

April 4, 2022

Dai-ichi Life Policy Formulation; the Basic Policy on Responsible Investment and Medium-Term Responsible Investment Policy

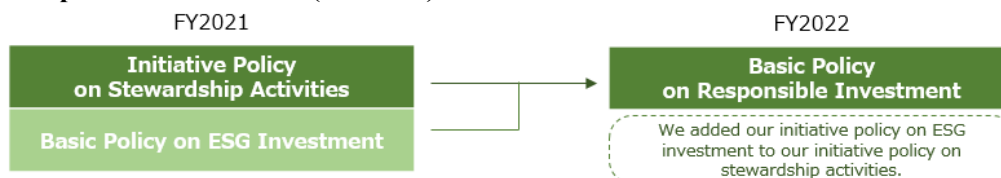
- Contributing to a Sustainable Society through Investment Based on Our Mission: "By Your Side, for Life" -

Ever since the Dai-ichi Life Insurance Company, Limited (the "Company"; President and Representative Director: Seiji Inagaki) was founded, the Company's mission has been to be "By your side, for life," and—in addition to staying by the sides of customers for life through life insurance products and services—the Company recognizes that the mission is to support the daily lives of customers in terms of asset management as well. Regarding Investment, the Company considers responsible investment (ESG investment and stewardship activities) is one of the key initiative and has promoted this in order to achieve medium- and long-term investment returns and a sustainable society.

To promote more responsible investment, the Company announced "Dai-ichi Life Basic Policy on ESG Investment" in April of 2020, which specified targets for the end of FY2023, and the Company achieved progress ahead of the target year. Therefore, the Company hereby announces that it recently formulated the Medium-Term Responsible Investment Policy,¹ which specifies targets for the end of FY2024.

In addition, the Company recently formulated the Basic Policy on Responsible Investment, which integrates the Initiative Policy on Stewardship Activities; the Company's policy on initiatives under the Stewardship Code, with the Dai-ichi Life Basic Policy on ESG Investment; the Company's policy on initiatives related to ESG investment.

Basic Policy on Responsible Investment (overview)



Medium-Term Responsible Investment Policy (overview)

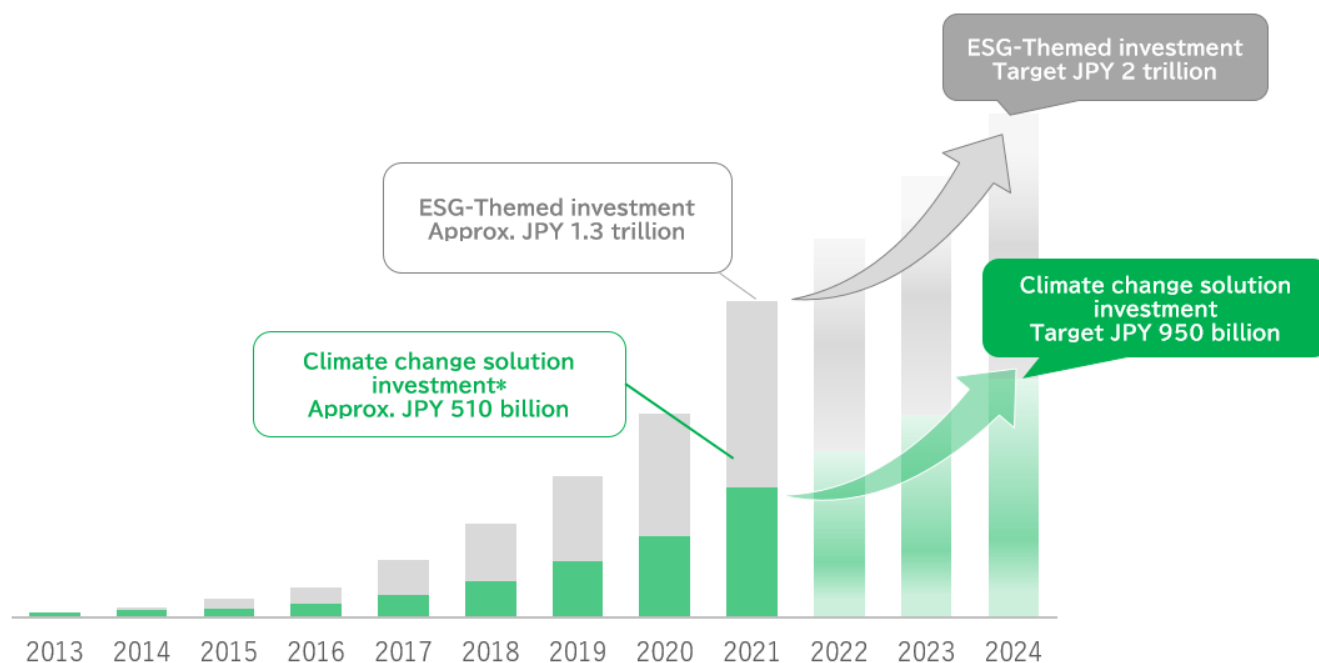
Basic Policy on ESG Investment (announced in April of 2020)	Progress	Medium-Term Responsible Investment Policy (announced in April of 2022)	
Incorporate ESG factors in investment policies and processes for all assets (Target completion by or before FY2023)	Assumed level reached	Responsible investment (in general)	
Create a positive impacts on society by investments that contribute to solving social issues (At least double the cumulative investment amount by FY2023)	Achieved		Continuous enhancement of ESG integration
Support corporate initiatives to solve social issues through engagement with investee companies (engagement-target assets: domestic listed stocks and domestic corporate bonds)	Ongoing		Investment and financing aimed at resolving high-priority social issues specified by the Company (total investment and financing amount of at least JPY 2 trillion by FY 2024)
Fiscal 2021 initiative policy on responsible investment : Initiative to Achieve Carbon Neutrality		Climate change measures	
Reducing GHG emission by 25% in listed equities, corporate bonds, and real estate by FY2024 (base year:FY2019, target year:FY2024)			Stewardship activities aimed at ESG initiative promotion for investment-and-financing-target companies (engagement-target assets: all assets)
Engagement with top GHG-emitting companies for our investment portfolio (Specification of GHG reduction targets consistent with the 1.5°C target and support for initiatives aimed at achieving these targets)			Reducing GHG emission by 25% in listed equities, corporate bonds, and real estate by FY2024 (base year:FY2019, target year:FY2024)
Supporting transition to a low-carbon society and creation of environment innovations through investments			Engagement with top GHG-emitting companies for our investment portfolio (Specification of GHG reduction targets consistent with the 1.5°C target and support for initiatives aimed at achieving these targets)
			Increased investment and financing targeting solutions for climate change issues (total investment and financing amount of at least JPY 950 billion by FY2024)
			Avoided GHG emissions in FY2024 → approximately 1.5 million tons (CO2e) (* Renewable energy generating business for which reduction effects have been disclosed)

