
FY2021 Business Results

Empowering your future



SUMITOMO LIFE

Sumitomo Life at a Glance

Company Overview

■ Established:	May 1907
<u>Key Figures¹ – FY2021 (as of Mar 2022)</u>	
■ Premium income:	JPY 2.41tn (USD 19.7bn)
■ Core business profit ² :	JPY 365.2bn (USD 2.9bn)
■ Total assets:	JPY 42.99tn (USD 351.2bn)
■ Annualized premiums from policies in force ³ :	JPY 2.88tn (USD 23.5bn)
■ Solvency margin ratio:	794.6%
■ Embedded value ⁴ (EEV) :	JPY 4.67tn (USD 38.2bn)
■ Number of sales representatives:	34,664
■ Insurer financial strength rating ⁵ :	A+ [S&P], A1 [Moody's], AA- [R&I], AA- [JCR], A+ [Fitch]

Source: Company disclosure

1. Consolidated figures. USD amounts in parentheses in this presentation (except as otherwise stated) are translated from JPY using USD1 = JPY122.39, as of March 31, 2022.
2. Core business profit of the group (see page 7 for details)
3. Figures for individual life and individual annuity for domestic business (see page 6 for details)
4. Combined figures of Sumitomo Life's EEV, Medicare Life's EEV and Symetra's EEV (see page 8 for details)
5. As of April 30, 2022. The rating from Fitch is unsolicited
6. As of March 31, 2022 on ownership

Group Overview⁶

Domestic

Life Insurance



Medicare Life Insurance

- Sells simple and affordable products through banks and outlets
- 100% subsidiary

Small-amount and Short-term Insurance



AIARU Small Amount & Short Term Insurance

- Owns 100% of the shares

Insurance Outlets



Izumi Life Designers / INSURANCE DESIGN / Agent Insurance Group / Mycommunication

- Also sell other insurers' products
- Ownership: 100% / 95% / 44.83% / 43%



Overseas

U.S.



Symetra Financial Corp

- Life insurance group operating businesses across the U.S.
- 100% subsidiary since February 2016

China



PICC Life

- Life insurance JV with PICC
- Owns 10% of the shares

Vietnam



Baoviet Holdings

- The largest financial / insurance group in Vietnam
- Owns 22.08% of the shares

Indonesia



PT BNI Life

- JV with BNI, a national bank
- Owns 39.99% of the shares

Singapore

Singlife Holdings

- A holding company that controls Aviva Singapore, one of the largest domestic insurance companies, and Singlife.
- Owns 21.74% of the shares

Key Highlights

◇ FY2021 Results

P.6

- Group annualized premiums (AP (Group)) from policies in force have shown **stable growth**.
- AP (Group) from new policies **increased year on year** due mainly to the growing sales of protection products.

P.7

- Group core business profit **increased year on year** due to increase of domestic stocks dividend and interest income of foreign bonds at Sumitomo Life, as well as fluctuation of exchange rate of overseas operations.

P.8

- EEV **increased from the end of the previous fiscal year** due to positive factors of the insurance business such as acquiring new policies and securing earnings from policies in force, which outweighed negative factors of rising of foreign interest rate.

P.9

- **Established a strong capital base** consisting mainly of internal reserves and surplus
- Solvency margin ratio **remains at a stable level**.



I . FY2021 Business Results

Impact of the Pandemic

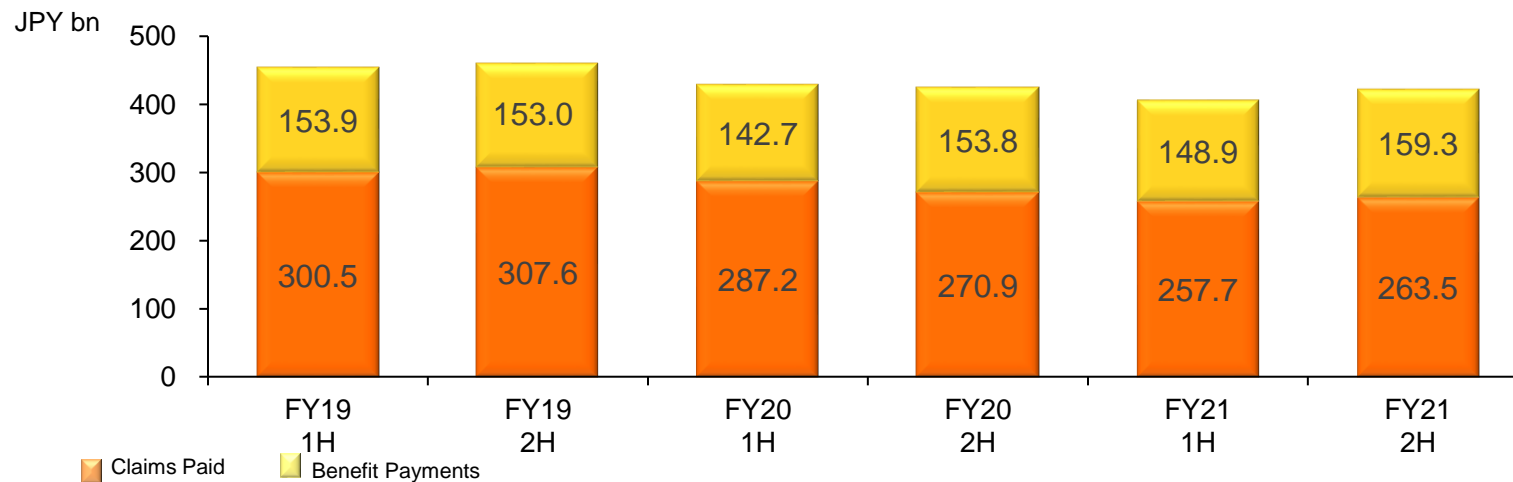
Payments of claims and benefits related to COVID-19 totaled approximately JPY 22.9 billion, of which, approximately JPY 18.8 billion was paid in FY2021.

Payments of claims and benefits related to COVID-19 (Sumitomo Life (non-consolidated))

	Death benefits		Hospitalization benefits			
	Number	Amount	Number	Of which, deemed hospitalization	Amount	Of which, deemed hospitalization
Total since the spread of COVID-19	1,645	JPY 11.5bn	90,294	80,688	JPY 11.3bn	JPY 9.6bn
Of which, in FY2021	1,200	JPY 8.5bn	81,262	74,793	JPY 10.2bn	JPY 9.0bn

1. As of March 31, 2022 (March 2020 - March 2022).

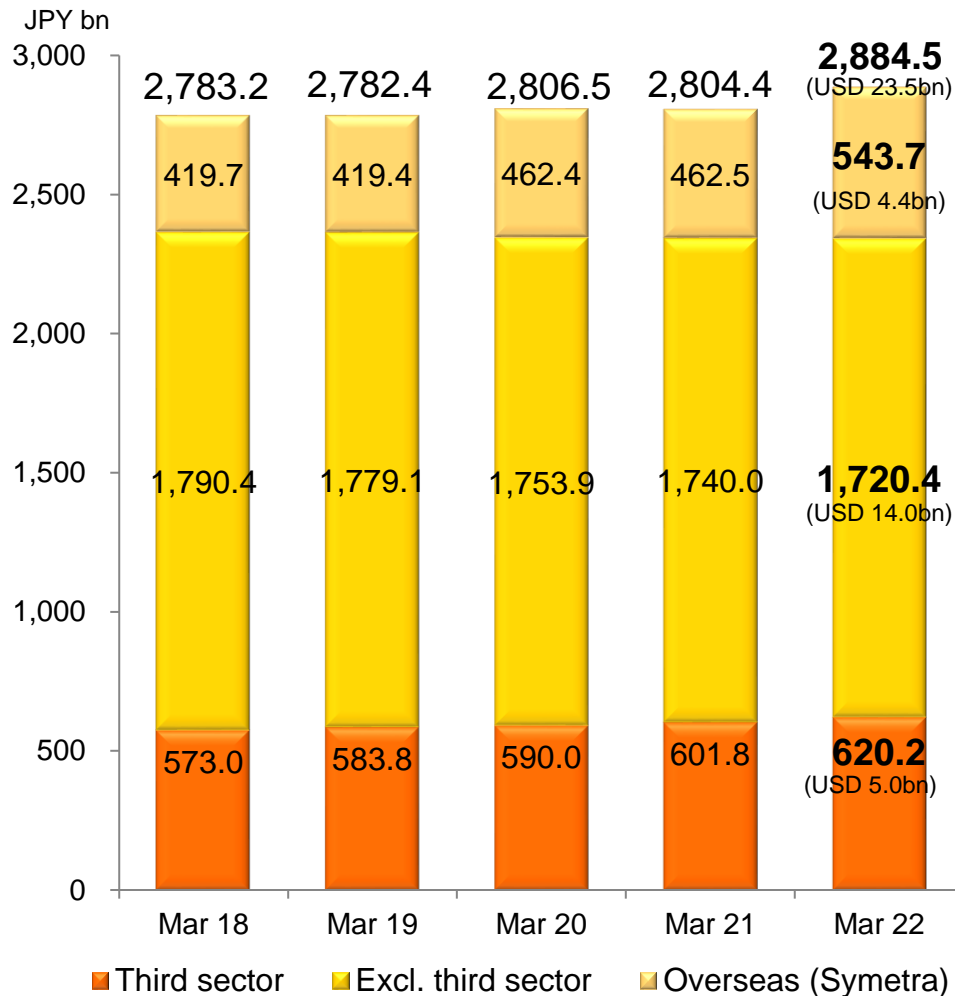
Claims paid and benefits (Sumitomo Life (non-consolidated))



