

Stewardship Activities Report (Fiscal 2017 Results of Activities and Fiscal 2018 Activities Plan)

October 2018

Dai-ichi Life Insurance Company, Limited

Stewardship Activities Report (Summary)

Assessment of Stewardship Activities

◆ Self-Assessment

| Principles of Japan's Stewardship Code | Self-Assessment |
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| Principle 1: Formulation of policy | ○ The Company assesses that it has formulated policy appropriately through the formulation and disclosure of policies addressing amendments to Japan's Stewardship Code. |
| Principle 2: Management of conflicts of interest | ○ The Company assesses that it has managed conflicts of interest appropriately through the establishment of the Responsible Investment Committee. |
| Principles 3 and 4: Dialogue with companies | △ The Company assesses that it has implemented dialogue appropriately on the whole. However, the Company recognizes that it must improve the qualitative aspects of its dialogue by requesting that companies provide enhanced disclosure of non-financial information including information on Environmental (E) and Social (S) issues, and by conducting a more in-depth analysis of the disclosed information. |
| Principle 5: Exercise of voting rights | ○ The Company assesses that it has exercised voting rights appropriately through the detailed disclosure of standards for exercising voting rights, and the disclosure of voting records for each investee company on an individual agenda item basis, among other activities. |
| Principle 6: External reporting | ○ The Company assesses that it has provided external reporting appropriately through disclosure provided via stewardship activities website, among other activities. |
| Principle 7: Enhancement of dialogue capabilities | ○ The Company assesses that it has appropriately enhanced its dialogue capabilities by concentrating personnel and functions in the newly established Responsible Investment Center and through research activities undertaken in the working group of The Life Insurance Association of Japan, among other activities. |

◆ External Assessment

- Following on from the previous fiscal year, the Company continued to obtain the highest assessment for its stewardship activities (assessment based on the six levels of A+ to E, with a global average assessment level of B). The Company earned an A+ result in the annual assessment of stewardship activities for 2017 under the Principles for Responsible Investment (PRI).

Fiscal 2017 Results of Activities

- ◆ The Company initiated dialogue based on the theme of Environmental (E) and Social (S) issues, conducting dialogue with 271 companies.
 - The market value of stocks held in companies with whom the Companies engaged in dialogue in fiscal 2017 represented 70% of the total market value. On a cumulative basis for the three years since fiscal 2015, the Company covered companies representing 90% of the total market value of stocks held.
 - The main themes of dialogue were reinforcement of corporate governance, sustainable improvement of business performance, and enhanced shareholder returns. In addition, the Company engaged in dialogue on the status of environmental and social activities with certain companies conducting innovative activities in order to build up its expertise in conducting such a dialogue.
 - The Company commenced disclosure of all individual voting records after exercising its voting rights on 7,623 agenda items of 2,310 listed companies.
 - The frequency of disclosure of individual voting records was changed from an annual basis to a quarterly basis, and disclosure was provided at an earlier stage.

Fiscal 2018 Activities Plan

- ◆ The Company will enhance the substance of dialogue by conducting dialogue focused on the major theme of ESG in earnest. Dialogue with around 230 companies is planned.
 - The Company will incorporate the new theme of environmental and social issues into its major themes for dialogue. (Major themes: Governance and environmental and social issues, management strategies for sustainable growth, financial strategy and shareholder returns).
- ◆ The Company will make known its approach to its revision of standards for exercising voting rights effective April 2019 (e.g., stricter business performance standards and independence standards, etc.) through dialogue with companies, while supporting the enhancement of their corporate value.

External Activities

- ◆ The Company will proactively engage in external activities aimed at promoting dialogue between companies and investors and the widespread adoption of ESG investment and financing practices. This will be done by serving as a member of the Forum for Integrated Corporate Disclosure and ESG Dialogue organized by the Ministry of Economy, Trade and Industry (METI), the chair company of the Working Group for Stewardship Activities of The Life Insurance Association of Japan, and the chair of the Japan network awareness raising group of PRI.

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I. Status of Stewardship Activities

In May 2014, the Company announced its acceptance of Japan's Stewardship Code (the "Stewardship Code"). In August 2014, the Company formulated and announced its Policies on Engaging in Activities Based on the Stewardship Code (the "Engagement Policies"). Thereafter, based on these Engagement Policies, the Company has undertaken stewardship activities aimed at spurring the sustainable growth of investee companies and enhancing medium- to long-term equity investment returns, in order to fulfill its stewardship responsibilities as an institutional investor responsible for the investment chain.

Stewardship activities consist of both dialogue activities with investee companies and the exercise of voting rights at general meetings of shareholders. The Company's investment policy is to target investments in companies that offer strong prospects for medium- to long-term profit growth and shareholder returns such as dividends. In light of this investment policy, the Company puts particularly strong emphasis on constructive and purposeful dialogue with investee companies. Moreover, considering the "Principles for Customer-Oriented Business Conduct" published by the Financial Services Agency in March 2017 and the revised version of the Stewardship Code published in May 2017 and other factors, the Company has continuously implemented measures to enhance the effectiveness of its stewardship activities. These measures include developing the organizational and personnel structure and improving and enhancing various stewardship activities.

With regard to developing the organizational and personnel structure, in April 2015, the Company established the Stewardship Activity Group within the Equity Department as an organization dedicated to stewardship activities. Thereafter, in April 2017, the Company established the Responsible Investment Center together with increasing the number of staff. Concurrently, the Company established the Responsible Investment Committee for such purposes as strengthening the governance structure.

Against the backdrop of these initiatives, the Company conducted dialogue with 271 companies in fiscal 2017, compared with 110 companies in fiscal 2014. The Company now has a system in place for steadily conducting dialogue activities with over 200 companies a year. The main themes of these dialogue activities are reinforcement of corporate governance, sustainable improvement of business performance and capital efficiency, and enhanced shareholder returns. Looking at environmental and social issues, while taking into consideration the level of information disclosed by investee companies, the Company conducted dialogue with certain companies that are conducting innovative activities to address environmental and social issues. The Company exchanged views with these companies on a range of matters including the status of their environmental and social activities, in order to build up its expertise in conducting such dialogue. The Company endeavors to ensure that the substance of the dialogue will support the sustainable growth and enhancement of corporate value of the investee companies.

Exercising voting rights is another pillar of the Company's stewardship activities alongside dialogue activities. The Company has pushed ahead with activities to improve the transparency of standards for exercising voting rights and voting records. Previously, the Company had disclosed a summary of its standards for exercising voting rights. From June 2017, the Company has disclosed the full text of its standards for exercising voting rights. In addition, with regard to voting records from July 2016 onwards, the Company has begun providing disclosure of voting records for each investee company on an individual agenda item basis (so-called "disclosure of individual voting records"), in addition to providing disclosure of the voting tally by type of agenda item (so-called

“disclosure of spreadsheets”) as before. Moreover, from July 2017, the Company has provided disclosure earlier by changing the frequency of disclosure from an annual basis to a quarterly basis.

The Company is enhancing the transparency of the exercise of voting rights by disclosing its standards for exercising voting rights in combination with individual voting records. The Company believes that enhancing transparency in this way will encourage constructive dialogue with investee companies and help to enhance sustainable growth and the Company’s equity investment return over the medium to long term.

<Status of Stewardship Activities>

| | Fiscal 2014 | Fiscal 2015 | Fiscal 2016 | Fiscal 2017 | |
|---|---|---|---------------------------------|-------------------------------|-----------------|
| Number of companies engaged in dialogue | Announced acceptance of the Stewardship Code | 110 companies | 233 companies | 277 companies | 271 companies |
| Themes of dialogue | | Reinforcement of corporate governance, sustainable improvement of business performance and capital efficiency, and enhanced shareholder returns | | | |
| | | Status of response to the Corporate Governance Code | | | |
| | | Improve effectiveness | Dialogue with Outside Directors | | Dialogue on ESG |
| Disclosure of voting records | | Disclosure of spreadsheets | | | |
| | Improve transparency | Disclosure of individual voting records (quarterly) | | | |
| | Disclosure of detailed standards | | | | |
| Organizational structure | Stewardship Activity Group, Equity Department | | | Responsible Investment Center | |
| | Strengthen the structure | Responsible Investment Committee | | | |

II. Assessment of Stewardship Activities

Considering the following self-assessments (see 1 below) and external assessments (see 2 below), the Company believes that its stewardship activities have been implemented appropriately on the whole. By repeatedly implementing PDCA cycles based on the assessment results, the Company will strive to continuously enhance all aspects of its activities.

1. Activities and Self-Assessments Related to Stewardship Activities

An overview and self-assessment of the Company's main activities undertaken in line with the Policies on Engaging in Activities Based on the Stewardship Code are as follows.

