fiscal 2015 its insurance premium income was ranked 10th out of 23 life insurance companies in the local industry<sup>\*4</sup>. This achievement will not stop its ongoing effort to increase its market presence. Ocean Life is highly regarded in the local market, as indicated by commendations in fiscal 2015 by the Ministry of Public Health for its initiatives to increase its human capital value, and by the Office of the Consumer Protection Board for the second consecutive year for its support to customers as a response to their inquiries and requests<sup>\*10</sup>.

\*1. As of the end of March 2016. Includes a scheme of corporate acquisitions and reinsurance.

\*2. As of the end of March 2016. Excluding staff in sales channels. Staff involved in direct sales of TAL are, however, included.

\*3. Actual premium income figures are based on premium and other income for Protective Life, TAL, Dai-ichi Life Vietnam and Panin Dai-ichi Life, on annualized premium income for Star Union Dai-ichi Life, and on premium income for Ocean Life. Figures for Protective Life and TAL are disclosed after re-classifying items from Protective Life and TAL's financial statements under U.S. and Australian accounting standards, respectively, to conform to Dai-ichi Life's disclosure standards. Figures refer to the period from February to December 2015 for Protective Life, from April 2015 to March 2016 for TAL, and from January to December 2015 for Dai-ichi Life Vietnam, Panin Dai-ichi Life, Star Union Dai-ichi Life and Ocean Life. Currencies are calculated based on the following exchange rates: 1 US dollar = ¥120.61, 1 Australian dollar = ¥86.25, 1 dong = ¥0.0054, 1 rupiah = ¥0.0088, 1 rupee = ¥1.82, 1 baht = ¥3.34

\*4. Comparisons are based on net premium income for the US market, annualized net premiums from policies in-force (protection-type) for the Australian market, premium and other income for the Vietnamese market, premium income for the Indonesian market, annual premium equivalent (individual insurance) for the Indian market, and premium income for the Thai market. The Indian market refers to that of private life insurance companies, excluding the Life Insurance Corporation of India, which is 100% owned by the Indian government. The point of time for comparison is the end of December 2014 for the US market and the end of December 2015 for the Australian, Vietnamese, Indonesian, Indian and Thai markets.

\*5. Received Life Insurance Company of the Year from *Australian Banking & Finance*, a financial industry magazine in Australia. Received a total of four awards, including the Accelerated Protection – Outstanding Value Life Insurance Australia from Canstar.

\*6. Received the Prime Minister's Award from the Vietnamese government in January 2014 as one of the corporations that made outstanding accomplishments in the areas of business and social contribution, etc. Dai-ichi Life Vietnam also received the CSR Award from Asia Insurance Review in fiscal 2015, as the only insurance company in Vietnam. Dai-ichi Life Vietnam also received this award in fiscal 2013, as the first insurance company.

\*7. CSR initiative making donations in accordance with the number of related SNS posts, to childhood cancer patients through the Indonesian Childhood Cancer Foundation (posts of photos of him or herself with a heart-shaped *origami*).

\*8. Received the 2015 The Best Life Insurance Company from *The Investor*, an industry magazine issued by Indonesia's largest composite media group.

\*9. Received Company of the Year in the category of small and medium life insurance of the Indian Insurance Awards 2015, sponsored by *Fintelekt* in June 2015, for its highly regarded business performance in the fiscal year ended March 2015. Received the award for the best unlisted company (private sector) in the ASSOCHAM Corporate Governance Excellence Award sponsored by the Federation of Indian Chambers of Commerce and Industry in July 2015, with recognition given to its excellent corporate governance. Won the Giving Back 2015 – CSR NGO Awards in the BFI category, sponsored by *UBM India* in December 2015, in recognition of its social contribution.

\*10. Received the Employee Skill Development Award from the Ministry of Public Health in Thailand in July 2015 and the Outstanding Consumer Protection Contact Center 2015 from the Office of the Consumer Protection Board of Thailand in October 2015.

Continuously contributing to consolidated profits by enhancing the investment process and bolstering the profitability of the asset management business



**Satoru Tsutsumi**  
Representative Director, Deputy President

## Key points for Fiscal 2015

### **Dai-ichi Life's Asset Management**

While retaining a focus on core ALM operations, we flexibly allocate capital to risk assets by taking market trends into account and actively provide middle-risk/middle-return investments and loans, such as infrastructure investments, in order to increase profitability and enhance diversification.

### **Asset Management Business**

We achieved a higher contribution to consolidated profits by expanding the AUM of DIAM using the products of Janus and by providing the asset management function to the Group's life insurance business. We also strengthen our business through the integration of DIAM with the three asset management companies of Mizuho Financial Group, Inc.

## Dai-ichi Life's Asset Management for Our Policyholders

### **Basic Strategy**

We conduct asset management with a focus on ALM operations based on the nature of our insurance policies (insurance liabilities), mainly investing in long-term and super-long-term domestic bonds. We also strive to increase profitability by flexibly allocating capital to risk assets by taking market trends into account.

We expect that the low interest rate environment will continue due to the maintenance and enhancement of quantitative and qualitative monetary easing measures by the Bank of Japan, including a negative interest rates policy. Based on our assumption, we are scaling back purchases of Japanese government bonds, and flexibly

allocating capital to foreign currency-denominated bonds with currency hedges and risk assets. Moreover, given that the high correlation among traditional assets such as stocks and bonds, we have actively engaged in middle-risk/middle-return investments and loans, such as domestic and overseas infrastructure investments, striving to improve profitability and diversify risks. In addition, to fulfill our financial intermediary function as an institutional investor, we are also actively providing investments and loans to areas where new capital demand is expected.

We are working to improve profitability and stabilize earnings through the initiatives above.

