

Policy on Impact-driven Investments

Established on October 31, 2024

The Dai-ichi Life Insurance Company, Limited ("the Company") establishes the following policy for its Impact-driven Investments based on the "Basic Policy on Responsible Investment."

1. Purpose

The Company's impact-driven investments focus on the changes to the environment and society brought by the business activities of the investee companies (hereinafter referred to as "impact"). The Company aims to comprehensively capture the impact as a clear intention as the asset owner and lead to the resolution of environmental and social issues (hereinafter referred to as "impact driven"). By collaborating with investees (and other investors as necessary) to create impact (creating and expanding positive impact and mitigating negative impact), the Company aims to contribute to solving important regional and social issues while ensuring medium- to long-term and stable investment returns, as stated in the "Basic Policy on Responsible Investment."

2. Categories of Impact-driven Investments

The Company's impact-driven investments are categorized as following:

Investment Category	Definition	Assets(Examples ¹)
① Sustainability thematic investments(including Environmental & climate solution investments)	Investments in assets that have themes tied to solutions for addressing social issues	Green bonds/loans, social bonds/loans, sustainability bonds/loans, Transition bonds/loans, renewable energy and other project
② Broadly defined impact investments	Investments that identify the impact on the environment and society of the issuing company's business activities and measure and manage the impact creation status.	Sustainability-linked bonds, transition-linked bonds, positive impact finance, positive impact real estate, loans based on the DL Sustainability Finance Framework.
③ Narrowly defined impact investment ²	Investments aimed at creating innovations that contribute to structural changes in society and solving social issues, meeting the requirements specified in 3(1)③.	Listed equity, unlisted equity, funds.

¹ The listed assets are examples, and based on the engagement with investees and the identification, measurement, and management of KPIs, they may be classified differently.

² The Company considers that investments in this category meet the four basic elements defined in the "Basic Guidelines on Impact Investment (Impact Finance)" formulated by the Financial Services Agency's "Study Group on Impact Investment, etc."

3. Policy

(1) Investments and Engagements

As a responsible institutional investor, the Company sets medium-term investment amount targets for sustainability thematic investments from the perspective of appropriately supplying funds needed to solve social issues. For narrowly defined impact investments aimed at creating innovations that contribute to structural changes in society and solving social issues, the Company would not set investment amount targets to ensure the quality of impact. The Company promotes the creation of impact by emphasizing engagement³ with investees throughout all impact-driven investments, balancing the quantity and quality of impact.

① Sustainability Thematic Investments

- Given the significant funds required to solve global social issues such as achieving the SDGs and realizing a decarbonized society, the Company sets appropriate medium-term investment targets based on the expected necessary amount and the Company's asset scale. Where possible, the Company also sets targets related to the impact creation aimed at by these investments (e.g., contribution to reducing greenhouse gas emissions) to promote investments.
- After investments, in addition to regular monitoring, the Company engages with investees, particularly those considered to have challenges in impact creation and disclosure.

② Broadly defined Impact Investments

- The Company promotes these investments as part of sustainability thematic investments and set investment amount targets as necessary from the perspective of improving the sustainability preference of the Company's investment portfolio.
- In investment process, the Company engages on the appropriateness and validity of impact target KPIs. After investment, in addition to regular monitoring, the Company engages on the progress of KPIs.

③ Narrowly defined Impact Investments

- The Company promotes these investments as part of sustainability thematic investments but would not set investment amount targets to ensure the quality of impact.
- The Company confirms through engagement whether the investment candidates meet all the following requirements before investment:
 - ✓ The project has set indicators to monitor the social impact
 - ✓ The project has “innovativeness,” or “uniqueness and a barrier to entry” as well as the potential to create the social impact that the Company expects
 - ✓ Management at the company under evaluation for an investment has a strong will to

³ In this policy, engagement refers not only to the dialogue with investees conducted after the investment (referred to as "constructive purpose-driven dialogue") but also includes the dialogue conducted before the investment (same as above).

generate the social impact that the Company expects

✓ The impact business is the primary business (or will become the primary business in the future)

- After investment, in addition to regular monitoring, the Company engages on the continuous fulfillment of the above requirements and the progress of impact target KPIs.

(2) Incorporation into Investee Evaluation

- Based on the idea that impact creation is reasonably likely to contribute to enhancing corporate value, the Company strives to appropriately evaluate investees from the impact perspective, such as positively evaluating the contribution to reducing greenhouse gas emissions.

(3) Collaboration with Other Investors

- As global crises such as climate change and biodiversity loss intensify, concerns about "system-level risks⁴" that negatively affect market returns through financial markets and the economy, such as the risk of slowing global economic growth due to the continued physical impacts of climate change, are increasing. Addressing these risks is impossible for the Company alone and requires collaboration with other market participants, including investors and government agencies.
- The Company continuously participates in external initiatives related to impact and discuss effective responses to these risks with market participants, striving to appropriately reflect the results in investment actions and stewardship activities, including engagement.

(4) Disclosure

- (For disclosure by The Company) The Company regularly discloses specific investments and the status of impact creation through investments in the Dai-ichi Life Holdings Sustainability Report and the Dai-ichi Life Insurance Responsible Investment Report.
- (For disclosure by Investees) Particularly regarding the "status of impact creation," the Company continuously encourages appropriate initiatives and disclosure through engagement with investees based on (1) above.

⁴ System-level risks: A general term that includes systematic risks (risks that propagate through financial markets and the economy, affecting broad market returns) and systemic risk (risks where specific events or chronic economic conditions at a particular point in time destabilize and potentially collapse the financial system).