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| Principle 1 | Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it. |
| Engagement Policies | <ul style="list-style-type: none">◆ Dai-ichi Life strongly endorses Japan's Stewardship Code and has established the following Policies on Stewardship Activities. By following the Stewardship Code and Policies on Stewardship Activities, the Company will fulfill its responsibilities as an institutional investor.◆ When entrusting asset management to external asset management institutions, the Company will request the external asset management institutions to implement stewardship activities. Concurrently, the Company will clearly indicate the principles and related matters it expects the institutions to follow, and monitor the status of implementation thereof. <p><Policy on Stewardship Activities></p> <p>1. Purpose of Stewardship Activities</p> <p>The Dai-ichi Life Insurance Company, Limited ("the Company") will engage in constructive and purposeful dialogue and exercise its voting rights, with the aim of encouraging investee companies (domestic listed stocks) to achieve sustainable growth and enhancing medium- to long-term equity investment returns.</p> <p>2. Basic Approach to Stewardship Activities</p> <p>The Company conducts equity investments targeting companies that offer strong prospects for medium- to long-term profit growth and shareholder returns such as dividends*. In light of this investment objective, when conducting stewardship activities the Company puts particularly strong emphasis on constructive and purposeful dialogue with investee companies.</p> <p>(1)The Company will continuously conduct constructive and purposeful dialogue by sharing issues regarding business strategies, financial strategies, shareholder return policies and other matters. This is in order to encourage investee companies to enhance their corporate value from a medium- to long-term perspective, as well as to accurately grasp the condition of investee companies through research activities and other means.</p> <p>(2)When exercising voting rights, the Company will endeavor to confirm whether there are any concerns from the standpoint of maintaining and enhancing corporate value at each investee company on an individual agenda item basis. The Company will also endeavor to make decisions based on</p> |

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| | <p>non-financial factors and the substance of dialogue with investee companies, rather than making formal and uniform decisions based on short-term corporate business performance, stock prices and other such factors. However, the Company will exercise voting rights based on formal standards on important agenda items concerning the corporate governance framework and related matters.</p> <p>(3)The Company believes that it is important to communicate its rationale for exercising voting rights after exercising those rights. In particular, when opposing an agenda item, the Company will endeavor to provide feedback to the investee companies on the reasons for opposing the agenda item.</p> |
| Measures | <ul style="list-style-type: none"> ➤ The Company revised and announced its policies promptly after the revision of the Stewardship Code in May 2017. ➤ In the course of selecting asset management institutions, the Company confirms how the candidates are implementing measures to address the Stewardship Code, as well as regularly monitoring the status of these activities after the entrustment of asset management. |
| Self-Assessment | <ul style="list-style-type: none"> ➤ The Company assesses that it has appropriately implemented measures based on the policies for this principle. |

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| Principle 2 | Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it. |
| Engagement Policies | <ul style="list-style-type: none"> ◆ The Company has established a policy on managing conflicts of interest and has a system in place to prevent conflicts of interest. In the course of conducting stewardship activities such as conducting dialogue with and exercising voting rights in investee companies, the Company will identify situations where there could be conflicts of interest, and establish policies that ensure that the interests of the shareholders of the parent, policyholders and other stakeholders are not unduly undermined. <p><Policies on managing conflicts of interest in stewardship activities></p> <ul style="list-style-type: none"> ◆ The Responsible Investment Center, an organization dedicated to stewardship activities, will decide whether or not to conduct dialogue activities and exercise voting rights, from the standpoints of maintaining and improving the corporate value and enhancing the governance of investee companies. ◆ The Responsible Investment Committee will deliberate on the revision of policies on stewardship activities and the revision and abolition of important regulations, such as standards for exercising voting rights; deliberate on important votes requiring separate attention; and conduct monitoring from the standing point of ensuring that there are no conflicts of interest with respect to voting records. In principle, more than half of the members of the Responsible Investment Committee must be outside experts and the executive officer in charge of the Compliance Control Department, who oversees conflict-of-interest management, must be included as a member of the committee. ◆ The Audit and Supervisory Board, which comprises a majority of outside Audit and Supervisory Board members, conducts audits to confirm the appropriateness of processes and other matters |

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| | <p>with respect to the deliberations of the Responsible Investment Committee, as necessary.</p> <p>(Main situations where there are likely to be conflicts of interest)</p> <ul style="list-style-type: none"> ◆ Cases where voting rights are exercised in investee companies with which the Company and its Group companies have business transactions, such as insurance policies and investment and financing arrangements. ◆ Cases where the Company and its Group companies exercise voting rights in investee companies with which they are proposing business transactions, such as enrollment in insurance policies and investment and financing arrangements. |
| Measures | <ul style="list-style-type: none"> ➤ In April 2017, the Company established the Responsible Investment Center for purposes such as strengthening the governance structure related to stewardship activities. ➤ The Responsible Investment Committee had comprised only internal members when it was initially established. However, the Company decided that more than half of the members of the Responsible Investment Committee must be outside members, in principle. From April 2018, the Committee has three outside members and two internal members. ➤ The Company decides on particularly important votes, such as voting at companies where it has a large stock holding and voting at companies and on agenda items that have attracted an extremely high degree of social interest, based on deliberations in the Responsible Investment Committee. Concurrently, all important votes are reported to the Responsible Investment Committee. |
| Self-Assessment | <ul style="list-style-type: none"> ➤ The Company assesses that it has appropriately implemented measures based on the policies for this principle. |

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| Principle 3 | <p>Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.</p> |
| Engagement Policies | <ul style="list-style-type: none"> ◆ The Company will endeavor to appropriately monitor the status of investee companies through research activities by analysts and constructive and purposeful dialogue, so that it can appropriately fulfill its stewardship responsibilities with an orientation towards the sustainable growth of the companies. ◆ In the course of conducting research activities and dialogue, the Company will assess the prospects for the medium- to long-term profit growth of investee companies by monitoring a wide range of factors, including not only short-term corporate business performance, but also the business strategies, medium-term management plan and shareholder return policies of the companies, as well as non-financial factors such as governance and contribution to social and environmental issues. |
| Measures | <ul style="list-style-type: none"> ➤ The Company proactively conducted research activities on investee companies and their industries throughout the year. These activities included investor relations-related information gathering activities and earnings presentations, by full-time staff members of the Responsible Investment Center, an organization dedicated to stewardship activities, and by the analysts and fund managers |

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| | <p>of the Equity Department, which is responsible for executing investments. By conducting stewardship activities based on these kinds of research activities, the Company strove to appropriately monitor investee companies.</p> <p>➤ The Company assessed the prospects for medium- to long-term profit growth of investee companies by monitoring their business performance and financial condition, in addition to governance issues, as well as striving to gather non-financial information such as information on environmental and social issues.</p> |
| Self-Assessment | <p>➤ The Company assesses that it has appropriately implemented monitoring of conditions through research activities pertaining to the financial information of investee companies, a measure based on the policies for this principle.</p> <p>➤ The Company believes that it must request further disclosure of information from investee companies, particularly non-financial information on matters such as environmental and social issues. The Company also believes that it must monitor and analyze the information disclosed by an even larger number of companies going forward.</p> <p>➤ The Company believes that it must consider more efficient ways to address the management of information on matters such as the awareness of issues and the status of progress against those issues at companies with which the Company has been engaging in dialogue, including considering the development of related information systems.</p> |

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| Principle 4 | Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies. |
| Engagement Policies | <p>◆ The Company will work to solve problems based on a common understanding of issues fostered by continuously conducting constructive and purposeful dialogue with investee companies on matters such as business strategies, financial strategies and shareholder return policies, so that the Company can help to enhance the corporate value of investee companies from a medium- to long-term perspective.</p> <p>◆ The Company will basically conduct dialogue with investee companies on a standalone basis, but will also work closely with other institutional investors as needed.</p> <p>◆ The Company does not conduct dialogue with investee companies for the purpose of receiving undisclosed material facts. If the Company receives such information, it will manage the information appropriately based on internal rules.</p> |
| Measures | <p>➤ The Company selected the companies with which it conducted dialogue by taking into account a comprehensive range of factors such as the significance to the Company and investee companies (investment amount and shareholder ranking) as well as investment themes and the exercise of voting rights. In fiscal 2017, the Company conducted constructive and purposeful dialogue with 271 companies.</p> <p>➤ The Company participated in the Working Group for Enhancing Corporate Value established by</p> |

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| | <p>The Life Insurance Association of Japan. In the Working Group, the Company participated in research activities to help life insurance companies conduct stewardship activities more effectively, and trials of group engagement by sending correspondence in writing together with companies participating in the Working Group.</p> |
| Self-Assessment | <ul style="list-style-type: none"> ➤ As part of the measures based on the policies for this principle, the Company selects companies that it will engage in dialogue and conducts dialogue with each company. The Company has confirmed that these measures have been effective to a certain extent based on verification of their effectiveness. Consequently, the Company assesses that it has appropriately implemented these activities. ➤ The Company believes that it must work to make further qualitative improvements in dialogue based on future measures (monitoring and analysis of non-financial information on matters such as the environmental and social issues faced by investee companies) based on the policies for Principle 3. ➤ The Company has conducted group engagement through collaboration with companies participating in the Working Group of The Life Insurance Association of Japan. The Company believes that verification of these measures and related activities must be undertaken. |