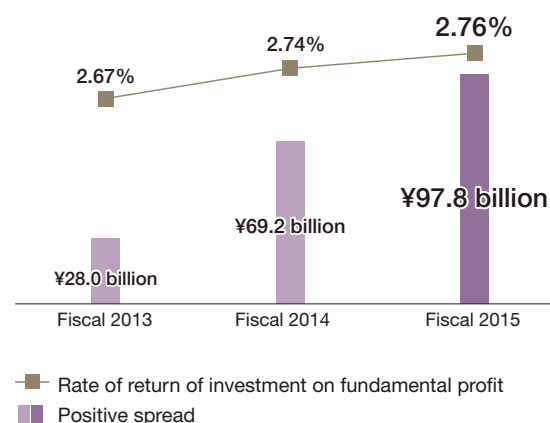


## Review of operation for fiscal 2015

In fiscal 2015, we refrained from purchasing Japanese government bonds, including super-long-term bonds under the continued low interest rate environment, and made credit investments and selective investments in foreign currency-denominated bonds with currency hedges which have attractive yields compared to those of yen-denominated bonds. We also allocated capital flexibly to risk assets while paying attention to our risk tolerance and market trends, and made middle-risk/middle-return investments, which have a low correlation with traditional assets such as stocks and bonds, in order to diversify portfolio risks and enhance profitability.

It is thanks to initiatives such as these that we have achieved a positive spread for three fiscal years in a row, starting from fiscal 2013.

### Asset investment yield and positive spread



## Enhancing the investment process

Based on the recognition that stable investment income is essential for the sustainability of our corporate value, we are working on enhancing the investment process, mainly focusing on the four themes shown in the table below.

Our typical initiative in fiscal 2015 was the flexible allocation to risk assets and middle-risk/middle-return investments in an effort to enhance profitability under the low interest rate environment. Particularly regarding middle-risk/

middle-return investments, we made investments proactively and selectively in projects with a high level of difficulty. For instance, we took part in project financing for a power generation project in the United States for the first time.

We will continue our efforts to strengthen our investment capability so that we can continue to live up to expectations of our stakeholders.

### Initiatives to enhance our investment process

ALM sophistication and contribution to product development	Bolstering profitability in a low interest rate environment	Fulfilling the function as an institutional investor	Development of human capital and the use of Group's resources
<ul style="list-style-type: none"> <li>Sophistication of the process of formulating investment policies</li> <li>Contributing to the development of insurance and savings-type products tailored to customer needs and the investment environment</li> </ul>	<ul style="list-style-type: none"> <li>Flexible capital allocation to foreign bonds and risk assets</li> <li>Expansion of investments and loans to new areas (middle-risk/middle-return investment)</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of growth investments</li> <li>Promotion of stewardship activities</li> </ul>	<ul style="list-style-type: none"> <li>Continuous accumulation of investment knowledge and skill at Dai-ichi Life</li> <li>Joint efforts among the global Group companies and the use of the investment products of asset management companies</li> </ul>

## Asset management business

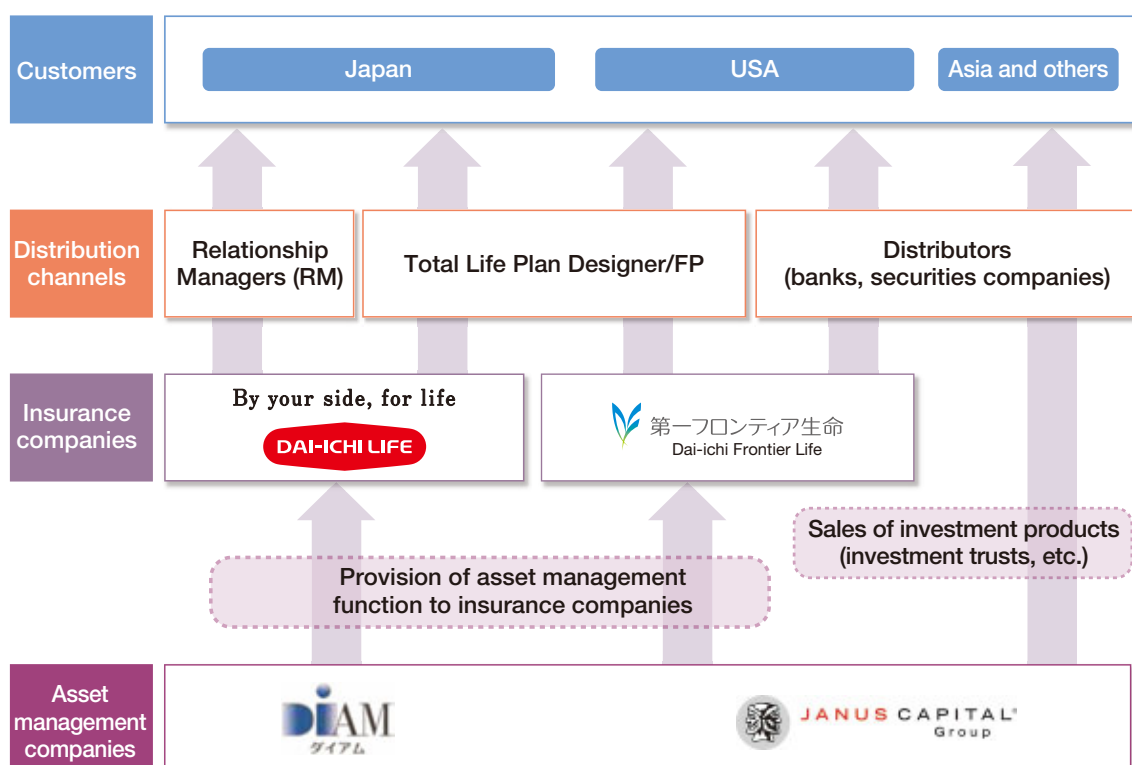
### Basic Strategy

We operate the asset management business in Japan and overseas through DIAM Co., Ltd. (hereinafter “DIAM”), which we established as an equal joint venture with Mizuho Financial Group, Inc. (hereinafter “Mizuho FG”), and Janus Capital Group Inc. (hereinafter “Janus”) in the United States.