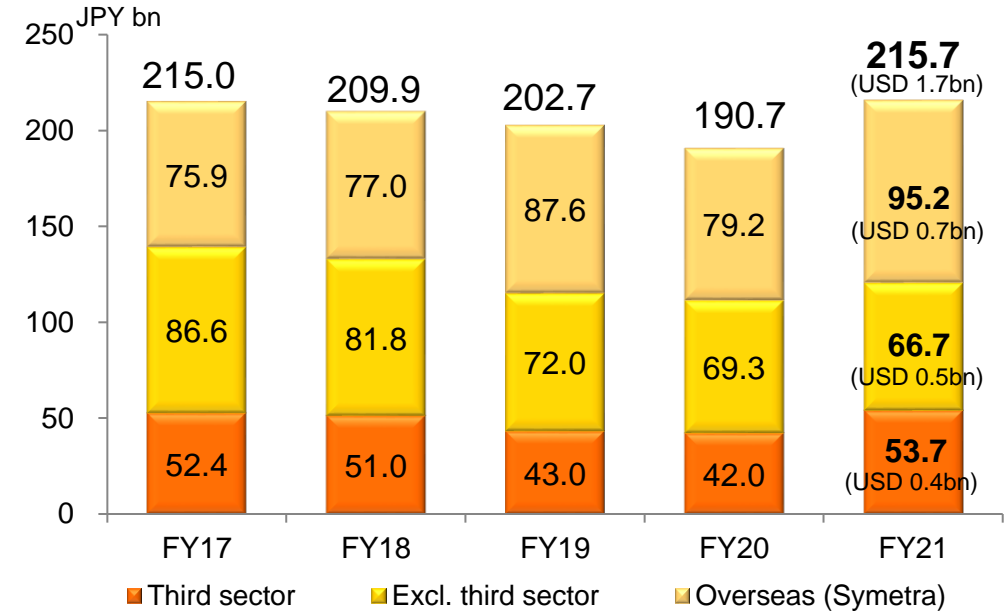
Operating Performance

Group annualized premiums (AP (Group)) from policies in force have shown stable growth. AP (Group) from new policies increased year on year due mainly to the growing sales of protection products.

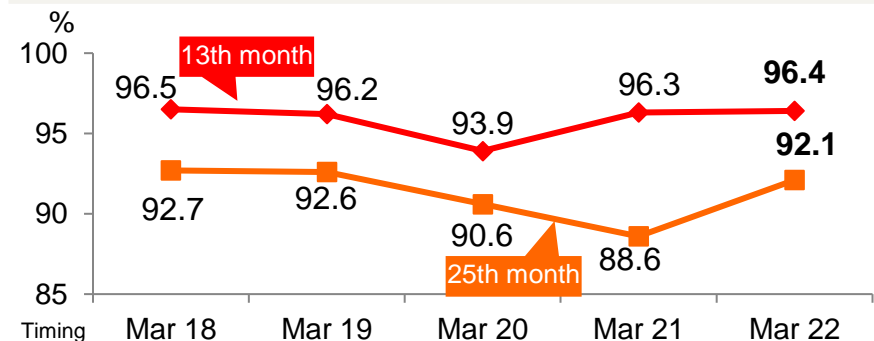
Annualized Premiums from Policies in Force¹ (Group)



Annualized Premiums from New Policies¹ (Group)



Persistency Rate² (Non-consolidated)



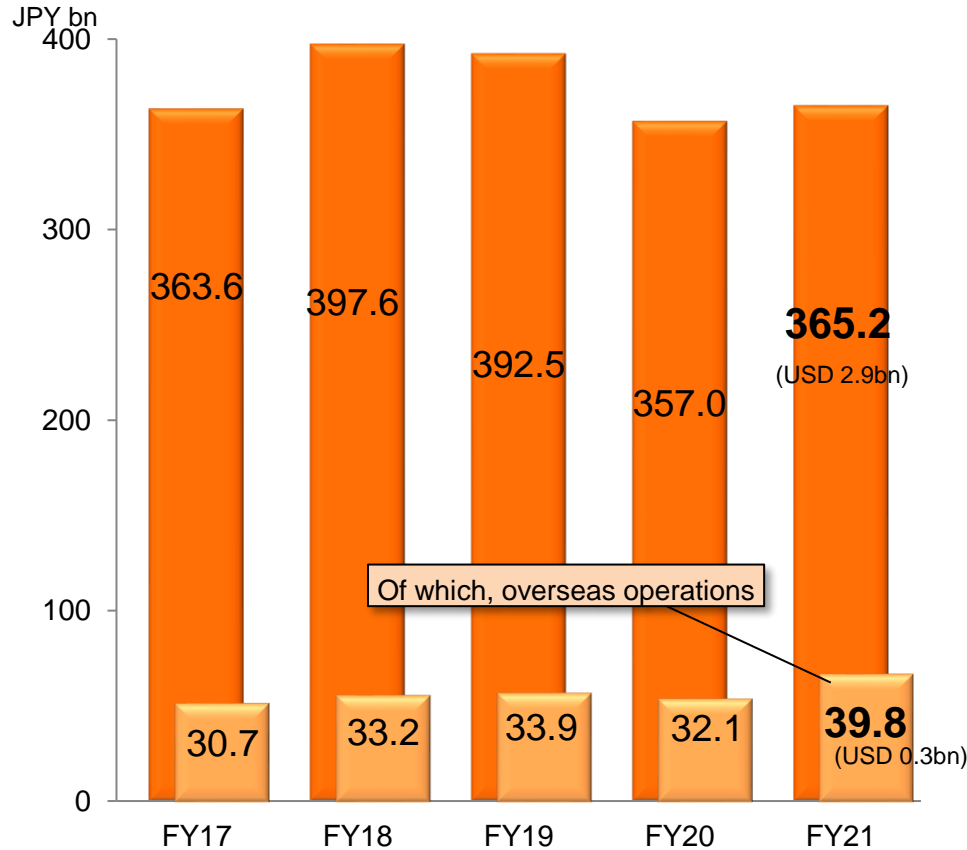
1. Figures for domestic business (Third sector + Excl. third sector) are individual life insurance and individual annuities

2. Figures are based on annualized premiums for products sold by sales representatives

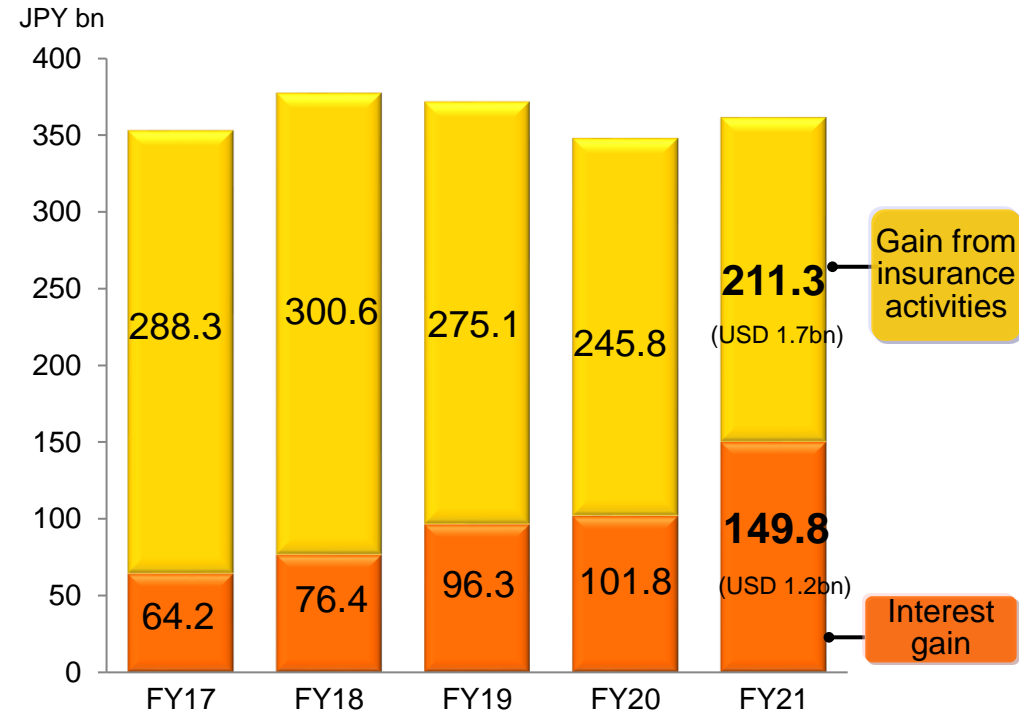
Profit Trend

Group core business profit increased year on year due to increase of domestic stocks dividend and interest income of foreign bonds at Sumitomo Life, as well as fluctuation of exchange rate of overseas operations.

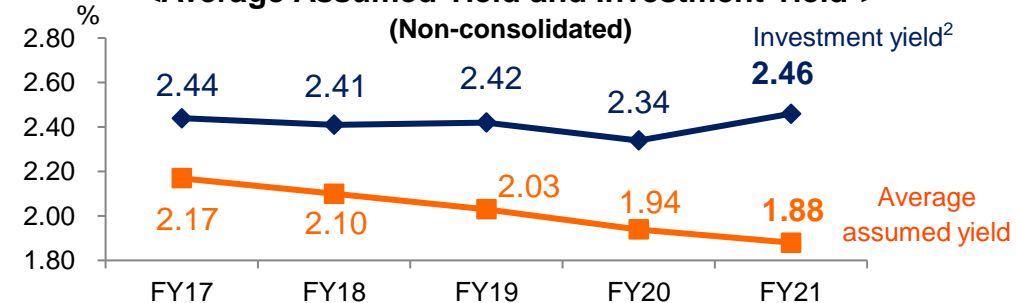
Core Business Profit¹ (Group)



Gain from Insurance Activities and Interest Gain (Non-consolidated)