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| Principle 5 | <p>Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist: it should be designed to contribute to sustainable growth of investee companies.</p> |
| Engagement Policies | <ul style="list-style-type: none"> ◆ The Responsible Investment Center exercises voting rights based on the standards for exercising voting rights it has established in light of deliberations in the Responsible Investment Committee. ◆ The Company regularly revises the standards for exercising voting rights from the standpoint of maintaining and improving the corporate value of investee companies over the medium to long term. ◆ The Company discloses voting records by each investee company on an individual agenda item basis, in addition to disclosure based on a spreadsheet format. <p>Reference: When conducting stock lending transactions, the Company gives consideration to securing voting rights. If stock lending transactions straddle the record date for voting rights, the Company may request the return of the stocks on loan.</p> |
| Measures | <ul style="list-style-type: none"> ➤ In fiscal 2017, the Responsible Investment Center exercised all of the voting rights for 2,310 listed companies in Japan. In addition, a new information system related to the exercise of voting rights was introduced in April 2018. As a result, the Company has established a flow of operations that enables it to review agenda items more efficiently than before. ➤ Based on the deliberations of the Responsible Investment Committee, the Company revised the standards for exercising voting rights and published the details of those revisions in September 2017 and March 2018. With regard to the timing of applying the revised standards, the Company has set time periods that will enable each company to appropriately address each of the revised |

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| | <p>standards.</p> <p>➤ With regard to voting records, in September 2017 the Company began providing disclosure of voting records for each investee company on an individual agenda item basis from July 2016 onwards, in addition to providing disclosure of spreadsheets of the voting tally by type of agenda item as before. In terms of the frequency of disclosure, the Company has provided disclosure earlier by changing the frequency of disclosure from an annual basis to a quarterly basis from July 2017.</p> |
| Self-Assessment | <p>➤ The Company assesses that it has appropriately implemented measures based on the policies for this principle. However, the Company believes that it must appropriately revise its standards for exercising voting rights in light of factors such as the social and economic environment surrounding companies.</p> |

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| Principle 6 | Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries. |
| Engagement Policies | <p>◆ The Company regularly publishes on its website the status of its activities to fulfill its stewardship responsibilities, such as exercising voting rights and conducting dialogue.</p> |
| Measures | <p>➤ The Company publishes the Stewardship Activities Report on its website every fiscal year to provide information on the status of its overall stewardship activities.</p> <p>➤ With regard to the exercise of voting rights, the Company publishes all of its standards for exercising voting rights and any plans to revise those standards, as well as its voting records for the exercise of voting rights on a quarterly basis.</p> <p>➤ The Company strove to enhance the content of the disclosure pertaining to stewardship activities available on its website.</p> |
| Self-Assessment | <p>➤ The Company assesses that it has appropriately implemented measures based on the policies for this principle. However, the Company believes that it must continue to strive to enhance the content of its reporting based on factors including the status of its activities.</p> |

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| Principle 7 | To contribute positively to the sustainable growth of investee companies, institutional investors should have in-depth knowledge of the investee companies and their business environment and skills and resources needed to appropriately engage with the companies and make proper judgments in fulfilling their stewardship activities. |
| Engagement Policies | <p>◆ The management team will push ahead with measures to address priorities such as building the necessary organizations and nurturing the highly specialized human resources needed to conduct stewardship activities based on in-depth knowledge of investee companies and their business environment.</p> <p>◆ The Company seeks to fulfill its stewardship responsibilities at a highly advanced level. To this end, the Company will regularly conduct self-assessments and publish the results thereof, with a</p> |

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| | view to continuously enhancing its stewardship activities. |
| Measures | <ul style="list-style-type: none"> ➤ In April 2017, the Company established the Responsible Investment Center, thereby concentrating personnel and functions pertaining to stewardship activities in this organization. By doing so, the Company will strive to increase the sophistication of measures related to stewardship activities, accumulate expertise, and develop human resources. ➤ The Company regularly held internal study sessions led by outside experts who were invited to serve as guest instructors. These study sessions enable employees to obtain knowledge and improve dialogue skills related to the environment and social issues faced by companies. ➤ In the Working Group for Enhancing Corporate Value of The Life Insurance Association of Japan, participating companies shared information on effective best practices and exchanged information with institutional investors other than life insurance companies, as part of research activities to help life insurance companies conduct stewardship activities more effectively. |
| Self-Assessment | <ul style="list-style-type: none"> ➤ The Company assesses that it has appropriately implemented measures based on the policies for this principle. However, the Company believes that it must continue to steadily implement measures to refine its human resources in the areas of stewardship activities, in light of trends in the external environment and other factors. |

2. External Assessments (Annual Assessment Under PRI)

The Company continued to obtain the highest assessment for its stewardship activities for the second consecutive year. The Company earned an A+ result in the annual assessment of stewardship activities for 2017 under the Principles for Responsible Investment (PRI*) (assessment based on the six levels of A+ to E, with a global average assessment level of B). The assessment standards are designed to be revised every year in response to global trends in responsible investment. By continuously undergoing this annual assessment, the Company will strive to enhance all aspects of its stewardship activities so that it can continuously obtain a high assessment on a global basis.

* What are the Principles for Responsible Investment (PRI)?

The Principles for Responsible Investment (PRI) are investment principles supported by the United Nations that request institutional investors to incorporate environmental, social and corporate governance (ESG) issues into investment practice. In November 2015, the Company endorsed and signed the PRI.

(Reference: The Six Principles for Responsible Investment)

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

III. Promotion Framework for Stewardship Activities

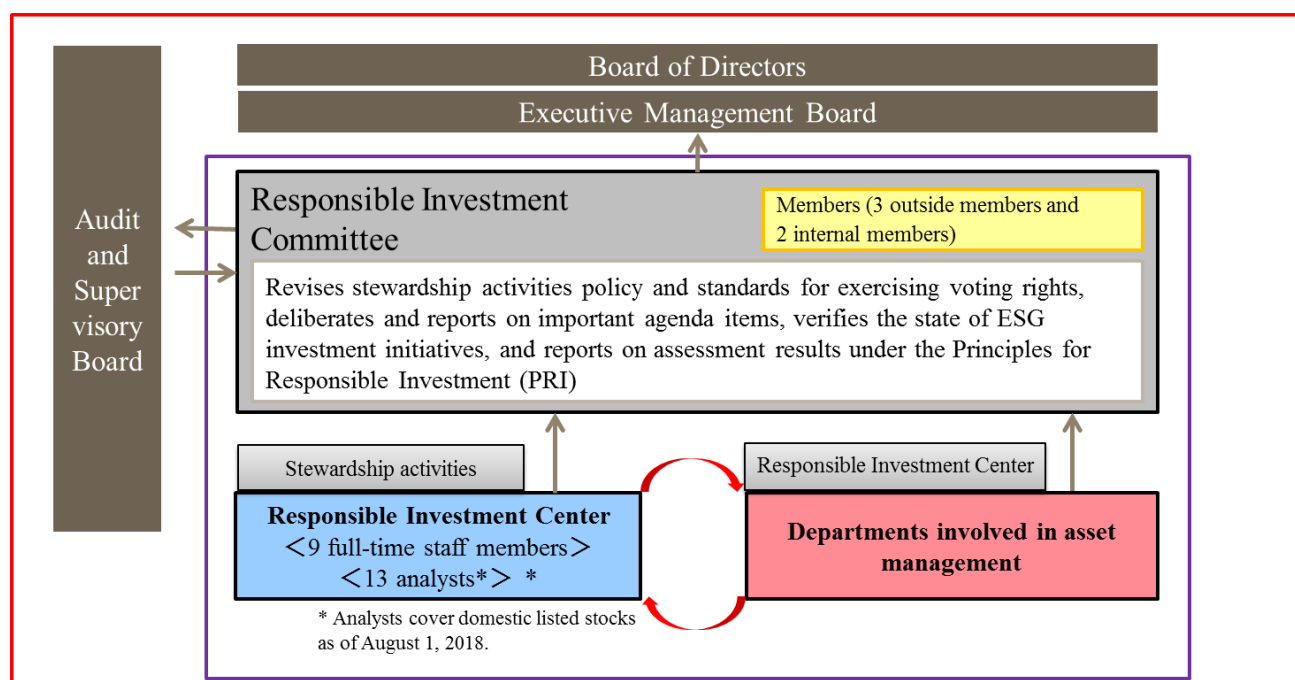
In April 2017, the Company established the Responsible Investment Center and the Responsible Investment Committee for the purpose of further strengthening the governance structure with respect to responsible investment.

By establishing the Responsible Investment Center, the Company has concentrated executive authority related to stewardship activities (the exercise of voting rights and dialogue activities, etc.), which was previously spread out over several different entities, into one organization. Establishing the Responsible Investment Center has also enhanced the Company's specialized expertise in stewardship activities. In parallel, it has reinforced the Company's system for managing conflicts of interest and clearly assigned responsibility for conflict-of-interest management. Stewardship activities are implemented through collaboration between the full-time staff members of the Responsible Investment Center and analysts who serve concurrently in the Equity Investment Department, which is responsible for executing investments. When assessing the prospects for medium- to long-term profit growth of companies, the analysts give consideration to the content of dialogue and other aspects of stewardship activities. By doing so, stewardship activities are reflected in investment practices.