As of the end of fiscal 2015, Japan household assets stood at approximately 1,700 trillion yen. Although currency and deposits for approximately ¥900 trillion of that amount, the domestic asset management market is expected to grow continuously in the future, given that the shift from “savings” to “investment” is expected to progress with an institutional boost from the government to encourage individual asset building, as well as changes in the social structure, among

other factors. In addition, the US and other overseas asset management markets are likely to experience sustained growth. We will aim to benefit from market growth by participating in asset management markets both in Japan and overseas.

As a specific strategy, we will aim to increase our share of both domestic and overseas asset management markets and contribute to customers’ asset building through (1) the organic growth of DIAM and Janus, (2) greater collaboration between DIAM and Janus, including the promotion of mutual product sales and (3) provision the asset management function to the savings and pension businesses of Group’s life insurance companies, leveraging the investment capabilities of both companies.



## Review of operations for fiscal 2015

In terms of the sale of Janus products in Japan through DIAM, we expanded the scope of business by receiving a large contract from a domestic pension fund, in addition to sales of the products to individual customers.

We also proactively sought to introduce the asset management function to the savings and

pension markets, aiming to create synergies as the overall Group, including such efforts as the joint development of Separate Account Balanced Bond Fund following Separate Account Balanced Fund II in fiscal 2014 by Dai-ichi Life and DIAM.

## Establishment of Asset Management One

Dai-ichi Life and Mizuho FG agreed to establish Asset Management One Co., Ltd. by merging the asset management companies and department of both companies on October 1, 2016.

Asset Management One will aim to emerge as a global asset management company that provides customers with solutions of the highest standards by combining the resources and expertise in asset management of Dai-ichi Life, Mizuho FG and the four companies to be integrated (DIAM, the asset management department of Mizuho Trust & Banking Co., Ltd., Mizuho Asset Management Co., Ltd. and Shinko Asset Management Co., Ltd.).

Asset Management One will also fulfill its fiduciary duty as a professional asset manager and provide services and products that truly benefit its customers. Through these efforts, Asset Management One aims to become the most trusted and valued asset management company, which meets the needs of pension funds and corporate customers in terms of diversification and sophistication of their asset management, as well as encourages a shift from “savings” to “investment” in Japan through providing individual customers with high-quality products and services.

## Integration of asset management companies

### Before the integration



### Structure after the integration (after October 1, 2016)



## Focus

### Enhancing profitability under a low interest rate environment through middle-risk/middle-return investments

Akinao Nishio

Deputy General Manager, Structured Finance Group,  
Fixed Income Investment Dept.

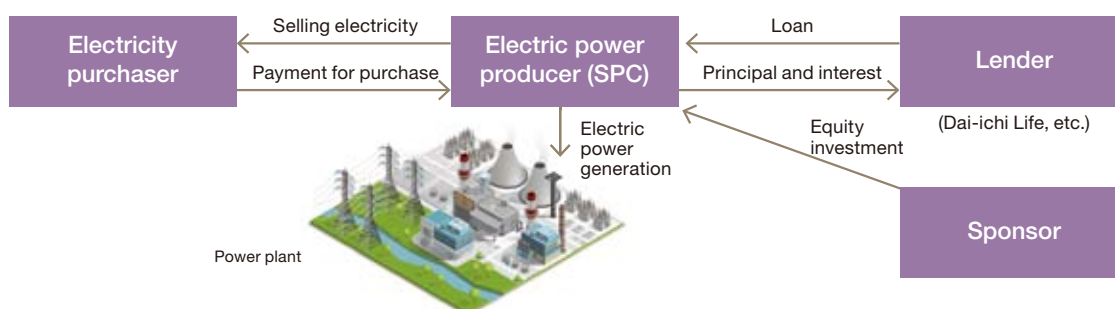


We are pursuing initiatives to enhance our investment process for the purpose of continuing to secure stable investment income amid significant changes in the environment surrounding the asset management of life insurance companies. Here I will introduce our middle-risk/middle-return investments.

### Bolstering the investment process in a low interest rate environment.

Faced with the continuous low interest rate environment of recent years, we have been steadily accumulating investment know-how by expanding investments in growth areas such as infrastructure, domestic growth stocks and emerging countries, aiming to increase income and diversify risks. For example, in infrastructure project financing, which I'm responsible for, even though it has a strong affinity to asset management for life insurance because the projects are stable and long term, we still needed to overcome many hurdles for investment, such as analysis of the various risks inherent in project schemes and administrative restraints. We have even been investing in projects with a high level of difficulty by absorbing the know-how to deal with issues through interviews with banks that already have a strong investment record and with close coordination among the sections in charge of the front-, middle- and back-office operations in the investment department.

#### Example of a scheme for infrastructure project financing



### Promotion of middle-risk/middle-return investments, making excellent use of our advanced professional knowledge

To further diversify our portfolio and improve our profitability, we need to strengthen our middle-risk/middle-return investments, which have a low correlation with traditional assets such as stocks and bonds. Specifically, we will invest in the infrastructure field including project financing and investments in real assets, such as aircraft financing and logistics facilities. Because investment in these areas often requires sophisticated professional knowledge, we will build a high-quality portfolio by making careful and selective investments, while fully utilizing our accumulated investment expertise when we make an investment.

## Providing customers with new solutions for asset building with next-generation balanced funds that harness the know-how of the Group.

**Yoshitaka Tsurugi**

Senior Portfolio Manager, Asset Allocation Group  
& Quantitative Strategy Group, DIAM Co., Ltd.



DIAM develops and provides products for the separate account of Dai-ichi Life, using its know-how in advanced financial engineering, and helps to provide solutions for the diverse asset management needs of customers. Here, I describe the development of products for pension funds, on which DIAM has worked jointly with Dai-ichi Life.

## Changing customer needs in the modern investment environment

In recent years, high correlation among traditional assets such as stocks and bonds has hindered the effect of diversified investment. In addition, pension fund customers are becoming strongly aware of the risk of low-probability but significant losses (“tail risk”). To effectively meet these customer needs, DIAM and Dai-ichi Life have jointly developed Separate Account Balanced Fund II (hereinafter “Balanced Fund II”), a next-generation balanced fund that is built to endure all market environments.