<Average Assumed Yield and Investment Yield²>



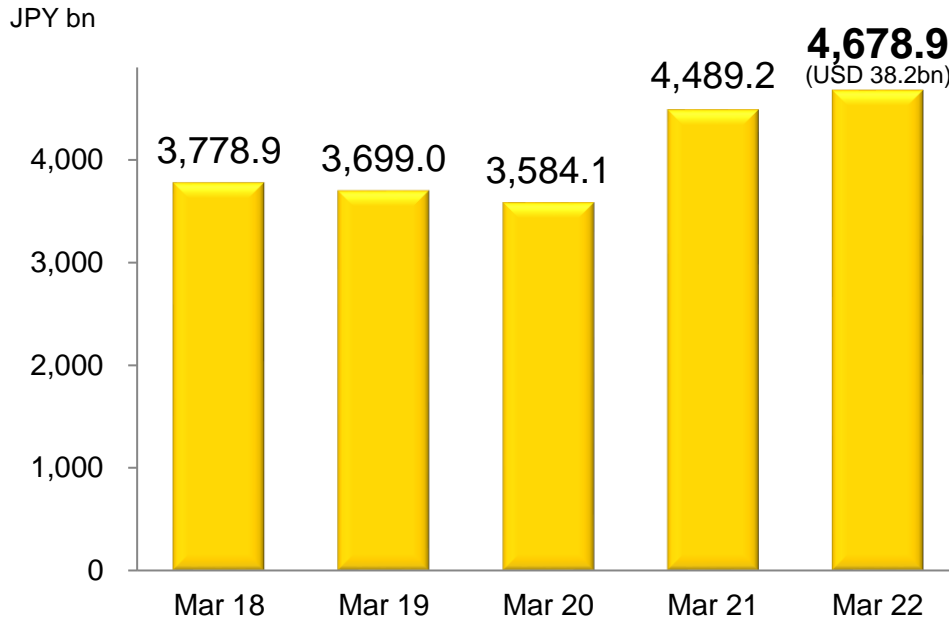
1. Group core business profit is calculated by combining core business profit of Sumitomo Life and Medicare Life, and profit before tax of Symetra, Baoviet Holdings, BNI Life, Singlife Holdings and PICC Life attributable to Sumitomo Life's equity stake in each company, with adjustments made to some internal transactions

2. Related to core business profit

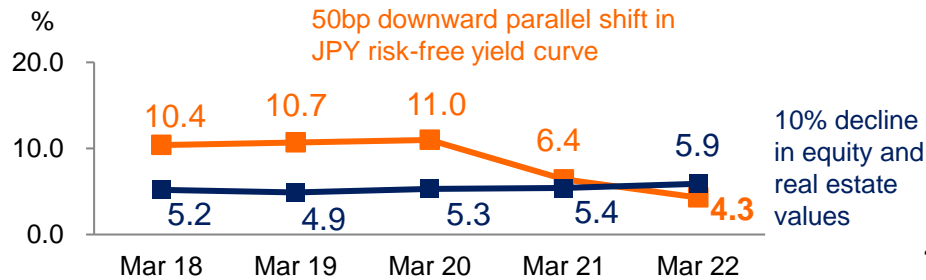
EEV Trend

EEV increased from the end of the previous fiscal year due to positive factors of the insurance business such as acquiring new policies and securing earnings from policies in force, which outweighed negative factors of rising of foreign interest rate.

EEV (Group)

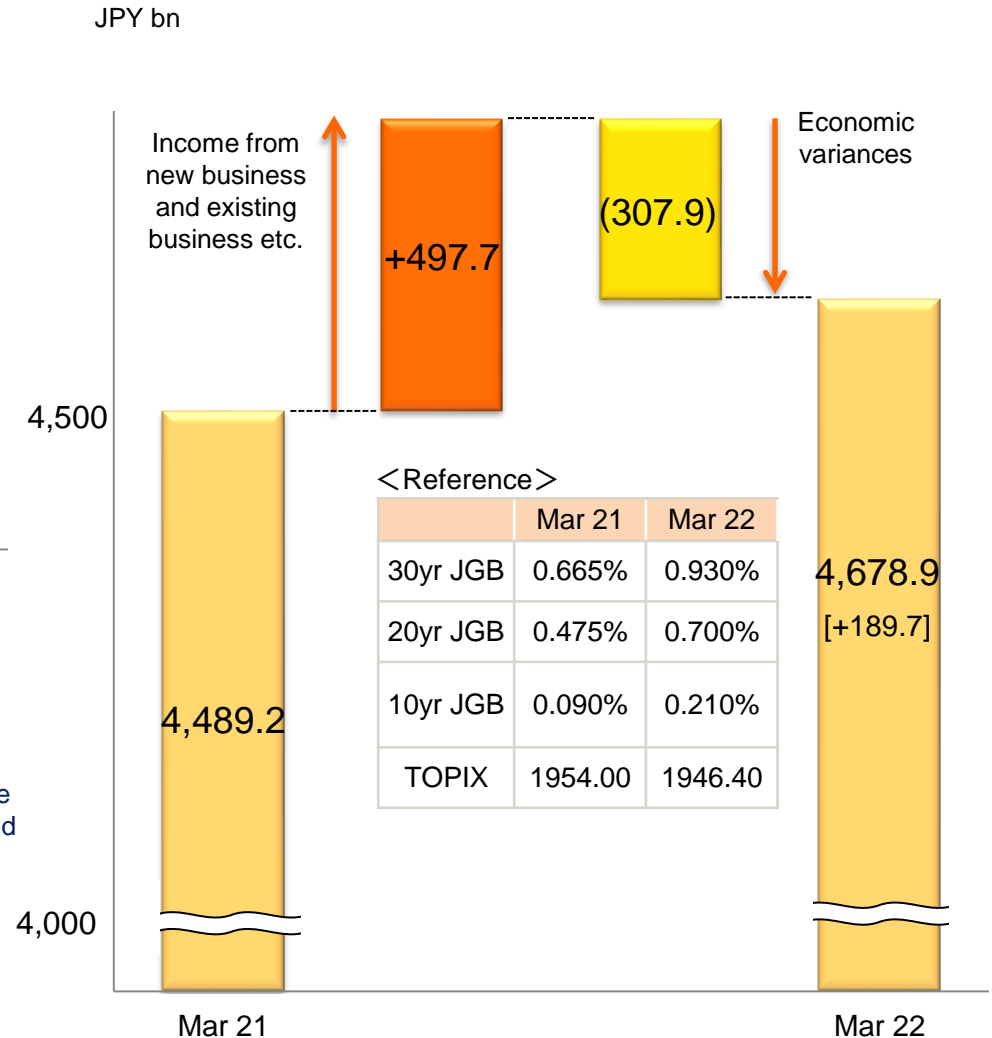


<(Reference) Sensitivity Rate of EEV (Group) ¹>



1. Sensitivity for each item. Other conditions are assumed to be the same.

EEV Growth Factors



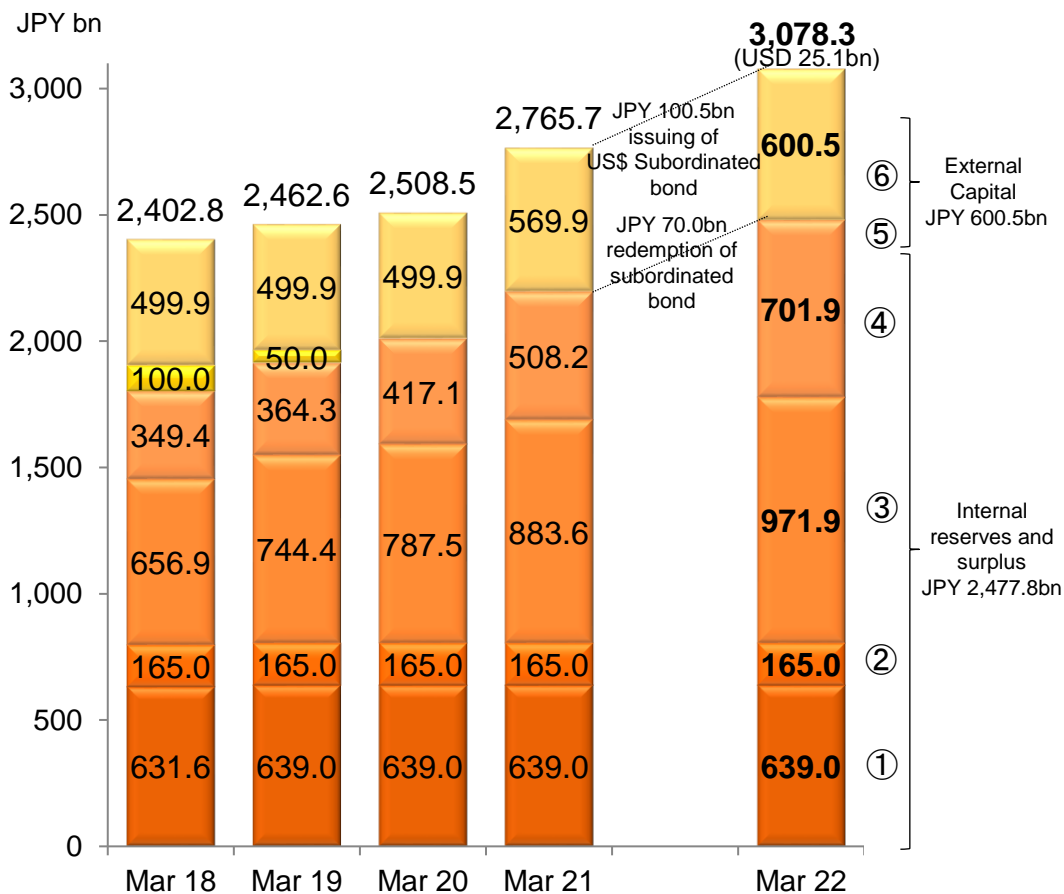
<Reference>

	Mar 21	Mar 22
30yr JGB	0.665%	0.930%
20yr JGB	0.475%	0.700%
10yr JGB	0.090%	0.210%
TOPIX	1954.00	1946.40

Capital Base

Established a strong capital base consisting mainly of internal reserves and surplus.
Solvency margin ratio remains at a stable level.