¹ For details on the "Medium-Term Responsible Investment Policy," see our web page. https://www.dai-ichi-life.co.jp/english/dsr/investment/pdf/ri-report_005.pdf

As a "universal owner" that manages wide range of assets entrusted by customers throughout Japan, the Company has confronted social issues and contributed to the growth of the Japanese economy via the supply of long-term funds.

The Company is committed to contribute the achievement of a sustainable society through the strong promotion of responsible investment to resolve social issues in accordance with the Basic Policy on Responsible Investment and Medium-Term Responsible Investment Policy.

Cumulative investment to resolve social issues and future targets (As of March 2022)



* Climate change solution investment: investment and financing intended to help resolve climate change issues, Cf. Green Bonds and renewable-energy power plant business

The key changes to the Basic Policy on Responsible Investment are as follows.

➤ **Basic approach and initiative policy related to responsible investment, including ESG investment**

The Company has always promoted investment (responsible investment) based on its social responsibilities as an institutional investor. In August of 2014, the Company formulated and announced its Policy for Initiatives Under the Stewardship Code and subsequently conducted stewardship activities in line with Japan's Stewardship Code.

The Company also announced the Dai-ichi Life Basic Policy on ESG Investment in April of 2020, which specified the Company's basic approach and medium-term targets related to ESG investment, and promoted initiatives accordingly. And then, the Company recently reorganized the above two policies and integrated them as the Basic Policy on Responsible Investment, which spells out the Company's approach to responsible investment (ESG investment and stewardship activities).

Furthermore, regarding assets targeted by stewardship activities—which mainly consist of domestic stocks and domestic corporate bonds—the Company will consider the influence of investors and asset- and region-specific characteristics and aim to conduct stewardship activities based primarily on engagement for all assets.

Basic Policy on Responsible Investment

1. Purpose of responsible investment

The Dai-ichi Life Group's commitment to its customers is to stay "By your side, for life," and the Group therefore hopes to continue to contribute to well-being (happiness) of all people who can lead prosperous, healthy lives filled with true peace of mind over the generations today and in the future. Based on this commitment, the purpose of responsible investment by the Dai-ichi Life Insurance Company, Limited (the "Company")—a core Group company—is to secure stable investment income in the medium to long term while helping to achieve a sustainable society—a prerequisite for the happiness of all people—by contributing to the resolution of key regional and social issues.