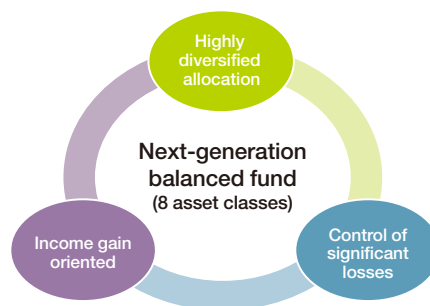
## Provision of new solution products by the Group

In the product design of the Balanced Fund II, the advanced financial engineering of DIAM is used. Specifically, we enhance risk-return efficiency with the risk parity strategy, which diversifies investments with a focus on price fluctuation factors, rather than on asset classes, and with the smart beta strategy<sup>\*1</sup> based on a unique financial engineering model. We also control losses in case of sharp falls in market prices by using downside risk control strategy such as monitoring for signals of market crises and flexibly shifting capital. We have confirmed that a positive return<sup>\*2</sup> can be secured by a combination of these three strategies, even at the time of financial crisis in 2008. We began operating this fund in April 2014 and secured a positive return of 0.40% in fiscal 2015 under harsh market conditions. In fiscal 2014 and fiscal 2015, we achieved a strong performance of 11.75% in a cumulative total. Given that the AUM of the fund has also reached ¥200 billion, we think that the fund has received recognition from customers as a “new solution product.”

Dai-ichi Life and DIAM launched Separate Account Balanced Bond Fund, a new bond fund, in January 2016 for the purpose of responding to customer needs for alternative assets for domestic bonds under the low interest rate environment. This fund has also received assets steadily from customers. As a member of Dai-ichi Life Group, we will continue to provide advanced solutions tailored to diverse customer needs.

<sup>\*1</sup> A strategy that seeks to generate excess returns by incorporating stocks based on a certain rule focusing on factors such as dividend level, rather than the weighted average according to market capitalization.

<sup>\*2</sup> Performance in 2008 is measured by a simulation based on past data.





# Efforts for Business Alliance

Aiming to bolster business competitiveness and strengthen contributions to local communities



A comprehensive business alliance with Japan Post Insurance began in March 2016

Masami Ishii (left), President of Japan Post Insurance, shaking hands with Koichiro Watanabe (right), President of Dai-ichi Life

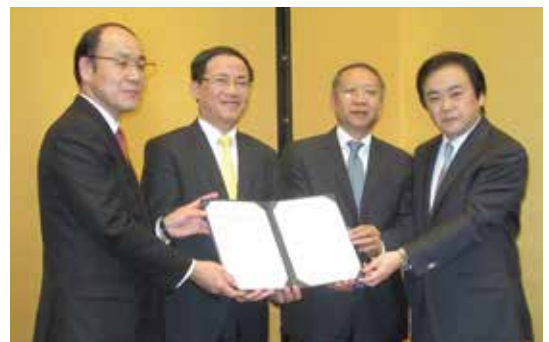


## Promoting life insurance through Vietnam Post



On April 19, 2016, a memorandum on collaborative relationships was signed between Japan Post Insurance, Vietnam Post and Dai-ichi Life, which marked the first step for overseas business, one of the main objectives of the alliance between Japan Post Insurance and Dai-ichi Life.

The Dai-ichi Life Group has been working to spread life insurance in Vietnam since 2007 through Dai-ichi Life Vietnam. The collaborative relationship built with Japan Post Insurance will enable the three companies to share the know-how that Japan Post Insurance possesses in selling insurance products over the counter at post offices. The Group expects further growth in sales of life insurance products by Dai-ichi Life Vietnam at Vietnam Post.



From left at the signing of the memorandum, President Watanabe of Dai-ichi Life, Pham Anh Tuan, President and CEO of Vietnam Post, Do Ngoc Binh, Chairman of Vietnam Post, and President Ishii of Japan Post Insurance

### Existing alliance partners



#### Mizuho Financial Group

In our comprehensive business alliance with Mizuho Financial Group, Inc., we operate a joint venture such as DIAM Co., Ltd., one of Japan's largest asset management companies, in the area of asset management. In the bancassurance business, we sell the products of Dai-ichi Frontier Life and Neo First Life at banks and securities companies affiliated with Mizuho Financial Group.



#### Sompo Japan Nipponkoa Insurance

In our comprehensive business alliance with Sompo Japan Nipponkoa, we sell their products such as auto insurance in the non-life insurance area, while agents of Sompo Japan Nipponkoa sell Dai-ichi Life products (First Sector, or death protection products) in the life insurance area, with the aim of forming the "strongest and most comprehensive life and non-life insurance group."

We are committed to forging powerful partnerships between the Dai-ichi Life Group and its business partners, in order to make our operations more competitive in domestic and overseas markets.

We have concluded an alliance agreement designed to strengthen our business base by mutually complementing and merge the accumulated strengths of Dai-ichi Life and Japan Post Insurance who share the same standing as “listed life insurance company.” This reflects our aspiration to contribute to the development of local communities in Japan and to social and economic development in other countries. For the latter goal, we aim to help promote life insurance in these countries, improving the quality of life insurance products and services by harnessing the know-how of both companies.

At the moment, we are moving ahead with our efforts in three collaborative areas: the domestic life insurance business, the asset management business and the overseas life insurance business.