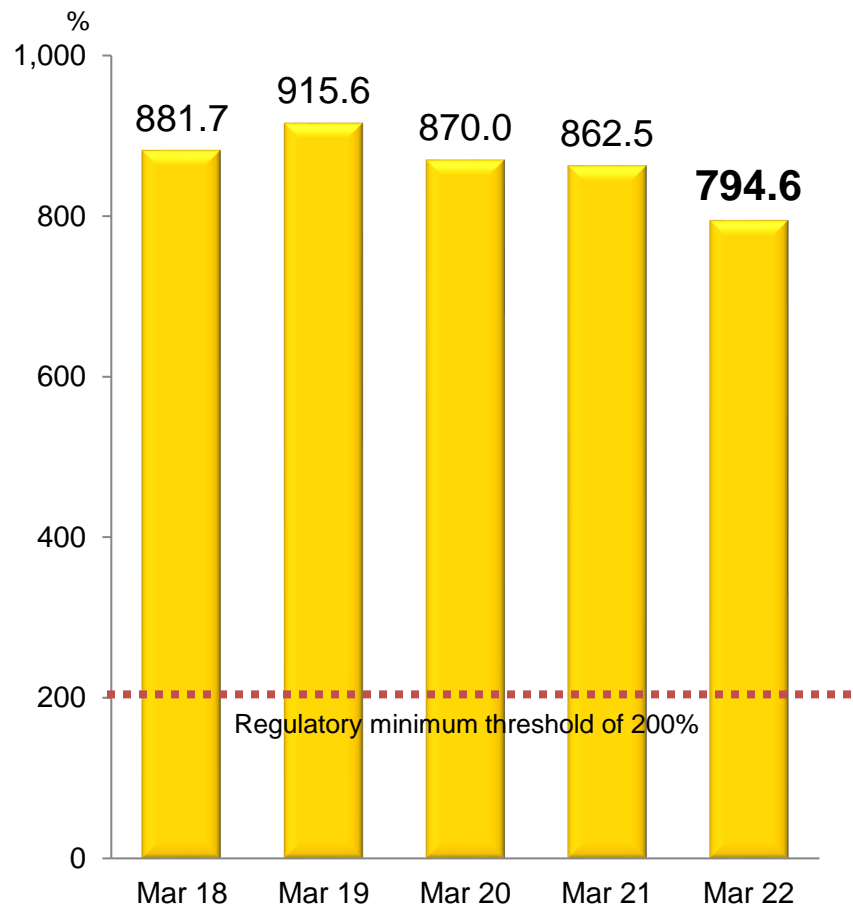
Trend of Capital (Non-consolidated)



- ① Reserve for fund redemption + Reserve for redemption of foundation funds¹
- ② Fund for price fluctuation allowance
- ③ Reserve for price fluctuation
- ④ Contingency reserve
- ⑤ Foundation funds
- ⑥ Subordinated bonds / loans

1. Figures are after appropriation of surplus

Solvency Margin Ratio (Consolidated)



Progress of Medium-Term Business Plan (2020-2022)



Items	Targets for March 2023	Results as of March 2022
Number of Customers (Policies in Force) ¹ (Sumitomo Life + Medicare Life + Business Alliance Partners)	14.00 million policies	14.36 million policies
Annualized Premiums from Policies in Force (Sumitomo Life + Medicare Life)	JPY 2,310.0bn	JPY 2,340.7bn
Of which, Third Sector	JPY 610.0bn	JPY 620.2bn
Domestic Business Core Business Profit (Sumitomo Life + Medicare Life)	3-year total JPY 901.0bn	FY2020 – FY2021 total JPY 659.3bn
Overseas Operation Core Business Profit (Symetra, etc.)	3-year total JPY 103.0bn	FY2020 – FY2021 total JPY 71.9bn

1. Number of individual life insurance and individual annuities, including products provided by our business alliance partners (Mitsui Sumitomo Insurance, NN Life, Sony Life).



II. Sumitomo Life Group's Initiatives



① Multi-Channel and Multi-Product Strategy

② Asset Management

③ Sustainability

④ Overseas Business Development

⑤ Capital Policy

SUMITOMO LIFE Vitality

The annual number of SUMITOMO LIFE Vitality policies sold reached a record high in FY2021. The total number of the policies sold since July 2018 exceeded 1 million.

Overview of SUMITOMO LIFE Vitality

About SUMITOMO LIFE Vitality

- Package product, which adds Vitality, a globally recognized health enhancement program with over 27 million members across 36 countries and regions as of February 28, 2022, to a protection type product.
- Sumitomo Life is the exclusive partner insurer for the Japanese market for the distribution of Vitality.

Protection Type

Products

- Prepare for nursing, medical and mortality risks



Vitality Wellness Program

- Contribute to reduction of risks associated with illness via mechanism that promotes sustained health enhancement

Provision of Rewards

Support policyholders to engage in health engagement activities consistently through partnership with companies.

Insurance Premium Flux

Premiums fluctuate each year, according to health enhancement activities engaged by policyholders

Active Challenge

1. A weekly target is set automatically.



2. Points are gained through activities such as walking, with the aim to achieve the target number of points.

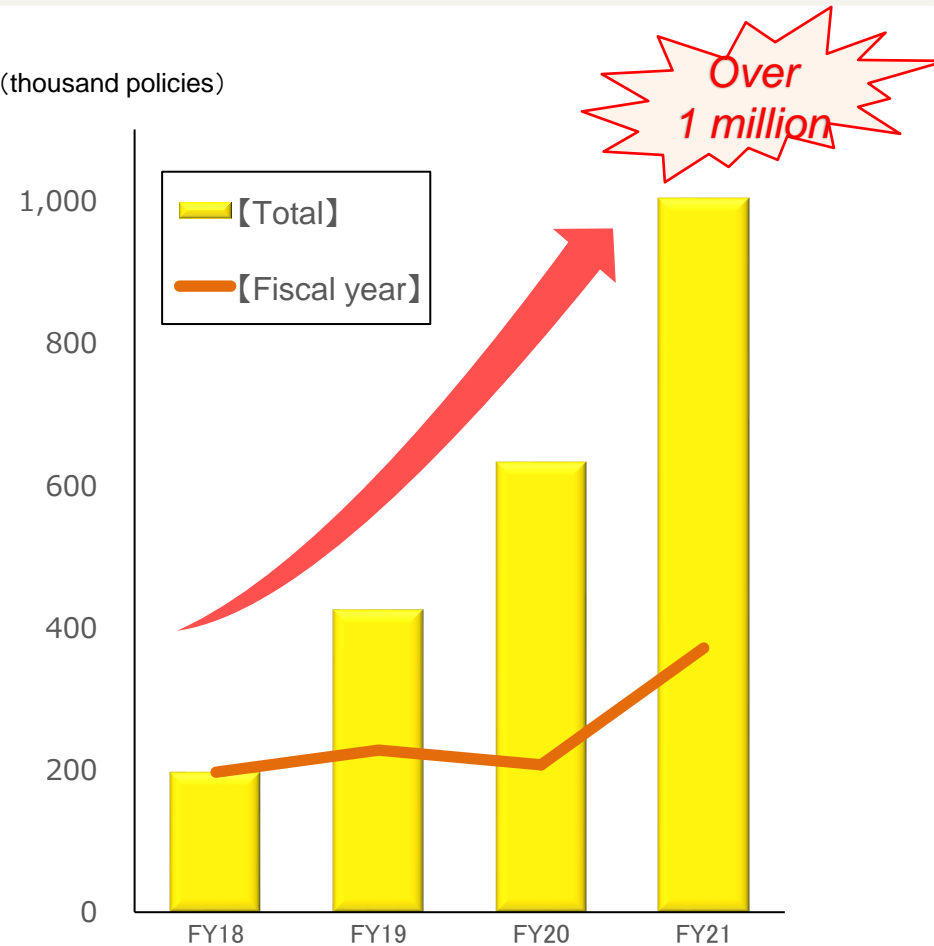


3. If the weekly target is achieved, the user is guaranteed to receive tickets that can be exchanged for various drinks.



Number of SUMITOMO LIFE Vitality policies sold

(thousand policies)



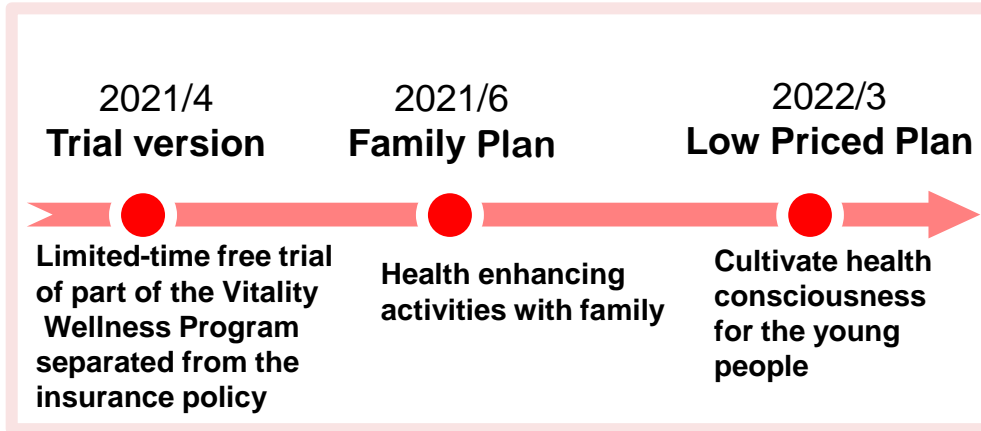
(Note) The FY2018 figure shows results since release date, July 24. The FY2021 figure shows results at the point the total number had exceeded 1 million.

Evolution of SUMITOMO LIFE Vitality

Continuously work on the evolution of SUMITOMO LIFE Vitality in order to enable more customers to experience for themselves the attraction of the Vitality wellness program.

Evolution of SUMITOMO LIFE Vitality

■ Develop a trial version and various plans



■ Expansion of reward partner companies and donation destinations

- A new program in which vitality members can donate through daily activity with health promotion was introduced in FY2021.
- The amount of donation through this program totals JPY 66 million.