The Responsible Investment Committee performs roles such as deliberating on important policies related to responsible investment and important votes requiring separate attention, as well as verifying the results of stewardship activities, the state of ESG investment initiatives and related matters. The committee members are joined by the executive officer in charge of the Compliance Control Department, who oversees conflict-of-interest management. This executive officer verifies the exercise of voting rights from the standpoint of preventing conflicts of interest. Along with this, in April 2018, the Company required more than half of the members of the Responsible Investment Committee to be outside experts, in an effort to enhance deliberations.

Additionally, the Audit and Supervisory Board, which comprises a majority of outside Audit and Supervisory Board members, conducts audits to confirm the appropriateness of processes and other matters in the deliberations of the Responsible Investment Committee and related activities.

<Promotion Framework for Stewardship Activities>



<Members of the Responsible Investment Committee (as of April 2018)>

| | Name | Position |
|------------------|------------------|---|
| Chairman | Yasuhiro Miyata | Executive Officer (in charge of the Responsible Investment Center) |
| Member | Ichiro Okamoto | Executive Officer (in charge of the Compliance Control Department) |
| Member (Outside) | Tetsuya Hishida | Partner and Auditor, Industrial Growth Platform, Inc. |
| Member (Outside) | Haruka Matsuyama | Attorney at Law and Partner, Hibiya Park Law Offices |
| Member (Outside) | Kikuo Kuroiwa | Former President & Representative Director, Robeco Japan Company Limited |

IV. Fiscal 2017 Dialogue Results of Activities

1. Implementation of Dialogue Activities

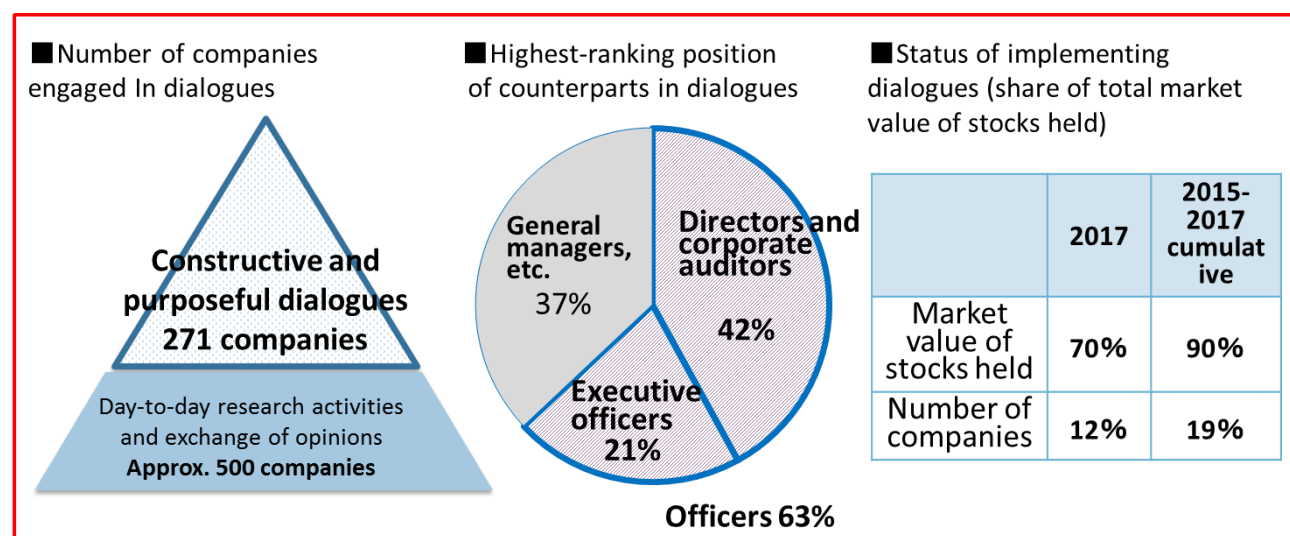
The Company selected the companies with which it conducted dialogues by taking into account a comprehensive range of factors such as the significance to the Company and investee companies (investment amount and shareholder ranking) as well as investment themes and the exercise of voting rights. The Company conducted constructive and purposeful dialogues with 271 companies. At two of these companies, the Company conducted dialogues with outside directors who fulfill key roles in enhancing the effectiveness of corporate governance.

The main themes of the dialogues were the reinforcement of corporate governance, the sustainable improvement of business performance and capital efficiency, and enhanced shareholder returns. The Company adopted these themes for its dialogues with companies from the standpoint of supporting independent measures by the companies to enhance their corporate value, based on factors including industry, the size of the companies and regional characteristics. In addition, while taking into consideration the level of information disclosed by companies on environmental (E) and social (S) issues, the Company exchanged views on environmental (E) and social (S) issues with certain investee companies conducting innovative initiatives in order to build up its expertise in conducting such dialogues. Along with this, in cases where the disclosure of information was deemed to be insufficient, the Company encouraged the relevant companies to proactively disclose information.

At 63% of the 271 companies engaged in dialogues, the Company held discussions with officers such as directors, Audit and Supervisory Board members and executive officers in charge of areas such as corporate planning and investor relations (IR). The market value of stocks held in companies with whom the Company engaged in dialogues represented 70% of the total market value (12% of the total number of companies) in fiscal 2017. On a cumulative basis for the three years since fiscal 2015, the Company covered companies representing 90% of the total market value of stocks held (19% of the total number of companies).

In addition to purposeful dialogues, the Company conducted day-to-day research activities and exchanges of opinion, such as individual meeting with analysts, with around 500 companies.

<Status of implementing dialogue activities>



<Main Themes of Dialogues (Fiscal 2017)>

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| ◆ Reinforcement of corporate governance |
| ➢ Measures to enhance the functioning of the Board of Directors |
| ➢ Roles expected of independent outside directors and support system |
| ➢ Status of dialogues with institutional investors and system for providing feedback to the Board of Directors |
| ➢ Identifying important environmental and social issues and incorporating them into strategies (only for certain companies that are conducting innovative activities) |
| ◆ Sustainable improvement of business performance and capital efficiency |
| ➢ Corporate strategies and growth investments (capital investment, M&A, overseas expansion, etc.) |
| ➢ Financial and capital policies |
| ➢ Business portfolio management |
| ◆ Enhanced shareholder returns |
| ➢ Policy on shareholder returns over the medium to long term |
| ➢ Approach to utilizing and retiring treasury stock |

(Reference) Definition and characteristics of the Company's dialogue activities

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| ◆ Constructive and purposeful dialogues |
| Activities involving the exchange of opinions with investee companies on measures to enhance their corporate value over the medium to long term |
| ✓ The Company conducts face-to-face interviews that last at least one hour with officers and business executives responsible for management strategy, investor relations (IR), and financial strategy. |
| ✓ The Company conducts dialogues primarily in the period between July and the following March, in order to avoid the peak period for annual general meetings when these events are concentrated. This is in order to arrange sufficient time for dialogues and to hold discussions on a wide range of themes that will contribute to the enhancement of corporate value over the medium to long term. |
| ◆ Day-to-day research activities and exchanges of opinions |
| Activities conducted across a wide range of interfaces with investee companies, including participation of analysts in investor relations-related information gathering activities and earnings presentations. |

The Company also participated in the Working Group for Enhancing Corporate Value established by The Life Insurance Association of Japan. In the Working Group, the Company carried out research activities concerning stewardship activities. As part of these research activities, the 10 life insurance companies participating in the Working Group collaborated on trials of group engagement, in which an awareness of issues reflecting the requests of The Life Insurance Association of Japan is communicated to investee companies in order to encourage them to fulfill these requests.