### ● Three pillars of the alliance

#### Joint studies on the domestic life insurance business (development of new products and IT area)

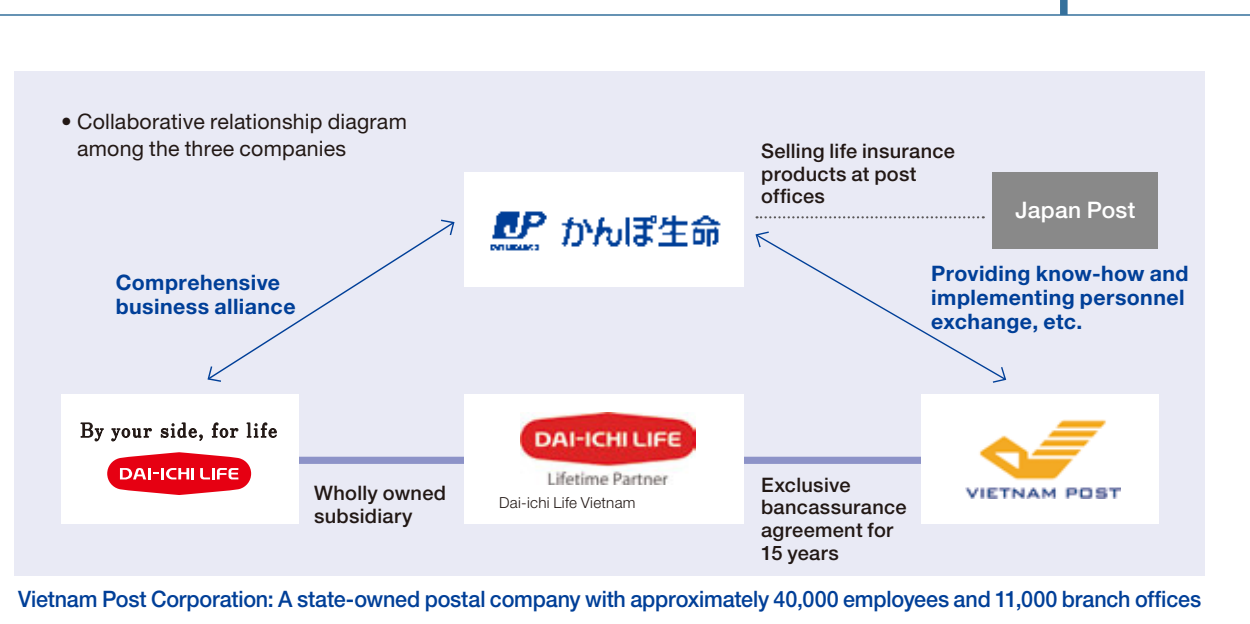
Undertaking joint studies on new product development and IT, aiming to achieve new growth, improve services and reduce costs in the domestic life insurance business of Dai-ichi Life and Japan Post Insurance.

#### Cooperation in the asset management business

Cooperation in the diversification and sophistication of asset management tools. Undertaking asset management using DIAM and Janus while making a joint investment in growth areas.

#### Cooperation in the overseas life insurance business

Providing the know-how of Japan Post Insurance to support the sales of the life insurance products of Dai-ichi Life Vietnam at Vietnam Post.



AFLAC

In our business alliance with AFLAC, 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. In cancer insurance we sell AFLAC’s products.



Resona Holdings

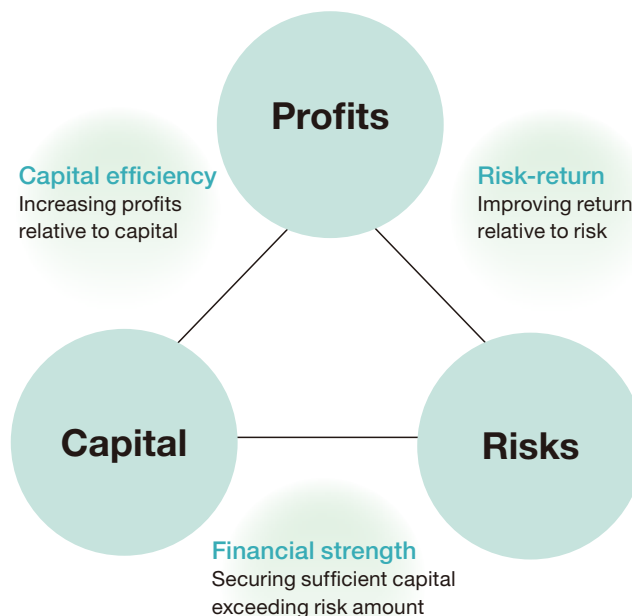
In our business alliance with Resona Holdings, we plan to strengthen the competitiveness of both companies to meet the increasingly sophisticated and diversified needs of our customers in the insurance area. As part of our bancassurance business, we sell products of Dai-ichi Frontier Life and Neo First Life at banks affiliated with Resona Holdings.

## Basic Strategy

The Dai-ichi Life Group practices Enterprise Risk Management (ERM). ERM is a means of realizing improved capital efficiency and enhanced corporate value by allocating capital to businesses that promise higher profits, while ensuring financial strength by appropriately controlling risk.

At present, new capital regulations for global insurance companies are being debated. In consideration of the trend of these capital regulations, among other factors, the Group will further improve its financial strength on a Group-wide basis through its efforts in ERM.

### Relationship Between Profits, Capital, and Risks



## Review of operations for fiscal 2015

In fiscal 2015 the Group endeavored to increase capital levels mainly by accumulating profits through business activities. In October 2015, the Group prepaid the whole of its perpetual subordinated borrowings and refinanced with new, perpetual subordinated borrowings, in order to ensure a stable capital base. We also have accumulated additional policy reserves (\*) with a view to reducing the assumed rate of return in the future and further improving our financial strength.