【At the start of service (July 2018)】

11 companies

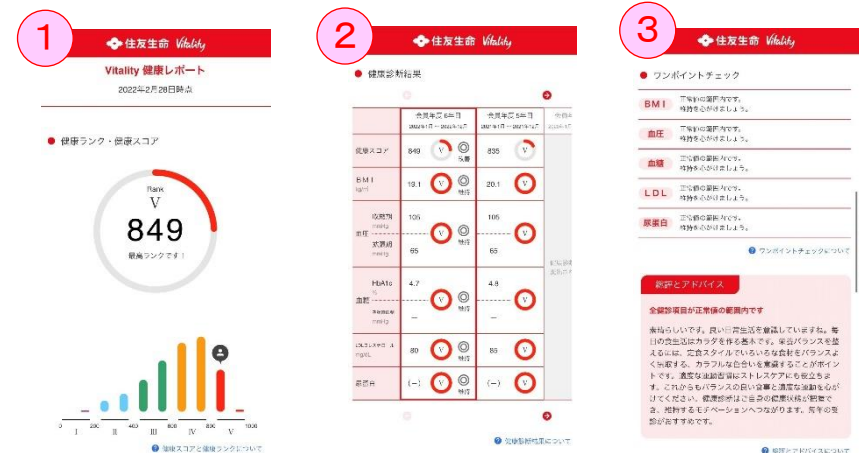
【As of March 31, 2022】

17 companies +4 organization (donation destinations)

■ Provision of ‘Vitality Health Report’

- Launched “Vitality Health Report,” which shows the quantified hospitalization risk as a “health score” based on checkup results, together with the score’s ranking in the same gender and same age group

- (1) Health score and ranking: Evaluation of hospitalization risk based on checkup results and ranking in the same gender and same age group
 - (2) Checkup results: Evaluation and historical trends of 5 checkup items (note) submitted to the Vitality Wellness Program
 - (3) One-point summary, etc.: One-point summary and individual advice for each checkup item
- (Note) BMI, blood pressure, blood sugar, LDL cholesterol, urinary protein



Contribution of SUMITOMO LIFE Vitality

SUMITOMO LIFE Vitality contributes to change in awareness, behavior, and health condition of policyholders, which leads to improvement of mortality rate and hospitalization rate.

Contribution of SUMITOMO LIFE Vitality

■ The change in awareness, behavior and health condition of policyholders ■ Status-based mortality and hospitalization rate of Vitality members

POINT 1 The change of awareness

Increase in health awareness after enrollment¹: **88%**

POINT 2 The change of behavior

Rate of increase in steps per day² **+9%**



POINT 3 The good results³

Blood pressure reduction (10mmHg or more) **44%**

Blood sugar reduction (10mg/dl or more) **31%**

LDL cholesterol reduction (10mg/dl or more) **39%**

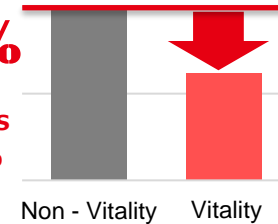
Feel a quality of life has improved after enrollment¹ **81%**

Mortality rate

approx.

-40%

Vitality members have about 40% lower mortality rate



By Vitality member status



Hospitalization rate

approx.

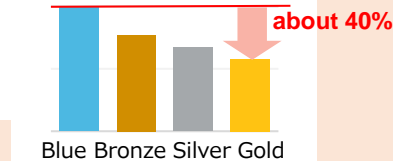
-10%

Vitality members have about 10% lower hospitalization rate



By Vitality member status, both mortality and hospitalization rates are significantly lower for gold members than blue members.

By Vitality member status



(Note) Calculated based on payments made from April 2020 to March 2021 for policies issued before March 2020. The mortality rate excludes accidental deaths, and the hospitalization rate excludes accidental hospitalizations. Non-Vitality refers to policies that do not include the Vitality Wellness Program despite their eligibility.

1. Questionnaire by Sumitomo Life. The number of responses: 41,666. Excluding Sumitomo Life employees.

2. Analysis of the average number of steps taken by members enrolled between September 2018 and January 2019, by the end of January 2021.

3. Members who enrolled between September 2018 and January 2021, who, after enrolling, had submitted checkup results by March 2021, and who met all of the following conditions.

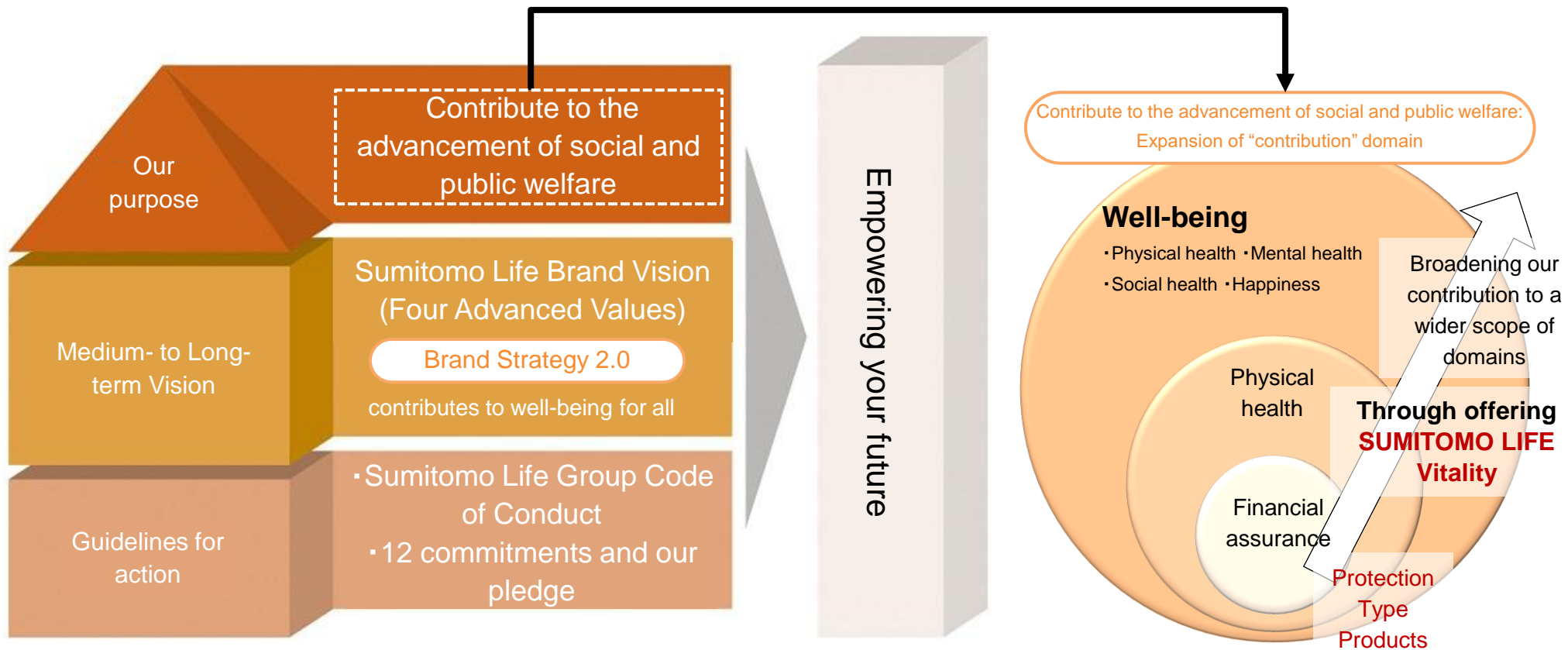
• Blood pressure: systolic blood pressure of 140 mmHg or more at the time of enrollment • Blood sugar level: fasting blood sugar level of 126 mg/dl or more at the time of enrollment

• LDL cholesterol: LDL cholesterol of 140 mg/dl or more at the time of enrollment

Our Vision through SUMITOMO LIFE Vitality

We aim to be an “indispensable” insurance company which contributes to well-being for all centered on SUMITOMO LIFE Vitality.

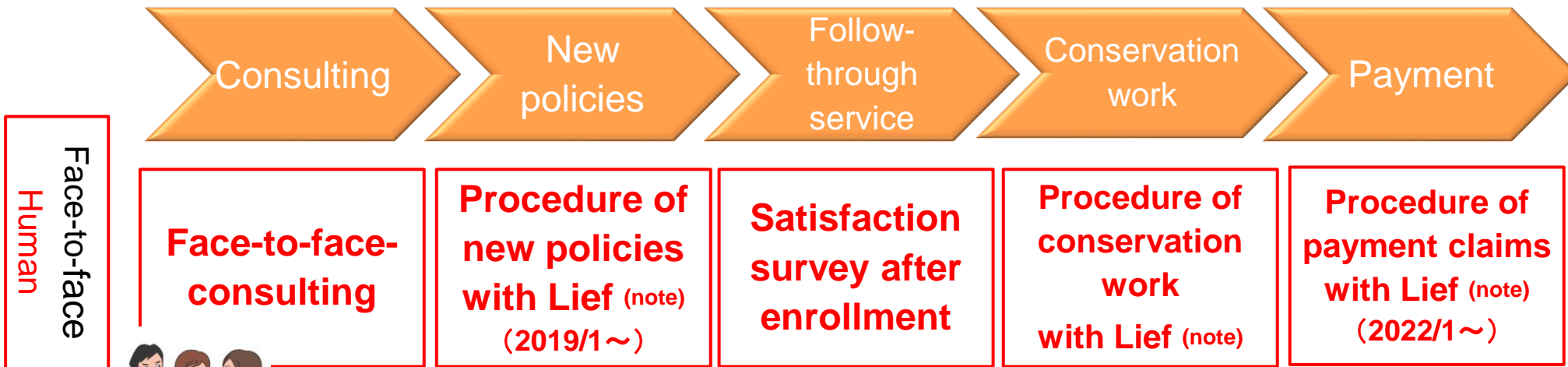
Our Vision



Fusion of “Human” and “Digital”

Promote offering unprecedented value which is fused value unique to sales representatives and digital technologies, to cope with diversification of customer preferences and lifestyles

Initiative for Utilizing Digital Technologies



(Note) Laptop computer which sales representatives use

Fusion of value unique to sales representatives and digital technologies

Improvement of customer convenience by digitalization of various procedures

- ✓ Install the tool for communication (2020/9~)
- ✓ Web-based application service for new policies (2021/1~)