<Summary of Group Engagement by the Life Insurance Companies Participating in the Working Group>

| Purpose | <p>➤ As a more effective means of encouraging companies to fulfill the requests of The Life Insurance Association of Japan, the 10 life insurance companies participating in the Working Group collaboratively communicated an awareness of issues to various companies and encouraged the companies to take action. Through these activities, the 10 participating life insurance companies strove to increase the corporate value of the companies.</p> | | | | | | | | |
|----------------------------------|--|--------|-----------------------|------------|--|---------------------------|---|---------------------|--|
| Companies covered by this method | <p>➤ Correspondence in writing was sent to those companies listed on the First Section of the Tokyo Stock Exchange that have not fulfilled the requests of The Life Insurance Association of Japan based on the findings of the questionnaires, etc. (approximately 100 companies that have not satisfied at least one of the standards based on the themes below).</p> <table> <tr> <th>Themes</th><th>Overview of standards</th></tr> <tr> <td>Governance</td><td>Companies that are believed to have inadequate governance given that they have not appointed outside directors</td></tr> <tr> <td>Disclosure of information</td><td>Companies that are believed to provide inadequate disclosure of their medium-term management plans and non-financial information on environmental (E), social (S) and related issues.</td></tr> <tr> <td>Shareholder returns</td><td>Companies that are believed to be making insufficient investments despite having a sound financial position and generating abundant cash flows, and have maintained a payout ratio of less than 30% over an extended period (conditions will vary by industry and other factors)</td></tr> </table> | Themes | Overview of standards | Governance | Companies that are believed to have inadequate governance given that they have not appointed outside directors | Disclosure of information | Companies that are believed to provide inadequate disclosure of their medium-term management plans and non-financial information on environmental (E), social (S) and related issues. | Shareholder returns | Companies that are believed to be making insufficient investments despite having a sound financial position and generating abundant cash flows, and have maintained a payout ratio of less than 30% over an extended period (conditions will vary by industry and other factors) |
| Themes | Overview of standards | | | | | | | | |
| Governance | Companies that are believed to have inadequate governance given that they have not appointed outside directors | | | | | | | | |
| Disclosure of information | Companies that are believed to provide inadequate disclosure of their medium-term management plans and non-financial information on environmental (E), social (S) and related issues. | | | | | | | | |
| Shareholder returns | Companies that are believed to be making insufficient investments despite having a sound financial position and generating abundant cash flows, and have maintained a payout ratio of less than 30% over an extended period (conditions will vary by industry and other factors) | | | | | | | | |

2. Effects of Dialogue Activities

Since fiscal 2015, the Company has been following through on progress made by companies toward the issues independently identified by the Company from the viewpoint of enhancing their corporate value. The Company follows through on this progress up to the point where the companies resolve the issues. In conducting dialogues with the companies, the Company encourages the companies to address issues after confirming their awareness of the issues and measures to address each issue. Having done so, based on published documents and other materials disclosed at the end of every June, the Company regularly follows up on the status of those measures and improvements. By taking these steps, the Company confirms the effects of its dialogue activities.

As a result of dialogues with 271 companies in fiscal 2017, the Company identified 278 new issues at 145

companies from the viewpoint of enhancing corporate value, along with following up on existing issues (including situations where several issues were identified at a single company).

Based on dialogues and published documents, the Company has confirmed the status of the measures undertaken by investee companies to address issues identified by the Company since fiscal 2015, when it initiated these dialogue activities. The Company verified specific progress and issue resolution for 186 issues at 130 companies during the year through June 2018. Looking at the main examples of improvements, following on from the previous fiscal year, the Company continued to find many instances where the companies enhanced disclosure of information, such as the disclosure of medium-term management plans, and boosted shareholder returns through such means as raising the payout ratio and conducting share buybacks. There was also an increase in improvements in the effectiveness of the board of directors (in terms of implementation and disclosure).

The Company will continue to follow up on progress with measures to address issues, along with providing support to enhance corporate value by encouraging investee companies to implement measures and share information.

<New Issues and Improvements on Those Issues>

| Dialogue theme | New issues in fiscal 2017 | | Improvements in fiscal 2017 (includes issues identified in fiscal 2016 and earlier) | | | | Examples of main improvements |
|---|---------------------------|------------------|--|------------------|-----------------|--------------|--|
| | Number of companies | Number of issues | Number of companies | Number of issues | Resolved issues | Improvements | |
| Governance | 100 | 135 | 82 | 103 | (73) | (30) | <ul style="list-style-type: none"> • Corporate auditors serving long terms (21 issues) • Effectiveness of the board of directors (19 issues) |
| Business performance and capital efficiency | 67 | 83 | 46 | 49 | (35) | (14) | <ul style="list-style-type: none"> • Disclosure of medium-term management plans (23 issues) • Disclosure of capital efficiency targets (KPI) (13 issues) |
| Shareholder returns | 49 | 60 | 33 | 34 | (20) | (14) | <ul style="list-style-type: none"> • Improvement in the total payout ratio (20 issues) • Disclosure of shareholder return policies (12 issues) |
| Total | 145 | 278 | 130 | 186 | (128) | (58) | |

* The totals for the number of companies do not match because some companies have several issues.

3. Examples of Dialogue Activities

The Company has confirmed that certain investee companies have implemented specific measures to address the issues it has identified through dialogue activities undertaken to date. The main examples of these dialogues are shown below:

| (Example: Company A) Strengthening governance | |
|--|--|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2016 and fiscal 2017. ◆ To improve the effectiveness of the board of directors, the Company exchanged opinions on matters including the number of directors, which was 20 or more, and promoting diversity in the composition of the board of directors. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ At the ordinary general meeting of shareholders held in 2018, the investee company reduced the number of directors so that it could conduct more constructive and efficient discussions. |

| (Example: Company B) Strengthening governance | |
|--|---|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2016 and fiscal 2017. ◆ The Company exchanged opinions on matters including the appropriateness of the reasons for appointing an independent outside director with a career background at the investee company's major shareholder and increasing the number of independent outside directors. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ The investee company clearly stated its reasons for appointing independent outside directors, and enhanced the content of related disclosure. ➤ At the ordinary general meeting of shareholders held in 2018, the investee company increased the number of independent outside directors by two individuals to three individuals. As a result, independent outside directors now account for one-third of the directors. |

| (Example: Company C) Strengthening governance, and business performance and capital efficiency | |
|---|---|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2015, fiscal 2016 and fiscal 2017. ◆ The Company exchanged opinions on matters including disclosure of medium-term management plans, disclosure of earnings presentation materials on the corporate website, and implementing assessments of the effectiveness of the board of directors. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ The investee company disclosed its medium-term management plan in 2016. ➤ The investee company disclosed its earnings presentation materials on its corporate website in 2018. In addition, the investee company disclosed information on the implementation of assessments of the effectiveness of the board of directors in its Corporate Governance Report. |

(Example: Company D) Strengthen governance, and enhance business performance, capital efficiency and shareholder returns

| | |
|--|---|
| Summary of the dialogue | <ul style="list-style-type: none"> ◆ The Company conducted a dialogue in fiscal 2015. ◆ The Company exchanged opinions on matters centered on the investee company's measures to address the Corporate Governance Code as well as an increase in the number of independent outside directors, disclosure of medium-term management plans, dividend policies, and ways of using treasury stock. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ In 2018, the investee company publicly disclosed policies such as "<u>Formulation of Medium- to Long-Term Management Strategy (to be disclosed in 2018)</u>," "<u>Increase in Outside Directors (planned increase from one to two outside directors)</u>," "<u>Establishment of a Voluntary Nomination and Compensation Committee (to be established in 2018)</u>" "<u>Pursuit of Appropriate Holding Levels of Treasury Stock</u>" and "<u>Changes in Dividend Policies</u>." ➤ Based on the aforementioned policies, the investee company raised its target for the consolidated dividend payout ratio to 30%, and announced a dividend forecast that marked a large increase in the dividend. |

(Example: Company E) Business performance and capital efficiency

| | |
|--|--|
| Summary of the dialogue | <ul style="list-style-type: none"> ◆ The Company conducted a dialogue in fiscal 2017. ◆ The Company exchanged opinions on proactively conducting investor relations activities through such means as providing detailed disclosure of medium-term management plans and holding earnings presentations, as well as the importance of developing a system for carrying out those activities. Concurrently, the Company also discussed matters such as approaches to takeover defense measures. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ In 2018, the investee company announced organizational changes to promote investor relations activities and the abolition of takeover defense measures. ➤ Thereafter, the investee company announced a new medium-term management plan and held its first earnings presentation, along with disclosing the related materials on its corporate website. |

(Example: Company F) Business performance and capital efficiency

| | |
|-------------------------|--|
| Summary of the dialogue | <ul style="list-style-type: none"> ◆ The Company conducted a dialogue in fiscal 2017. ◆ The investee company had provided disclosure of information on its progress with new businesses that was qualitative in nature. Therefore, the Company presented examples of disclosure provided by similar companies and discussed ways for the investee company to provide disclosure of quantitative information. |
| Measures taken at | <ul style="list-style-type: none"> ➤ At its earnings presentation in 2018, the investee company disclosed quantitative |

| | |
|----------------------|--|
| the investee company | information on its new businesses, including net sales and profit targets and the number of development personnel. |
|----------------------|--|

(Example: Company G) Business performance and capital efficiency

| | |
|--|--|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2015, fiscal 2016 and fiscal 2017. ◆ The investee company has put forward a policy to increase recruitment as a measure to counter the mass compulsory retirement of seasoned employees. In regard to this point, the Company discussed the possibility of using artificial intelligence (AI) to transfer technical skills to future generations and implement cost reforms. |
| Measures taken at the investee company | ➤ In its medium-term management plan, the investee company clearly stated its direction of proactively using AI and big data to transfer the technical skills of seasoned employees to future generations and to achieve more efficient execution of business operations. |

(Example: Company H) Business performance and capital efficiency

| | |
|--|---|
| Summary of the dialogue | <ul style="list-style-type: none"> ◆ The Company conducted a dialogue in fiscal 2017. ◆ The investee company had suspended disclosure of its medium-term management plan due to high volatility in its business performance. Therefore, the Company exchanged opinions on matters including examples drawn from peer companies in the same industry, and encouraged the investee company to resume disclosure of its medium-term management plan. |
| Measures taken at the investee company | ➤ In 2018, the investee company announced its vision for the next 10 years and a 3-year medium-term management plan. |