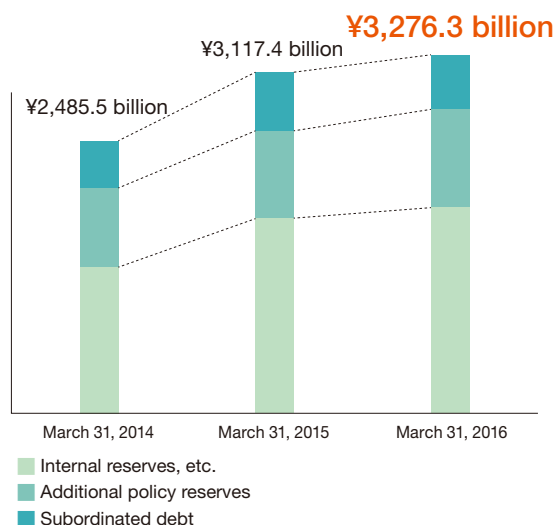
Moreover, in the recent domestic environment of significantly lower interest rates in association with the Bank of Japan's negative interest rate policy, the Group sought to strengthen its control over asset management risk while considering and implementing price revisions for some of its insurance products.

Meanwhile, the Group endeavored to increase profits and improve capital efficiency through disciplined capital allocation in growth areas, including carefully selected acquisitions, while

further enhancing its financial stability.

By turning these initiatives to an adequate return, the Group aims to live up to the expectations of all of our stakeholders.

### Breakdown of Capital (for Dai-ichi Life on a non-consolidated basis)



\*Policy reserves are established for the fulfillment of insurance claims and other payments related to the Company's outstanding policies that are expected to be paid in the future. An insurance companies calculate an amount of policy reserves using an assumed amount of investment return in advance (assumed rate of return), in addition to insurance premiums, and is required to secure the assumed rate of return from its actual investment returns. If an insurance company expects a lower assumed rate of return, it will need to accumulate more policy reserves. Accumulating a larger amount by additionally accumulating policy reserves (additional policy reserves) lightens the assumed interest in the future. The Company accumulates additional policy reserves for some whole life insurance policies with heavy burdens of assumed interest, but our intensive accumulation schedule terminated in fiscal 2015.

## Basic Strategy

We have continued to implement initiatives in growth sectors as part of our domestic life insurance, overseas life insurance and asset management businesses. As a result, our subsidiaries and affiliates have continued to grow in scale and number, making group management more essential than ever. That is why we established our Group Management Headquarters

in 2012, as the ideal means of accelerating growth and reinforcing group management, whilst ensuring management efficiency and maintaining a sense of speed\*. In recent years, we have sought to enhance the corporate value of the Group by strengthening Group management framework.

\*See page 88 for an overview of the Company's business management framework.

## Future initiatives

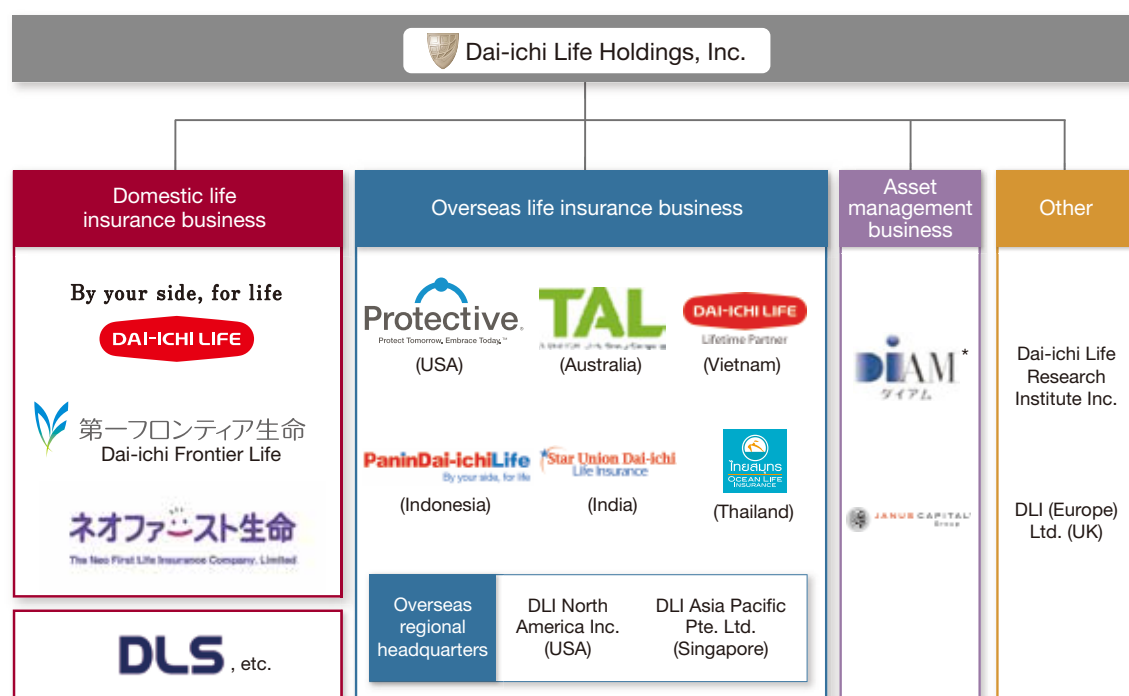
We have focused on a growth strategy designed to increase our share of the domestic life insurance market, and on initiatives aimed at accelerating overseas life insurance business expansion and bringing in a greater contribution to profits, all of which has accelerated our multi-layered structure comprising both domestic and overseas companies. Taking into account the current environment and issues we are facing, we intend to shift to a holding company in October 2016\*. We are also aiming to (1) flexibly allocate management resources on a groupwide basis, (2) establish a governance structure to help speed up the decision making process at affiliated companies, and (3) fundamentally reform our group management style. This will enable us to further accelerate initiatives geared towards

\*The transition to the holding company structure will be made on the condition of receiving permits and approvals from the authorities.

sustainable growth as a group.

To further strengthen our supervisory function, focusing on the supervision of more diversified Group companies under a multi-layer business structure, we will make the holding company a company with an audit and supervisory committee. The holding company needs to develop important strategies for the Group and administer Group companies. By making the holding company a company with an audit and supervisory committee, we will further strengthen our governance through such means as balancing appropriate management decisions with the maintenance and improvement of management transparency and objectivity, strengthening the directors oversight function, and accelerating decision-making.

### Group structure after shifting to the holding company structure



\*To become Asset Management One Co., Ltd. as a result of an integration on October 1, 2016.