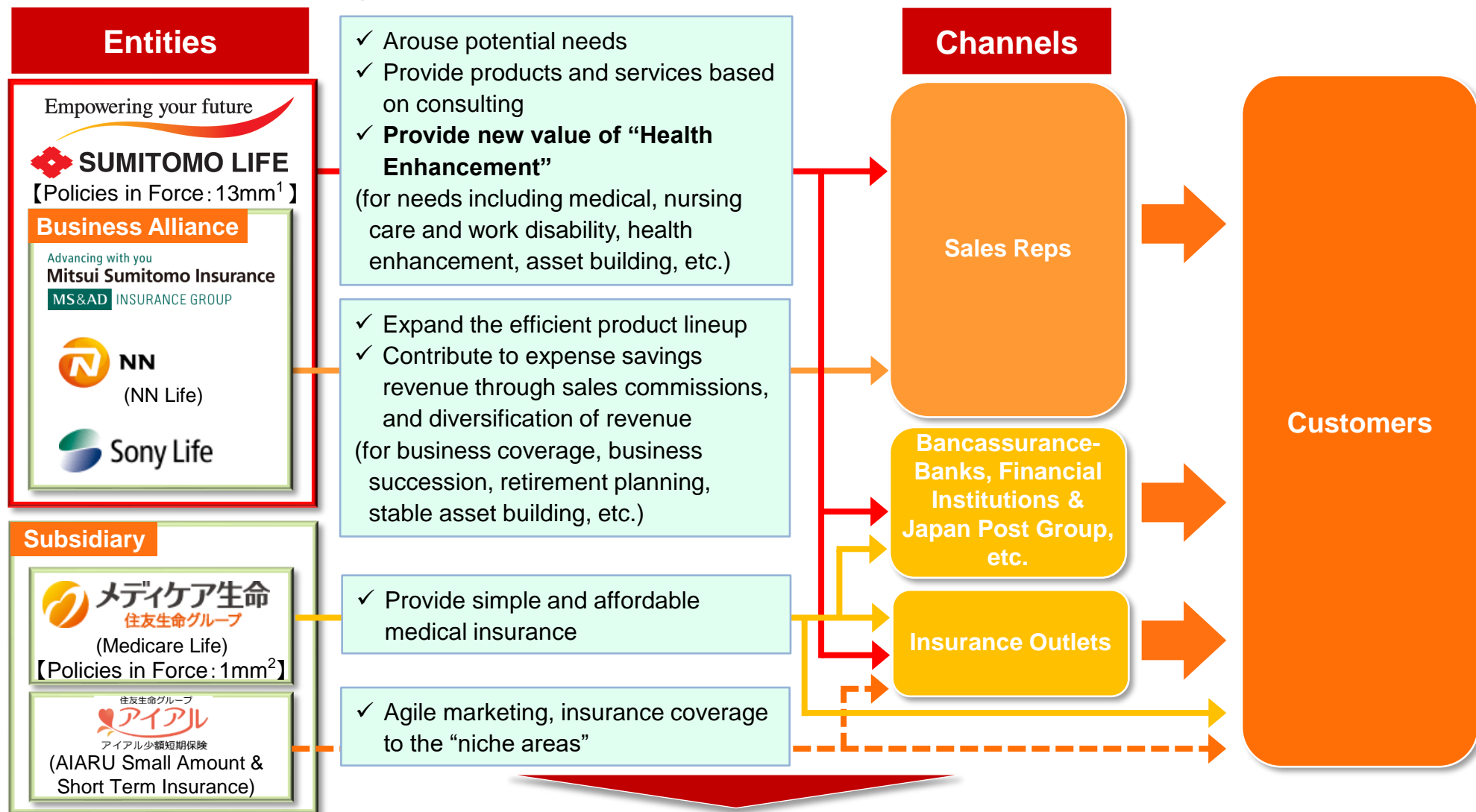


- ✓ Web-based application service for satisfaction survey after enrollment (2021/10~)
- ✓ Web-based application service for payment claims (2022/1~)



Multi-Channel and Multi-Product Strategy

We aim to expand the entire customer base of the Sumitomo Life group by providing products customized to the unique characteristics of each channel.



Expansion of the customer base of the Sumitomo Life group by leveraging the unique characteristics of each channel

1. As of March 31, 2022. Number of individual life insurance and individual annuities, including products provided by our business alliance partners (Mitsui Sumitomo Insurance, NN Life, Sony Life)
2. As of March 31, 2022

Our Main Products

We develop and provide products to match customer needs, utilizing subsidiaries and business alliances.

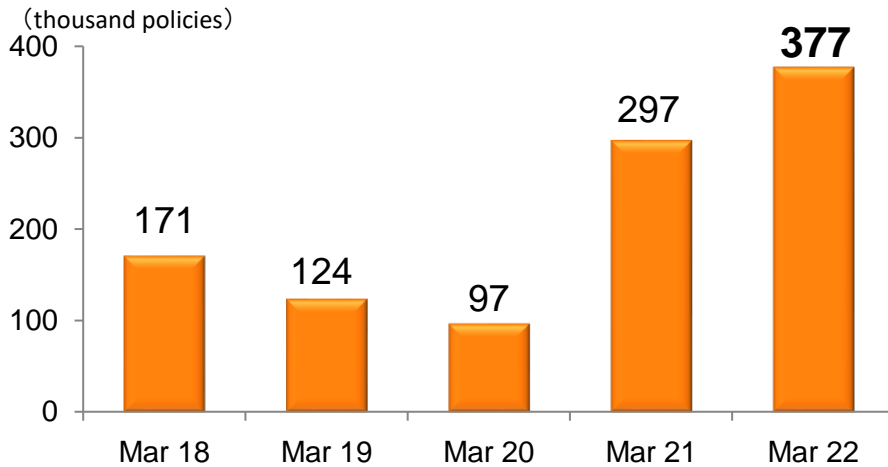
		Life Insurance				P&C Insurance	
Customer Needs	Individual Life				Corporate Insurance	In case of a sudden accident	
	Mortality	Nursing Care / Work Disability	Medical Insurance	Savings			
Products	Comprehensive Protection Insurance 生活保険で、じぶんを救え。 1UP↑ 未来デザイン ワンアップ 健康増進 就労不能介護 死亡 医療		Medical Insurance スミセイの医療保険 ドクタ-GO 健康増進 医療		Single-Premium Insurance [Yen] (Whole Life) ふるは〜と ジョ-ドplus ソニー生命の外貨建保険 米ドル建 終身保険 W 一時払い		Term Life スミセイの定期保険 エンブレム 新長期プラン エンブレムN 介護・障害定期(災害保険タイプ) エンブレムN 重大疾病 エンブレムN エマー・ジェンシープラス NN Medical Protection スミセイの医療保険 ドクタ-GO ロシタリリーフ
	Dementia Protection スミセイの 認知症PLUS 認知症		Cancer Protection スミセイの がんPLUS ALIVE W/プラスアライフ		Level-Premium Insurance [Yen] (Whole Life) プラス つみたて 終身保険 スミセイの医療的速戻金型終身保険 パラ色人生 スミセイの低解約返戻金型介護終身保険 パリュウケア (Annuity) スミセイの個人年金保険 たのしみワンダフル		
Wellness program that could be attached to the above main products SUMITOMO LIFE Vitality Discovery		[Foreign Currency] (Whole Life) ふるは〜と ジョ-ドglobal II ソニー生命の外貨建保険 たのしみグローバルII 指数連動プラン		Automobile Insurance 安心のゴールキーパーでありたい。 GK クルマの保険 Property Insurance 安心のゴールキーパーでありたい。 GK すまいの保険 Casualty Insurance 安心のゴールキーパーでありたい。 GK ケガの保険 Others ゴルファー保険 (パーソナル生活補償保険)			
Income Assurance Insurance 専業主婦型収入保障保険(無解約返戻金型) メディフィット 収入保障 メディケア生命 住友生命グループ		Medical Insurance (Simple and affordable) 新 医療費負担軽減型(無解約返戻金型) メディフィットA Medical Insurance (Cancer Insurance) がん治療保険(無解約返戻金型) メディフィット (がん保険)		Work Disability Protection スクエアアライン ワンアップ 1UP↑			

Medicare Life

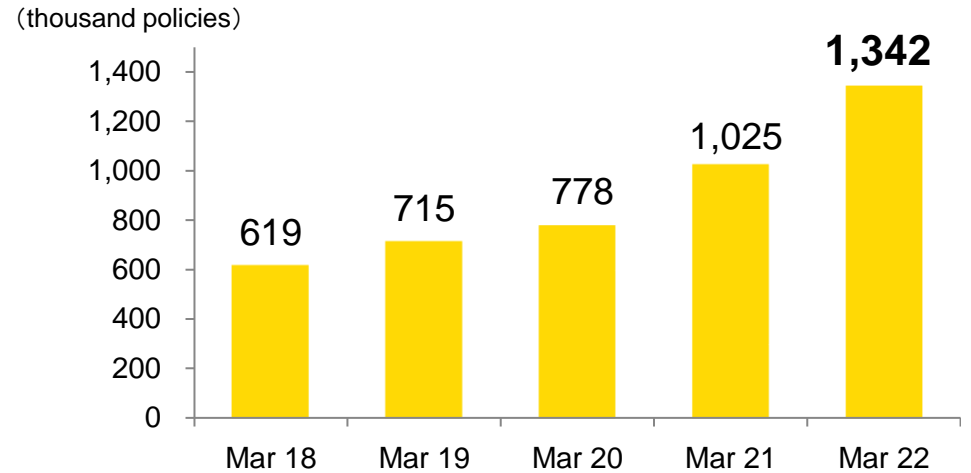
Sales of medical whole life insurance continued to be strong from last fiscal year.

Medicare Life

< Number of New Policies >



< Number of Policies in Force >



< Key Indicators (As of March 31, 2022) >

EEV	JPY 265.1 bn
Solvency Margin Ratio	1,672.2%
Credit Rating	AA- (R&I)

Insurance Outlets, etc. of Sumitomo Life Group

Izumi Life Designers Co., Ltd.

Operates insurance outlets called "Hoken Hyakka"



INSURANCE DESIGN

Operates insurance outlets called "Hoken Design"



Mycommunication Co., Ltd.

Operates insurance outlets under the brand of "Hoken Hotline"



Agent Insurance Group, Inc.