(Example: Company I) Enhance business performance, capital efficiency and shareholder returns

| | |
|--|---|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2015, fiscal 2016 and fiscal 2017. ◆ The Company encouraged the investee company to formulate and announce a medium-term management plan including quantitative targets such as ROE. It also encouraged the investee company to revise its dividend measures and announce its dividend policy, which calls for the payment of stable dividends. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ In 2017, the investee company announced forecasts of its medium-term business results and its policy on the dividend payout ratio. ➤ In 2018, the investee company announced its targets for net sales, profit margins, ROE and other indicators and business plans for fiscal 2025. |

| (Example: Company J) Enhance business performance, capital efficiency and shareholder returns | |
|--|--|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2016 and fiscal 2017. ◆ The Company encouraged the investee company to formulate and announce a medium-term management plan and to disclose a target for the dividend payout ratio. Concurrently, the Company discussed ways for the investee company to use its treasury stock, which had accumulated due to large amounts of share buybacks. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ The investee company announced that it would retire most of its treasury stock. ➤ In 2017, the investee company announced its medium-term management plan. Concurrently, the investee company announced plans to proactively provide shareholder returns according to profit growth. |

| (Example: Company K) Enhance shareholder returns | |
|---|---|
| dialogue | <ul style="list-style-type: none"> ◆ Despite its strong financial position, the investee company had provided only a small amount of shareholder returns. Therefore, the Company exchanged opinions with the investee company on the nature of capital policies. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ The investee company conducted a share buyback in order to improve capital efficiency and enhance shareholder returns. |

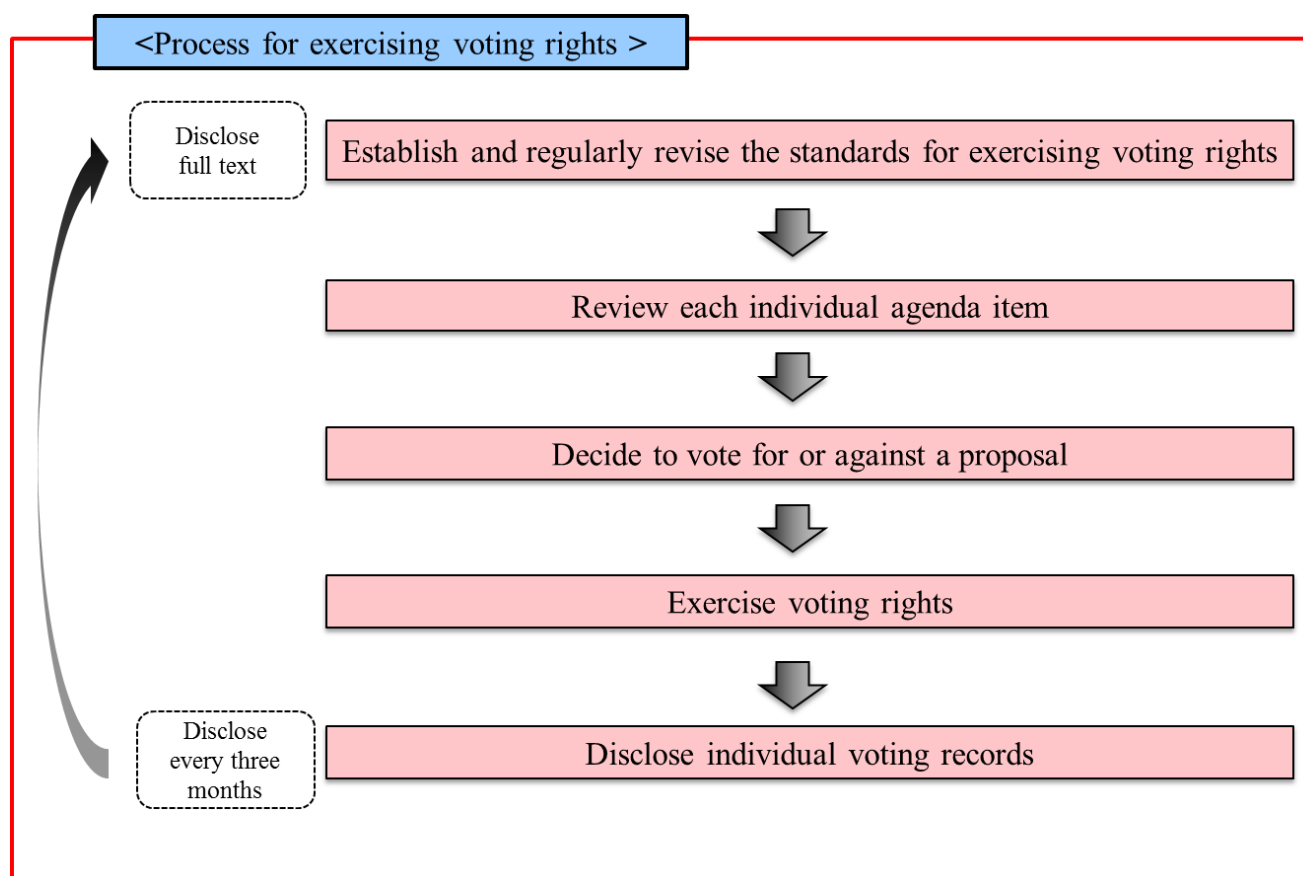
| (Example: Company L) Solve ESG issues | |
|--|---|
| Summary of dialogues | <ul style="list-style-type: none"> ◆ The Company continuously conducted dialogues in fiscal 2015, fiscal 2016 and fiscal 2017. ◆ In light of the fact that an international human rights NGO had pointed out issues concerning working conditions at a contracted factory, in the dialogue conducted in fiscal 2017, the Company exchanged opinions on the importance of giving consideration to working conditions and human rights in the supply chain. |
| Measures taken at the investee company | <ul style="list-style-type: none"> ➤ The investee company announced that it would fulfill its social responsibilities in areas such as human rights, labor practices and the environment in cooperation with business partners involved in production. This would be done by striving to enhance transparency in the supply chain by disclosing basic information on the factories of its manufacturing contractors. |

V. Fiscal 2017 Voting Records

1. Summary of process for exercising voting rights

At the general meetings of shareholders of investee companies, the Company exercises its voting rights after closely reviewing each agenda item and deciding whether it will vote for or against each proposal based on the standards for exercising voting rights it has disclosed. The Company regularly revises the standards for exercising voting rights. When making such revisions, the Company takes into consideration the deliberations of the Responsible Investment Committee.

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* Standards for exercising voting rights and voting records

URL : <http://www.dai-ichi-life.co.jp/dsr/investment/ssc2.html>

2. Fiscal 2017 Voting Records

Among domestic listed companies that held annual general meetings in fiscal 2017, (July 2017—June 2018), the Company gave instructions for voting at 2,310 companies on a total of 7,623 agenda items (7,473 company proposals, 150 shareholder proposals). Of these, the Company voted against one or more company proposals at 271 companies. The number of company proposals voted against totaled 288. Furthermore, the number of companies at which the Company voted in favor of shareholder proposals was four (four proposals).

Specifically, the following kinds of company proposals were voted against (or shareholder proposals voted in favor of).

(Company Proposals Voted Against)

- Appropriation of retained earnings in cases of a low payout ratio despite a high level of internal retention
- Reappointment of top management at companies with poor business results (representative directors appointed continuously throughout the period under review)
- Reappointment of outside directors and outside Audit and Supervisory Board members with attendance rates lower than 75% at board of directors' meetings and Audit and Supervisory Board meetings.
- Election of directors who have served as Audit and Supervisory Board members or directors serving as audit committee members, etc. for a long term of 12 years or more
- Payment of retirement bonuses for Audit and Supervisory Board members or directors serving as Audit and Supervisory Board members, etc.
- Stock compensation grants to directors that could cause a major dilution (of more than 10%)
- Stock option grants for Audit and Supervisory Board members or directors serving as Audit and Supervisory Board members (including stock compensation)
- Introduction or renewal of takeover defense measures that do not satisfy criteria for performance and so forth

(Agreement with Shareholder Proposals)

- Companies planning to merge with a suspicious share exchange ratio and appropriation of retained earnings at companies that have an abundance of cash and cash equivalents but have not demonstrated a clear financial strategy in their medium-term management plan, etc.
- Change of in articles of incorporation to make continuation of takeover defense measures subject to approval of the general meeting of shareholders
- Election of directors that support company proposals

The ratio of rejected proposals relative to total proposals increased from fiscal 2016. Viewed by type of proposal, the ratio of rejected proposals increased for proposals for election of directors due to a change in the standards for exercising voting rights from April 2018 (attendance rate 50% -> 75%; introduction of and ROE standard of 2%). The ratio of rejected proposals for revision of corporate officer remuneration also increased due to the increase in proposals at companies introducing stock compensation plans where the dilution rate exceeds 10% and proposals where eligible recipients include Audit and Supervisory Board members (including directors who serve as Audit

and Supervisory Board members, etc.). On the other hand, as progress was made on abolishing retirement allowance plans for Audit and Supervisory Board members (including directors who serve as Audit and Supervisory Board members, etc.), the ratio of rejected proposals associated with this declined.