# Diversity Human Capital Development

## Basic policy

Believing that accepting each other's differences "diversity and inclusion" (D&I), is the foundation for sustainable growth therefore we encourage a diverse range of people to play a key role, regardless of nationality, gender, disability or lifestyle.

Especially we understand there is a growing need to create a comfortable working environment friendly to all of our employees, regardless of any disability, to achieve normalization, as well as to reinforce the pipeline up to female managerial positions.\*

We also consider it essential to advance our initiative to develop global human capital as we expand overseas, and to step up initiatives aimed at extending employees' life expectancy as healthy individuals.

\* Normalization is a concept in which society is considered the natural society, when people with and without disabilities live together as part of the same community, based on mutual respect and support.



## Review of operations for fiscal 2015

Especially to promote the achievements of female employees, we work to raise awareness of female employees and to improve our training system. We also consider it the social responsibility of a corporate citizen, to provide a wide range of employment opportunities. We have therefore been working to actively recruit people with disabilities and create a comfortable working environment.

We organize Global Management Conferences,

as one of our initiatives to make us more globally competitive, to create an opportunity for communication and training for domestic and overseas executives.

We have always continued to promote health, in management as well as in individual workplaces, through initiatives such as clarification of our management philosophy regarding health and the establishment of an organizational structure that helps promote health management.

## 女性が輝く 先進企業 2015

**Selected as the fiscal 2015 "Leading Corporation Where Women Can Shine" by the Cabinet Office and received the Minister of State for Special Missions Award**

It commends companies with outstanding achievements in their policies, efforts and results of promoting women to managerial positions.



**Granted "Platinum Kurumin" by the Minister of Health, Labour and Welfare**

This is the highest certification of the Japanese government granted to companies that support childcare.



**Received the Grand Prize of Advanced Corporate Awards, J-Win Diversity Award 2016**

It commends advanced companies that promote D&I and consistently develop female leaders.



**Certified as an excellent company in employing intellectually challenged individuals, etc. (Dai-ichi Life Challenged Co., Ltd.)**

A project carried out on behalf of the Ministry of Health, Labour and Welfare to promote efforts to employ intellectually challenged individuals



## Group Human Capital Strategy

## Global Diversity

With the aim of enhancing the international competitiveness of the whole Group we are recruiting foreign students studying in Japan. In addition, we are conducting exchange and development programs to develop global human capital. Specific initiatives include encouraging overseas trainees and overseas study, as well as programs in which we invite foreign native speakers and help younger employees to improve language skills and cultural understanding.

We are also moving ahead with efforts to improve the value of the human capital of the Group. Meanwhile, we are fostering a climate to create synergies by promoting mutual understanding among senior officers and employees through short-term training for employees of overseas Group companies in Japan and lectures by managers of overseas Group companies.



Speech by John Johns, Chairman and CEO of Protective Life, given in Japan

## Voice

Aiming to take center stage  
in a challenging global position

Partly inspired by my father, who worked at a non-life insurance company, I was interested to learn more about the mature life insurance market in Japan. I was then drawn to Dai-ichi Life as a global company expanding its global footprint, and was convinced that I could gain as much as I can contribute by actively partaking as an international talent in the company. Upon joining, I was assigned to the International Credit Group, where I perform surveys and analyses on international companies for investment purposes, covering the Energy and Food & Beverage sectors. I feel a great sense of fulfillment in my job being granted the opportunity to work with senior colleagues who have rich international experience, and to know that my performance directly contributes to the company's investment profitability. In the future, I aim to sharpen the skills acquired from my current responsibility and to raise the bar for myself in a more challenging global investment-related role.

Phuan Jo Anne, Associate, International Credit Group, Credit Dept.

LGBT<sup>(\*)</sup> friendly

Dai-ichi Life articulates its respect for basic human rights in the Dai-ichi Life Human Rights Declaration and is pursuing initiatives to become a LGBT-friendly company as part of its efforts to promote diversity & inclusion. For details, please see "Efforts to Become a LGBT-Friendly Company" ([http://www.dai-ichi-life.co.jp/company/news/pdf/2015\\_064.pdf](http://www.dai-ichi-life.co.jp/company/news/pdf/2015_064.pdf)- Japanese) released on November 5, 2015.

\* "LGBT" is a term formed from an abbreviation of the following words.  
Lesbian: Homosexual female  
Gay: Homosexual male  
Bisexual: Persons who prefer both sexes  
Transgender: Persons whose self-identity does not match their physical gender (including gender identity disorder)



Participated in the Tokyo Rainbow Pride Parade.

## Promoting the Achievements of Female Employees

### Promoting the Achievements of Female Employees

We are making efforts to encourage female employees, who account for a large share of our employees. For instance, officers are striving to cultivate female mentors and sponsors. Moreover, our female executive officers and managers are playing an important role in developing female candidates for managers.

As a result, the Company appointed its second female executive officer on April 1, 2016, and the number of females in managerial positions (Senior General Managers, Special General Managers, General Managers) in the domestic life insurance group\* reached 30, increasing by 20% compared with the previous year.

In its Medium-Term Management Plan (fiscal 2015-fiscal 2017), Dai-ichi Life aims to raise the percentage of females in managerial positions to

more than 25% by April 2018, and to more than 30% by the early 2020s.



President Coaching Course

**Percentage of females in managerial positions and the number of females in managerial positions**  
(as of April 1 each year)

	Fiscal 2014	Fiscal 2015*	Fiscal 2016*
Percentage of females in managerial positions	18.4%	22.5%	23.3%
Number of females in managerial positions	667	808	836

\*Sum of the domestic life insurance group (Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life)

### Promoting Work-Life Balance

The Group is working on promoting work-life balance, creating a family-friendly system (measures to support the balancing of work and family) and work style innovations as its two main objectives. The ratio of male employees taking childcare leave was 85.5% in fiscal year 2015, much higher than the 56% recorded in the previous fiscal year. The average overtime hours worked at the Company is also at a level slightly less than 40% of the financial and insurance industries' average.