2. Human resources and systems related to responsible investment

- (1) Officers and employees engaged in responsible investment will endeavor to maintain a high degree of expertise and professional ethics as well as a strong sense of integrity during their work as they strive to achieve the purpose of responsible investment for the Company, and they will also endeavor to increase said above them such as expertise through daily work.
- (2) The Company's management team will endeavor to train and station human resources that possess a high degree of expertise related to responsible investment, invite outside experts who have a wealth of experience and knowledge to the Responsible Investment Committee,* and otherwise build systems necessary to promote responsible investment.

* This committee discusses and reports on important policies related to responsible investment.

3. Information disclosure related to responsible investment and promotion

- (1) Every fiscal year, information on the situation of initiatives based on initiative policies and other corresponding policies related to responsible investment will be disclosed as a Responsible Investment Report as well as on the Company website.
- (2) In addition to disclosing the above information, the Company will endeavor to participate in conferences, workshops, and other events organized by the Life Insurance Association of Japan and other organizations and companies in order to actively communicate details on activities related to responsible investment as well as pertinent opinions and thereby promote the responsible investment.

4. Basic stance on responsible investment

- (1) Based on the Principles for Responsible Investment (PRI) as well as the Principles for Responsible Institutional Investors (Japan's Stewardship Code),* the Company will endeavor to achieve responsible investment via ESG investment as well as stewardship activities while also participating in initiatives and cooperative engagement both within and outside of Japan in order to maximize the effects of such investment.

* For details on the initiative policy based on the principles of Japan's Stewardship Code, see clause "5."

- (2) In terms of the collection and analysis of information related to important issues that the Company is aiming to resolve, the Company will actively communicate with other investors, governments, and regional and social stakeholders and then apply diverse opinions and evaluations to responsible investment activities in order to improve the effectiveness of initiatives.
- (3) In terms of all asset management policies and investment processes, the Company will endeavor to consider sustainability* according to asset- and region-specific characteristics and continuously improve the corresponding methods, etc.

* Medium-to-long-term sustainability that includes ESG factors

- (4) Given the mission and characteristics of life insurance business as well as the purpose of this policy, the Company will pursue investment initiatives aimed at generating a positive impact in terms of achieving a sustainable society in the future. In addition, the Company will be extremely careful regarding the effects of the business activities and projects of companies, governments, and other organizations that receive investments or financing on the environment, society, and human rights. In this connection, the Company will not invest in or finance any business that violates laws or public order and standards of decency, any business related to the manufacturing of inhumane weapons, any business that has a significant negative effect on climate change, regional environments, society, or human rights, or any business that risks having any of the above effects. Details on the specific target fields will be disclosed in the Responsible Investment Report, etc.
- (5) Regarding all assets, the Company will consider the influence of investors and asset- and region-specific characteristics based on the perspectives below and aim to conduct stewardship activities based primarily on engagement. By doing this, the Company will endeavor to promote both the improved value and sustainable growth of investment targets in order to suitably fulfill the Company's stewardship responsibilities.

① To promote both a deeper understanding of investment targets, their business environments, etc. and value

improvement that considers the perspective of sustainability, the Company will pursue ongoing engagement based on thorough research related to the business strategies, financial strategies, shareholder return policies, and other details of investment targets as well as governance and environmental and social issues, including climate change.

- ② To achieve sufficient engagement effects, the Company will have investment targets comprehensively disclose not only financial information but also non-financial information, including the ESG perspective.
- ③ The Company will suitably apply engagement results to in-house evaluations to be used as the basis for investment decisions, and the characteristics of assets will be considered as the Company considers how to apply such results to voting decisions, investment policies, etc.

5. Commitment to the Japan's Stewardship Code

The Company expresses its deep support for and acceptance of the aims of the Principles for Responsible Institutional Investors (the Japan's Stewardship Code). Regarding to Principles 1 to 7 of the Code, our policy is as follows.

<p>Principle 1. Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.</p>
<ul style="list-style-type: none"> ■ Dai-ichi Life fully supports the purport of Japan's Stewardship Code. We fulfil our stewardship responsibilities as an institutional investor in accordance with the Basic Policy on Responsible Investment ("this Policy"). ■ When we entrust any investments to an external asset manager, we request that the asset manager engage in stewardship activities. We also monitor the status of these activities after clearly specifying the principles and matters we require them to follow and implement. ■ Dai-ichi Life has established and published the Basic Policy on Responsible Investment. We build issues related to sustainability into investment policies and processes for all assets in accordance with this Policy, in order to strengthen the medium- to long-term resilience of portfolios (*). *Details of our initiatives are disclosed in the Responsible Investment Report. https://www.dai-ichi-life.co.jp/english/dsr/investment/ri-report.html