<Fiscal 2017 Voting Records (July 2017—June 2018)>

| <By number of companies> | Fiscal 2017 | | | | (Reference) Fiscal 2016 | | |
|--|-------------|--------------------------------|--|-------------------------|-------------------------|--|-------------------------|
| | Total (1) | All company proposals approved | One or more company proposals rejected (2) | Rejection ratio (2)/(1) | Total (3) | One or more company proposals rejected (4) | Rejection ratio (4)/(3) |
| Number of investee companies for which Dai-ichi Life has voting rights | 2,310 | 2,039 | 271 | 11.7% | 2,271 | 240 | 10.6% |

| <By number of proposals> | Fiscal 2017 | | | | (For reference) Fiscal 2016 | | |
|--|-------------|----------------|--------------|-------------------------|-----------------------------|--------------|-------------------------|
| | Total (1) | Voting records | | Rejection ratio (2)/(1) | Total (3) | Rejected (4) | Rejection ratio (4)/(3) |
| Type of proposal | | Approved | Rejected (2) | | | | |
| 1. Company proposals | 7,473 | 7,185 | 288 | 3.9% | 7,863 | 260 | 3.3% |
| (1) Appropriation of retained earnings | 1,628 | 1,620 | 8 | 0.5% | 1,620 | 9 | 0.6% |
| (2) Election of directors | 2,155 | 2,105 | 50 | 2.3% | 2,162 | 10 | 0.5% |
| (3) Election of corporate auditors | 1,892 | 1,756 | 136 | 7.2% | 1,764 | 101 | 5.7% |
| (4) Change of articles of incorporation | 526 | 526 | 0 | 0.0% | 635 | 0 | 0.0% |
| (5) Payment of retirement allowance | 218 | 189 | 29 | 13.3% | 269 | 61 | 22.7% |
| (6) Revision of corporate officer remuneration | 707 | 674 | 33 | 4.7% | 724 | 14 | 1.9% |
| (7) Stock warrant issuance | 77 | 69 | 8 | 10.4% | 122 | 13 | 10.7% |
| (8) Election of accounting auditors | 43 | 43 | 0 | 0.0% | 43 | 0 | 0.0% |
| (9) Restructuring related | 43 | 43 | 0 | 0.0% | 49 | 0 | 0.0% |
| (10) Other company proposals | 184 | 160 | 24 | 13.0% | 475 | 52 | 10.9% |
| (including takeover defense measures) | 66 | 45 | 21 | 31.8% | 146 | 51 | 34.9% |
| 2. Shareholder proposals | 150 | 4 | 146 | 97.3% | 187 | 187 | 100.0% |
| Total of 1. and 2. | 7,624 | 7,189 | 434 | | 8,050 | 447 | |

*1: Total number of proposals based on parent proposals (Proposals are counted as one also when pertaining to the election of multiple board directors, etc.).

*2: Total number of corporate auditors includes directors serving as corporate auditors, etc., in the case of companies with audit committees.

*3: Restructuring-related includes merger, business divestiture and acquisition, share exchange, share transfer, and corporate split, etc.

*4: Other company proposals include acquisition of treasury stock, legal-reserve reduction, private placement of equity, capital reduction, reverse stock-split, and takeover defense measures, etc.

*5: There were no abstentions

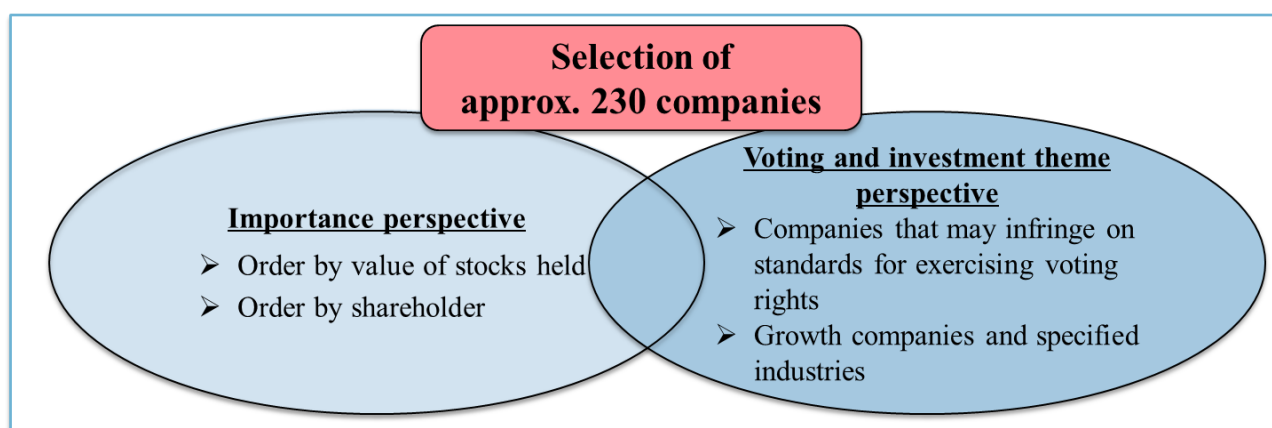
VI. Fiscal 2018 Dialogue Activities Plan

1. Selection of Dialogue Target Companies

In the election of dialogue target companies for 2017, Dai-ichi Life took into account the significance to the Company and investee companies (investment amount and shareholder ranking) as well as investment themes and the exercise of voting rights. In addition, Dai-ichi Life responded actively to requests for dialogues from investee companies. As a result, on a cumulative basis for the three years since fiscal 2015, Dai-ichi Life held constructive and purposeful dialogue at least once with investee companies representing 90% of the total market value of stocks held.

In fiscal 2018, Dai-ichi Life plans to continue selecting dialogue target candidates from the same perspectives, and to request dialogues with about 230 companies. Moreover, the Company plans to continue holding dialogues with corporate officers and management teams responsible for management strategy and financial strategy, thereby enabling deeper dialogues on governance, environmental and social issues, management strategy, and other matters. Moreover, the Company will request dialogues with outside directors as necessary.

<Selection of Dialogue Target Companies>



2. Dialogue Themes

The Company will conduct dialogue activities on three main themes: “Governance and environmental and social issues,” “management strategies for sustainable growth,” and “financial strategy and shareholder returns.” In particular, for one of the new major themes, “environmental and social issues,” the Company aims to support investee companies’ sustainable growth and increase in corporate value by deepening dialogues on the status of medium- to long-term value creation through incorporation of this theme in the determination of key issues for the companies and incorporation in their strategies, and by promoting enhanced disclosure of non-financial information such as the relationship with ESG information and the SDGs. The Company will also use dialogues to carefully explain its thinking on revision of its standards for exercising voting rights going forward, and to inform investees of the revised details.

<Dialogue themes and purpose>



In conducting the dialogues, the Company will make use of the briefing materials (“Dai-ichi Life’s Stewardship Activities”), summarizing its basic stance on stewardship activities, dialogue points, standards for exercising voting rights, and other matters, along with reference materials (“General Trends in ESG”) designed to provide information related to ESG, SDGs, and other matters of high interest to investee companies. In this way, the Company will support investee companies on resolving ESG issues towards a sustainable society.



< Main Dialogue Themes (Fiscal 2018) >

| |
|---|
| ◆ Governance and environmental and social issues |
| ➢ Increasing the effectiveness of corporate governance |
| ➢ Recognition of the current status regarding the management environment and social issues |
| ➢ Identification of key issues in business model sustainability and associated risks and growth opportunities |
| ◆ Corporate strategy for sustainable growth |
| ➢ Specific management strategies for sustainable growth (long-term vision and medium-term management plan) |
| ➢ KPIs such as earning power in light of capital cost and capital efficiency |
| ➢ Status of strategic investment for long-term growth |
| ◆ Financial strategy and shareholder returns |
| ➢ Financial strategies such as optimal financial leverage level, fund procurement, and capital policy |
| ➢ Policy on shareholder returns over the medium to long term |
| ➢ Approach to utilizing and retiring treasury stock |

3. Dialogue Process

Before conducting a dialogue, the Company carries out a thorough internal discussion centered on issues faced by the investee company, based on daily survey activities by analysts and previous dialogue content. After conducting dialogue, the Company reviews the dialogue to confirm any important issues that should be managed and then follows up on their progress periodically through published materials and so forth. By repeating this cycle of advance preparation, dialogue, review, and periodic follow-up, the Company strives to act in a timely and appropriate manner based on the status of the company's initiatives.

Regarding the status of initiatives related to dialogue content and issues, the Company considers the analyst's evaluations of the company's long-term profit growth potential and reflects these in its investment activities in an effort to contribute to the qualitative improvement of its portfolio.