Encouraging male employees to take childcare leave

#### Voice



#### With an excellent team

I am working with my excellent team as manager of a Dai-ichi Life insurance shop, feeling the excitement and challenge of sales activities every day. My creed is to conduct myself pleasantly and cheerfully with a smile and passion. I aim to manage my team so that it will take things positively, never give up no matter how difficult the situation becomes. Work at the Dai-ichi Life insurance shop is very appealing, because we are involved directly in the satisfaction of customers. So I want as many junior colleagues as possible to experience the joy of working in an insurance shop. At home, three growing children (a second-year high school student, a second-year junior high school student and a fifth-grade elementary school student) provide me with additional motivation for my work. I will strive to create an insurance shop that will continue to be trusted and selected by customers, by creating a work environment where every employee is able to enjoy an active role.

Naoko Kuhara, General Manager, Customer Service Dept.

## Promoting Achievements of Employees with Disabilities

The Group actively recruits people with disabilities and develops an accommodating work environment for them. As of June 2016, the ratio of employees with disabilities was 2.23%, and 946 employees are working across the country. Dai-ichi Life Challenged Co., Ltd., one of the Group companies, provides primarily people with intellectual or mental disabilities with a wide range of jobs such as cleaning, printing, and cafeteria operations at multiple workplaces.

We also encourage our employees to acquire professional qualifications that will help improve the quality of our operations, regardless of whether they have a disability or not. Among the employees who engage in cafeteria operations, some have acquired the barista qualification and utilize those skills in their work. In March 2016, some employees also acquired the qualification of building cleaning specialist, a national qualification in the area of janitorial services.

### Initiatives for employees with disabilities

#### Example of initiatives for customers

Setting up guide plates, communication boards and foldable slopes at Dai-ichi Life insurance shops and others (in stages)

#### Example of initiatives for employees

Prepared a system for consultation on work-related concerns and issues by providing a consultation service for employees with disabilities



Barista qualification



Building cleaning specialist

### Voice



#### Making improvements in a culture of recognizing and relying on each other.

I joined Dai-ichi Life Challenged Co., Ltd., hoping to try something new. After changing jobs, I steadily became more confident because I received praise at Dai-ichi Life Challenged for doing things that in the past had been taken for granted. Work requiring judgment has also gradually been delegated to me. As I interact with my colleagues and teach my junior colleagues new tasks, I have gained confidence in communicating with other people, something I was not good at, in the past. Although I sometimes encountered obstacles, I was able to make improvements step by step, thanks to the people around me who recognized my good points. In April, I was promoted to a leader and I am now in charge of a team in the documents forwarding group. In my private life, I am married and blessed with two children. I want to continue to proactively take on new challenges as a father who can be proud of himself for his children.

**Satoshi Tsunoda**, Leader of the documents forwarding group, Tabata Business Division, Dai-ichi Life Challenged Co., Ltd.



## Promoting Employee Health

### Promoting Employee Health

The Dai-ichi Life Group views promoting health as an important management matter so that each one of our officers and employees need to have a strong interest in health and medical issues, so as to respond to customers' desire to lead healthy lives.

In 2013, the Company was recognized for excellence by the Director of Health Service Bureau, Ministry of Health, Labour and Welfare in the "2nd Smart Life Project Award (Let's extend healthy life expectancy!)" organized by the Ministry of Health, Labour and Welfare. In 2015, it was jointly selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange as a Company Enhancing Corporate Value through Health and Productivity Management.

#### Comprehensive medical examination

Thanks to our efforts to prevent the aggravation of illness, for instance by recommending additional medical examinations after regular medical checkups and providing full support for special checkups and special health guidance sessions in response to metabolic syndrome, the prevalence of abnormal findings\* discovered during regular medical checkups of employees has steadily dropped since such initiatives began. This represents a steady improvement in the health of our employees.

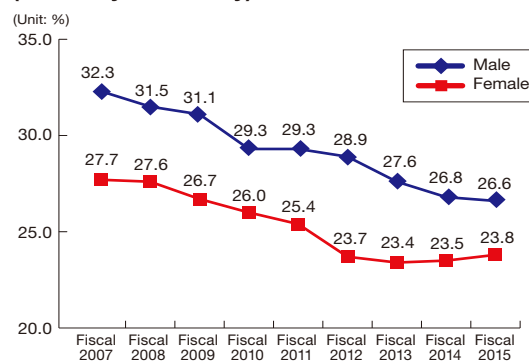
\* Prevalence of abnormal findings: The numbers of people identified as "requiring consultations," "requiring detailed testing" or "undergoing treatment," divided by the total number of people undergoing medical checkups.

#### Initiatives to improve life habits

Based on the recognition that daily exercise is essential for a healthy life, we have begun encouraging our employees and their family members to take up walking. We have built a system for them to participate in about 300 events across Japan, through means such as sponsorship of the four major events, including Japan 3-Day March, the Japan's largest walking event.



#### Prevalence of Abnormal Findings by Gender (Statutory Items Only)



Japan 3-Day March in November 2015

## Voice

### From a position of being cheered to a position of cheering for the health of employees

I have been a competitive long-distance runner since my school days. Because I wanted to improve as an amateur athlete even after graduation, I joined Dai-ichi Life's Women's Athletics Team. This team had a female coach, something that is rare.

I have now ended my nine-year career as an amateur athlete and am working in a job related to the health of our employees, taking advantage of my athletics experience.

The Company has been working with the health insurance association to promote walking, and has been taking additional measures since fiscal 2015.

Because I incorporated walking into my training when I was an athlete, I want to spread the fascination of walking based on my experience. Now that I have moved from a position of being cheered to one of cheering for the health of employees, I will pursue our initiatives for the healthy and happy life of employees and their families.

**Misaki Katsumata**, Associate, Health Improvement Center, Human Resources Dept.  
(Former member of the Women's Athletics Team)