<p>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.</p>
<ul style="list-style-type: none"> ■ Dai-ichi Life has a policy for managing conflicts of interest, and has established a framework for preventing such conflicts of interest. When carrying out stewardship activities, including engagement with investees and exercising our rights to vote on these companies' corporate matters, we identify situations where a conflict of interest could arise, then determine a policy which ensures that the interests of shareholders and insurance policyholders of the parent company will not be unjustly damaged. <p>[Policy for the Management of Conflict of Interest in Stewardship Activities]</p> <ul style="list-style-type: none"> • The Responsible Investment Department, which is dedicated to stewardship activities, makes decisions regarding engagement activities and exercise of voting rights from the viewpoint of maintaining or enhancing an investee company's corporate value and improving its governance. • The Responsible Investment Committee monitors the following from the viewpoint of conflicts of interest: deliberations on the revision or abolition of this Policy or other critical regulations, including the criteria for exercising voting rights; deliberations on critically important exercises of voting rights that must be determined on a case-by-case basis; and the outcomes of exercising

these voting rights. As a rule, the majority of the Committee members shall be outside experts, and the executive officer responsible for the Compliance Control Department, who supervises the management of conflicts of interest, shall also serve as a Committee member.

- The Board of Auditors is mostly comprised of Outside Auditors. The Board audits the deliberations of meetings of the Responsible Investment Committee as necessary concerning the suitability of their processes, etc.

(Situations where conflicts of interest may typically arise)

- In cases where we exercise our voting rights at an investee company that has engaged in business with Dai-ichi Life and/or its group company, such as insurance policies, investments or loans.
- In cases where we exercise our voting rights at an investee company to which Dai-ichi Life and/or its group company has proposed entering into insurance policies or engaging in business such as investments or loans.

Reference: Dai-ichi Life Policy for the Management of Conflict of Interest

<https://www.dai-ichi-life-hd.com/en/coi.html>

Principle 3. 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.

- Through research by analysts and engagement, we endeavor to maintain an accurate grasp of the situation at investees to fulfill our stewardship responsibilities, as appropriate, towards the sustainable growth of the investees.
- In regard to research and engagement, we conduct in-depth research on a company's business strategies, financial strategies, and shareholder return policies, among others, as well as on non-financial aspects of its business such as governance and initiatives to address environmental and social problems, thereby assessing its medium- to long-term profit growth potential and credit.

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.

- To help enhance the corporate value of investees from a medium- to long-term perspective, we continue our engagement with these companies concerning their business strategies, financial strategies, and shareholder return policies, among others, as well as governance and initiatives to address environmental and social problems, and addressing any problems after sharing our understanding with them.
- We regularly check for updates on the status of any issues faced by investees based on this engagement, and support investees in resolving issues by carrying out additional engagement, providing information, and other means.
- In principle, we conduct engagement on our own; however, we may work with other institutional

investors as necessary.

- We do not carry out engagement based on material facts not disclosed to the public. In the unlikely case that we receive any undisclosed material facts, we will manage them in accordance with internal regulations.

Principle 5. 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 the sustainable growth of investee companies.

- The Responsible Investment Department determines whether to vote for or against corporate matters in accordance with the criteria for exercising voting rights, which were established based on deliberations made at meetings of the Responsible Investment Committee.
- We regularly review the criteria for exercising voting rights from the viewpoint of maintaining or enhancing the medium- to long-term corporate value of the investees, and publicly disclose the details of these reviews.
- Regarding the outcomes of exercising voting rights that come from listed domestic stocks, we publicly disclose the results of whether we voted for or against each proposal made at an individual investee company, in addition to providing these results as a spreadsheet. For proposals that we vote against, we disclose the relevant criteria for exercising voting rights that were contravened. Also, for proposals that we deem require particular explanation in light of conflicts of interest or the criteria for exercising voting rights, we specify the grounds for the decision, regardless of whether it was made for or against the proposal.
- When we oppose a proposal by having exercised (or planning to exercise) our voting rights at a general meeting of shareholders of a company subject to engagement, we provide the reason for opposing the proposal to the company whenever possible.

Note: In principle, when we lend listed domestic stocks, we do not conduct the transaction over a period that includes the date of record pertaining to our voting rights, taking care to ensure that we hold the rights. Even in exceptional cases where we carry out this type of transaction, we do so with a fixed cap on the amount to be lent.

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.

- We regularly announce any updates on the activities we carry out to fulfill our stewardship responsibilities, including engagement and exercising our voting rights, on our company website.

Principle 7. To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on

in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.

- To ensure that stewardship activities are carried out based on an in-depth understanding of an investee company and its business environment, our management promotes initiatives to establish organizations needed to meet this objective, and to train employees with a high level of expertise.
- To fulfill our stewardship responsibilities to a high level, we regularly conduct self-evaluations aimed at the continuous improvement of stewardship activities, and we publish those results together with the outcomes of stewardship activities, including engagement with investees.