Mainly sells P&C insurance



AIARU Small Amount & Short Term Insurance

Developed many unique products leveraging open innovation with companies in FY2021

Small-amount and Short-term Insurance Business


Deals only with the underwriting of protection-type insurance products, in small insurance amounts in short insurance terms of one year (two years for non-life insurance) within a certain business scale

<Key differences between regulations on insurance companies and on small-amount and short-term insurance companies>

	Insurance companies	Small-amount and short-term insurance companies
Conditions for market access	License granted by Commissioner of the Financial Services Agency	Registration with a local finance bureau
Business scale	No limit	Annual insurance premiums receivable of no more than JPY 5 billion ¹
Product examination	Approval (notification for some products)	Notification
Limit on insurance amount (original rule)	No limit	Limit on insurance amount per insured person, depending on the insurance category (maximum of JPY 10 million)
Limit on insurance term	No limit	One year (two years for non-life insurance)

1. Calculated by adding reinsurance recoverables and reinsurance fees to insurance premiums receivable in one business year, and then subtracting reinsurance premiums and premium refunds for policy surrender.

Overview of AIARU

Company name	AIARU Small Amount & Short Term Insurance Co., LTD. ²
Establishment	January 2009  アイアル少額短期保険株式会社
Representative	Katsuyuki Ando, President and Representative Director
Head office	15-18, Nihonbashi Kodenmachi, Chuo-ku, Tokyo
Capital	JPY 299.4 million ³

Product development leveraging open innovation

■ CellSource PFC-FD insurance (February 2022)

- Insurance covering PFC-FD therapy expected to be effective in treating sports injuries (first in Japan)
- Joint development with **CellSource Co., Ltd.**, which operates the regenerative medicine-related business



CellSource

→ Introduced to the Japan Professional Football League (J.League) member clubs and the Japan Handball League (JHL) member teams

■ Medical insurance for mothers and babies “Dear Baby” (February 2022)

- Medical insurance that allows people to take out regardless of the gestation period and supports mothers and babies as well as their families before and after childbirth
- Joint development with **FamiOne, Inc.**, which operates the fertility/infertility treatment support business, and **MilCare Corporation**, which operates the pregnancy/childcare support services using IoT

ママと赤ちゃんの医療保険
ディアベビー

famiOne

MilCare

■ Heat stroke insurance (April 2022)

- A product exclusive for a cashless payment service app that pays insurance benefits when a policyholder receives specified treatment for heat stroke (first for the Sumitomo Life Group)

2. In February 2011, Gakuso Co., Ltd. and Rise Small Amount & Short Term Insurance Co., LTD. merged to become AIARU Small Amount & Short Term Insurance Co., LTD.

3. As of March 31, 2022



① Multi-Channel and Multi-Product Strategy

② Asset Management

③ Sustainability

④ Overseas Business Development

⑤ Capital Policy

Medium-Term Asset Management Policy

We plan to improve profitability by expanding investment in foreign credit assets and risk assets while controlling the total risk amount by reducing domestic interest rate risk, in anticipation of a prolonged low interest rate environment and looking ahead for introduction of economic value-based capital regulation in 2025.

Medium-Term Asset Management Policy (2021-2025)

Reduction of domestic interest rate risk

Super long-term domestic bonds, etc.

Continue

Comprehensive hedging by interest rate swaps, etc.

New¹

Enhancement of profitability through risk-taking

Foreign credit assets

Increase Investment

Non-traditional investments²

Expand Scope

Foreign stocks

Increase Investment

Unhedged foreign bonds

Increase Investment

Promotion of responsible investment

GHG net-zero

New³

Responsible investment structure

Enhance

All assets to be covered

Expand Scope

Thematic investment

Expand Scope

Risk Amount ↓

Risk Amount ↑

Improve profitability while controlling the total risk amount

1. Interest rate swaps were introduced in FY2021.

2. Assets and investment methods other than those that are called traditional assets such as bonds and listed stocks (e.g. private equity, private debt)

3. We have committed to GHG net-zero from asset portfolio by 2050.

Initiatives in FY2021

Managed general account with portfolios classified into two categories: ALM Investment and Balanced Investment
 Aimed to increase our investment earnings in accordance with investment objectives and to strengthen our asset management platform in order to enhance medium to long-term investment profitability

Initiatives in FY2021

<Two Types of Portfolios (General Account / Non-consolidated)>

ALM Investment Portfolio

- Portfolio focused on yen-denominated assets (approx. JPY 26tn)
- Objective is to contribute to secure payment of claims, etc.

Increased Investment Earnings

- Promoted investment in foreign credit assets when corporate bond issuance increased, while strengthening diversification of the portfolio, and selection.
- Gradually increased investments in infrastructure equity funds and private equity funds. Considered and started investing in new non-traditional assets such as private debt.

Strengthened Risk Control

- Reduced domestic interest rate risk by investing in super long-term bonds and implementing comprehensive hedging of interest rate swaps.

Balanced Investment Portfolio

- Portfolio focused on highly liquid securities (approx. JPY 7tn)
- Objective is to contribute to sustainable growth of Embedded Value

Promoted Responsible Investment

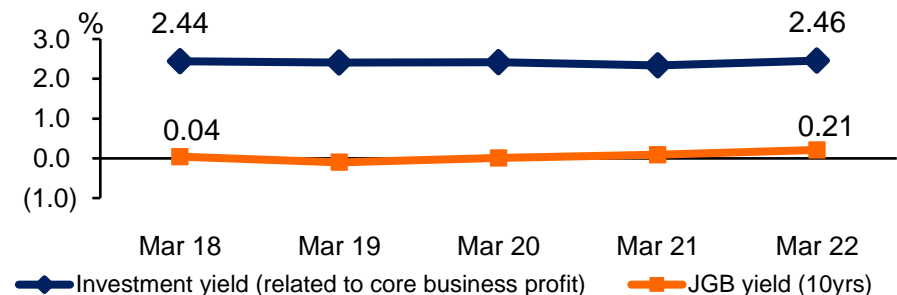
- Invested in domestic, U.S., and Asian equities, paying attention to stock price trends.
- Increased investment of unhedged foreign bonds (North America/Asian currencies) while taking the levels of interest rates and foreign exchange rates into account
- Hedged risks in case of decline in stock market and yen appreciation

Initiatives to Strengthen Asset Management Platform

- Started to formulate human capital strategy based on long-term asset strategy.
- Promoted cross-departmental BPR¹, expanded work from home by introducing remote operation system.
- Entrusted assets to Symetra Investment Management (SIM) such as bank loans, U.S. private corporate bonds, and decided to fully outsource overseas corporate bond management to SIM.

1. Business Process Reengineering: Fundamental review and redesign of work content and flow, etc.

Market Interest Rate and Our Investment Yield

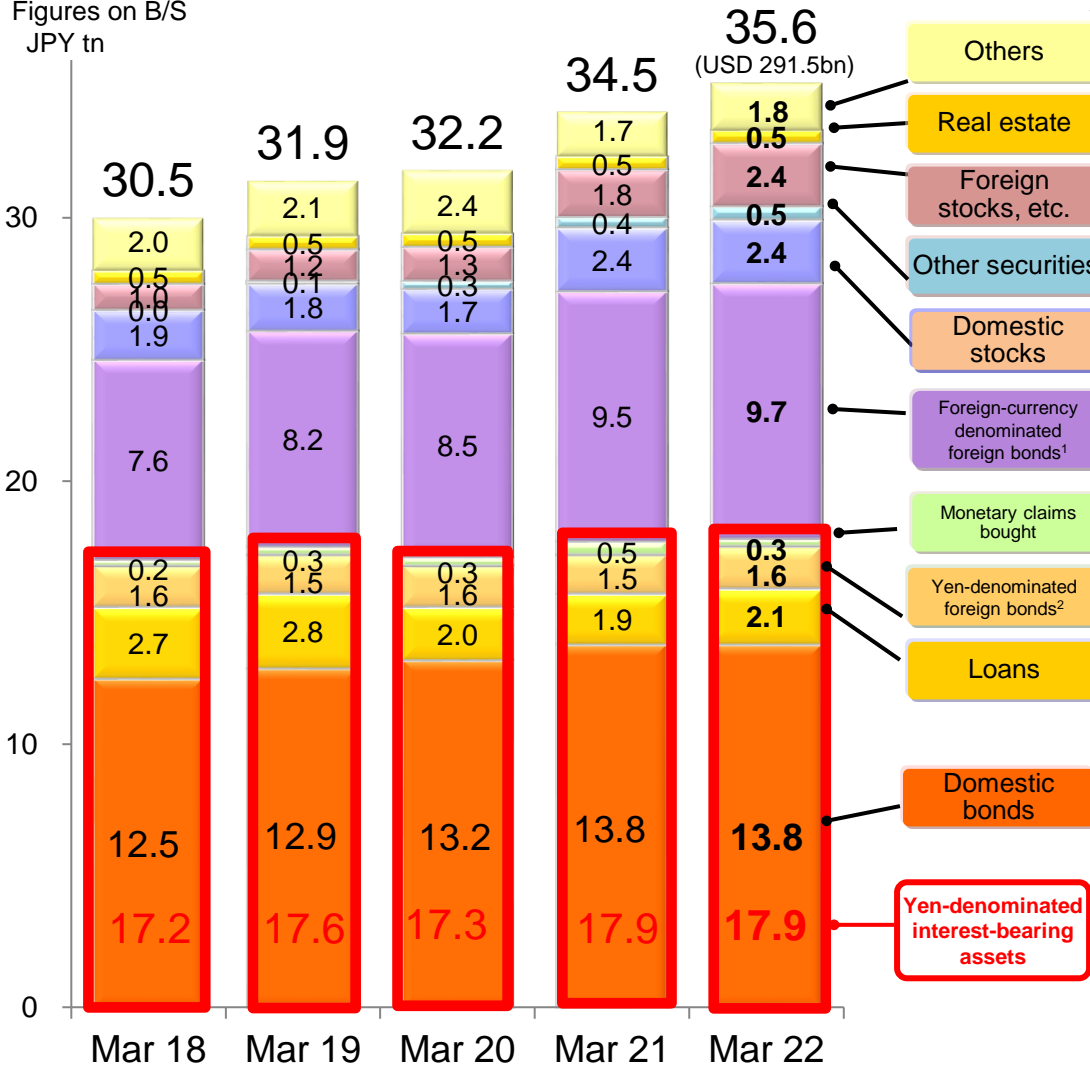


General Account Asset Portfolio

Prudent investment policy, focusing mainly on yen-denominated interest-bearing assets