Moreover, if the Company recognizes a "special circumstance to be considered" under the standards for exercising voting rights during the dialogue, it reflects this in the decision to vote for or against proposals. At the same time, during the dialogue the Company carefully explains the standards for exercising voting rights along with its policy for revising them in an effort to enable the investee companies to understand the Company's position.

<Advanced Preparation>

Based on analysts' daily survey activities, the content of past dialogues, and various published materials, the Company organizes the points for the dialogue and issues that the target investee companies are expected to be facing, and confirms them in a meeting at the Responsible Investment Center.

<Dialogue>

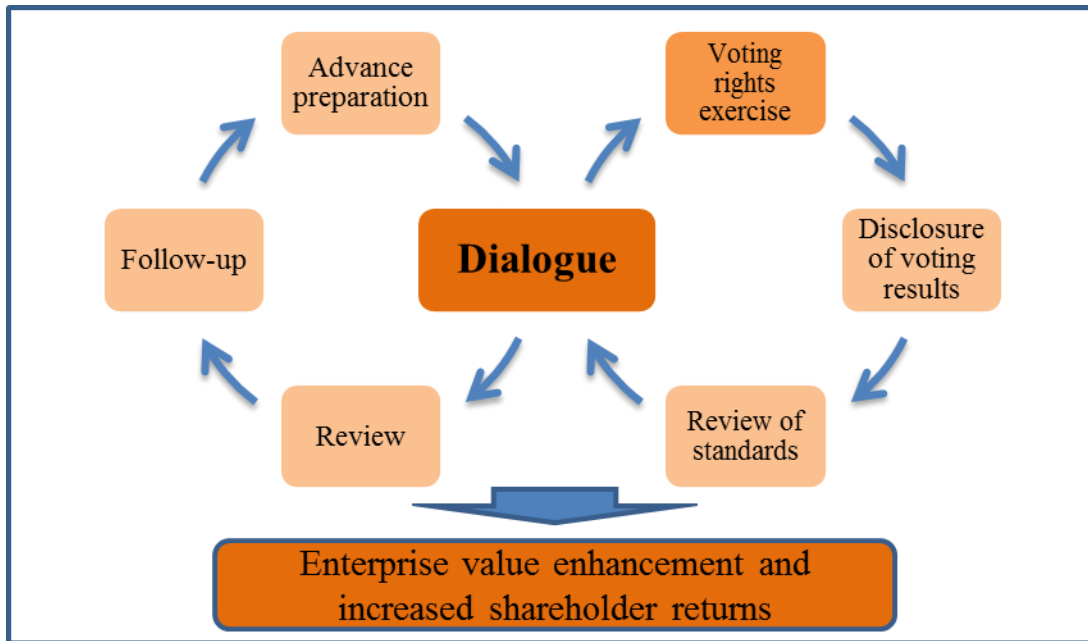
The Company generally visits investee companies with two or more analysts. After explaining its stewardship activities, the Company and the investee companies exchange opinions regarding the prepared issues and other matters, making reference to General Trends in ESG if necessary.

<Review>

The Company records the dialogue content, reviews the points discussed during the dialogue, and confirms the issues it has recognized and the status of relevant initiatives, as well as dialogue points for the next time and so forth.

<Follow-up>

The Company periodically checks the status of initiatives on the issues recognized in the dialogue using published materials, and evaluates the status of improvements.



VII. Revision of Standards for Exercising Voting Rights

The Company plans to apply the following revised standards for its standards for exercising voting rights (timing for application is presented for each revised standard).

1. Election of outside directors and outside Audit and Supervisory Board members when independence is low (To be applied at general meetings of shareholders in April 2020 and onward)

< Before the change >

- As a general rule, proposals are voted against when the degree of independence of candidates notified or scheduled to be notified to a securities exchange as independent corporate officers fails to meet a certain level. However, proposals are approved when other independent outside directors are present who meet the independence standards. Failure to meet "a certain level" of independence means the following cases.

- A) In cases of up to third-degree relatives of internal directors or internal Audit and Supervisory Board members
- B) Persons currently belonging to a major shareholding organization holding 15% or more of voting shares (except in cases where three or more years has elapsed since the person retired from the organization, or cases where the person is an outside corporate officer or part-time corporate officer of the major shareholding organization).

(Either case applies only to companies listed on the First Section of the Tokyo Stock Exchange)

< After the change >

- As a general rule, proposals are voted against when the degree of independence of candidates notified or scheduled to be notified to a securities exchange as independent corporate officers fails to meet a certain level. ~~However, proposals are approved when other independent outside directors are present who meet the independence standards.~~ Failure to meet "a certain level" of independence means the following cases.

- A) In cases of up to third-degree relatives of internal directors or internal Audit and Supervisory Board members
- B) Persons currently belonging to a major shareholding organization holding 15% or more of voting shares (except in cases where three or more years has elapsed since the person retired from the organization, or cases where the person is an outside corporate officer or part-time corporate officer of the major shareholding organization).

- C) Newly established: Cases where the person's total appointment period as an outside director or outside Audit and Supervisory Board members is 12 years or more (*1)

*1: Periods interrupted by a period of non-appointment lasting three years or more are not counted all the way through.

(Either case applies only to companies listed on the First Section of the Tokyo Stock Exchange)

- ◆ Under this newly established standard, a certain amount of preparation time is likely to be required for selecting candidates. Therefore, the standard is to be applied from general meetings of shareholders held in April 2020 and onward.

2. Election of outside directors and outside Audit and Supervisory Board members when independence is low (To be applied at general meetings of shareholders in April 2020 and onward)

< Before the change >

- As a general rule, in cases meeting any of the following criteria, proposals for the election of the director serving as representative director continuously throughout the subject period (ROE base: 5 terms, other metrics: 3 terms) are voted against.
 - Operating loss in the most recent three consecutive fiscal years (consolidated)
 - Ordinary loss in the most recent three consecutive fiscal years (consolidated)
 - Net loss in the most recent three consecutive fiscal years (consolidated)
 - ROE less than 2% in the most recent five consecutive fiscal years (consolidated)

As a general rule, in cases meeting the above criteria, proposals for higher corporate officer remuneration or bonus payments for corporate officers are voted against.

< After the change >

- As a general rule, in cases meeting any of the following criteria, proposals for the election of the director serving as representative director continuously throughout the subject period (ROE base: 5 terms, other metrics: 3 terms) are voted against.
 - Operating loss in the most recent three consecutive fiscal years (consolidated)
 - Ordinary loss in the most recent three consecutive fiscal years (consolidated)
 - Net loss in the most recent three consecutive fiscal years (consolidated)
 - ROE less than 3% in the most recent five consecutive fiscal years (consolidated)

As a general rule, in cases meeting the above criteria, proposals for higher corporate officer remuneration or bonus payments for corporate officers are voted against.

- ◆ This standard is to be applied at the general meetings of shareholders held in April 2019 and onward. However, the Company will consider continuously reviewing the standard in light of corporate earnings trends.

3. Re-appointment of outside Audit and Supervisory Board members, etc. whose attendance rates at board of directors' meetings and board of Audit and Supervisory Board members' meetings are low. (To be applied at the general meetings of shareholders held in April 2019 and onward.)

< Before the change >

- As a general rule, a proposal will be voted against if the total attendance ratio of an outside Audit and

Supervisory Board members, etc. at board of directors' meetings and Audit and Supervisory Board meetings in the most recent 1 year is less than 75%.

(Applies only to companies listed on the First Section of the Tokyo Stock Exchange)

< After the change >

- As a general rule, a proposal will be voted against if the respective attendance ratios of an outside Audit and Supervisory Board members, etc. at board of directors' meetings and Audit and Supervisory Board meetings in the most recent 1 year are less than 75%.

(Applies only to companies listed on the First Section of the Tokyo Stock Exchange)

VIII. External Activities

1. Forum for Integrated Corporate Disclosure and ESG Dialogue

As a member of the Forum for Integrated Corporate Disclosure and ESG Dialogue held by the Ministry of Economy, Trade and Industry, the Company participated in all six discussions, and contributed to the preparation of report materials for the forum held on May 18, 2018. Furthermore, the Company also participated in a subcommittee of the forum involved in drafting the “The Declaration of Active Fund Managers” for promoting mutual understanding between companies and investors.

2. Working group of The Life Insurance Association of Japan

The Life Insurance Association of Japan has been conducting ongoing surveys of initiatives to enhance stock value from both the shareholder and investor perspectives for 44 years since fiscal 1974. The Company led the survey activities in fiscal 2017 as the chair company in the Working Group for Enhancing Corporate Value, which is responsible for the surveys. In fiscal 2018, as the chair company of the working group, which has now been renamed the Working Group for Stewardship Activities, the Company will continue to examine and implement initiatives to increase the effectiveness of life insurance companies’ stewardship activities.

3. Japan Network Awareness Raising Working Group of PRI

The General Manager of Responsible Investment Center has been appointed the chairman of the Awareness Raising Working Group held by the Japan secretariat of PRI. The Working Group conducts ESG investment research and introduction activities aimed at helping investors to better understand the importance of ESG investment and to raise their awareness. The Company will continue to promote activities that help to spread ESG investment and financing.