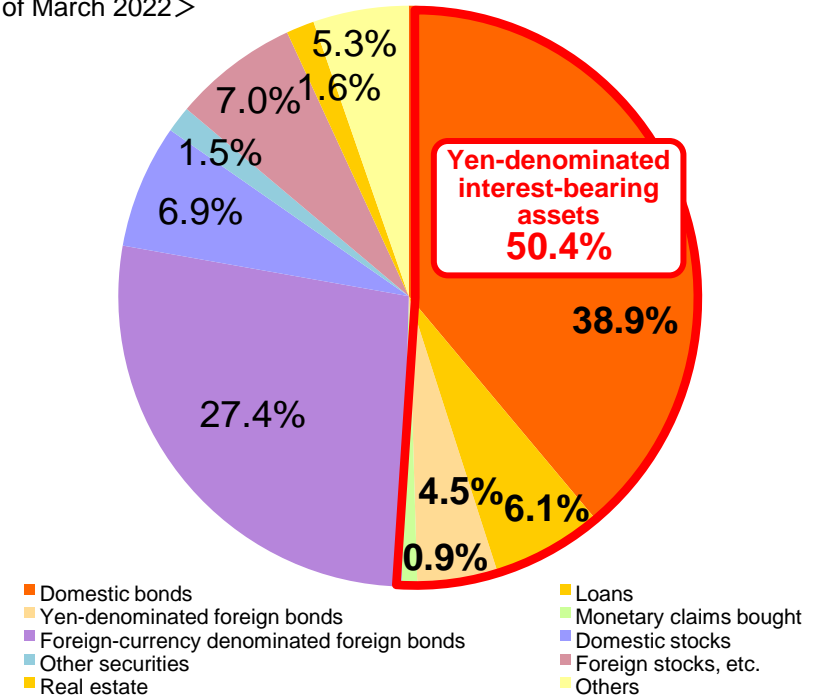
Trend of General Account (GA) Assets (Non-consolidated)

Figures on B/S
JPY tn



Breakdown of GA Assets (Non-consolidated)

<As of March 2022>



Unrealized Gains/Losses in GA Assets³ (Non-consolidated)

JPY bn

	As of Mar 2021	As of Mar 2022	change
Securities	3,694.1	2,536.4	(1,157.6)
Held-to-maturity debt securities	261.3	242.9	(18.4)
Policy-reserve-matching bonds	1,597.1	1,082.0	(515.1)
Available-for-sale securities	1,840.9	1,210.0	(630.8)
Domestic stocks	1,222.5	1,142.0	(80.5)
Foreign securities	521.9	82.4	(439.4)

1. Foreign currency-denominated foreign bonds (including those issued by residents) include currency-hedged foreign bonds

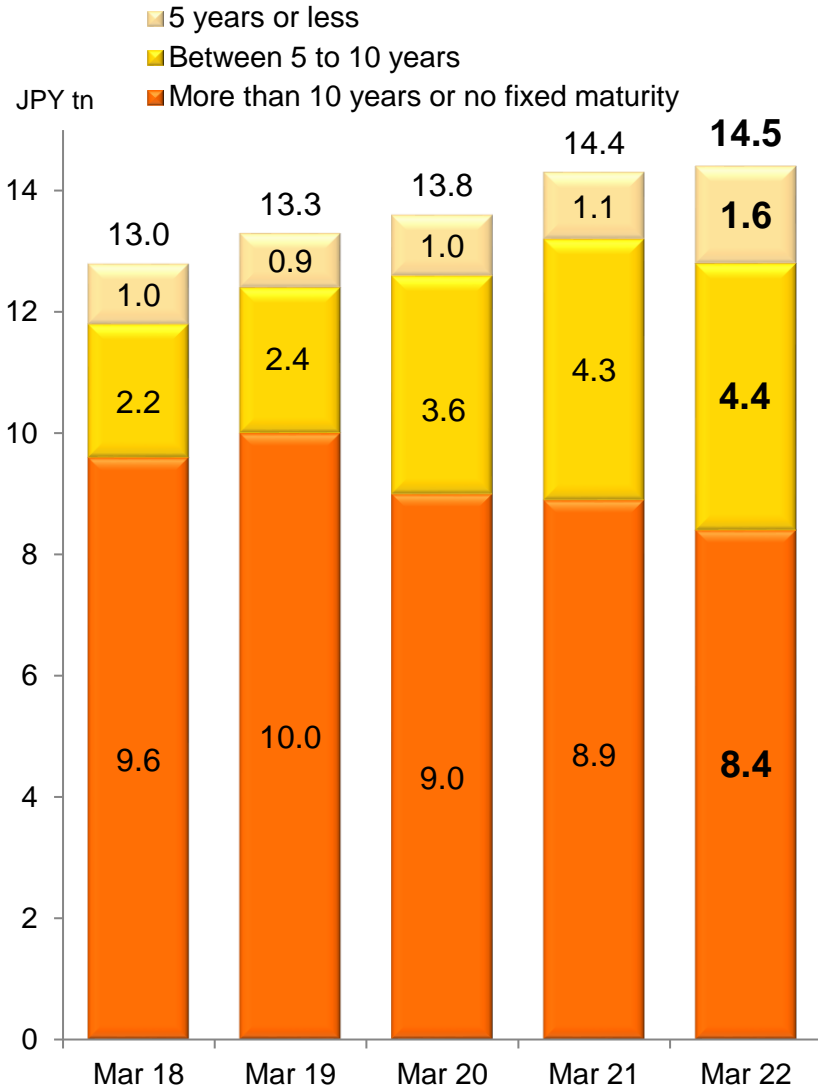
2. Yen-denominated foreign bonds include foreign currency-denominated foreign bonds with a fixed amount in Japanese yen

3. See page 53 for details

Profile of Domestic Bonds

Strengthen domestic interest rate risk management based on ALM strategy

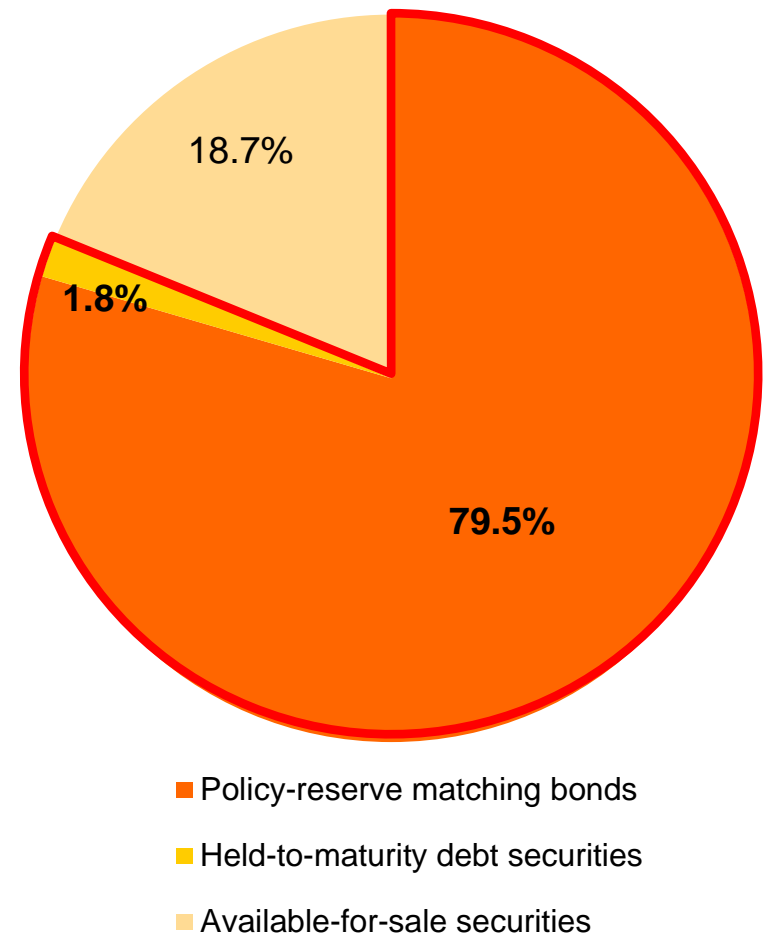
Domestic Bonds by Maturity (GA·non-consolidated)



Domestic Bonds by Category (GA·non-consolidated)

<As of March 2022>

Domestic Bonds Outstanding Balance:
JPY 14.52tn (USD 118.6bn)



Asset Management Strategy for FY2022

In addition to medium-term asset management policy, we plan to enhance profitability further to cope with the changes in the financial market environment such as increase in foreign exchange hedging cost arising from the rate hike in U.S.

Asset Management Strategy for FY2022

ALM Investment Portfolio

Balanced Investment Portfolio

Increase Investment Earnings

■ Initiatives in medium-term asset management policy

- Further investment in foreign credit assets
- Increase alternative investments

■ Initiatives in further enhancement of profitability

- Full outsourcing of investment in foreign corporate bond to Symetra Investment Management and increase investments
- Switch bonds in the event of rising interest rates

Strengthen Risk Control

- Steadily invest in super long-term bonds and interest rate swaps
- Accelerate the pace of domestic interest rate risk reduction by additional investment in the event of rising interest rates

Promote Responsible Investment

■ Initiatives in medium-term asset management policy

- Increase investment in stocks at undervalued level in medium-term taking into account economic trends and corporate performance.

■ Initiatives in further enhancement of profitability

- Increase investment in unhedged foreign bonds (shift from currency hedged foreign bonds)
- Switch bonds in the event of rising interest rates
- Replace stocks to high dividend issues

- Increase hedging positions for stocks and foreign exchange rate in case of decline in markets, and sophisticate methods

Strengthen Asset Management Platform

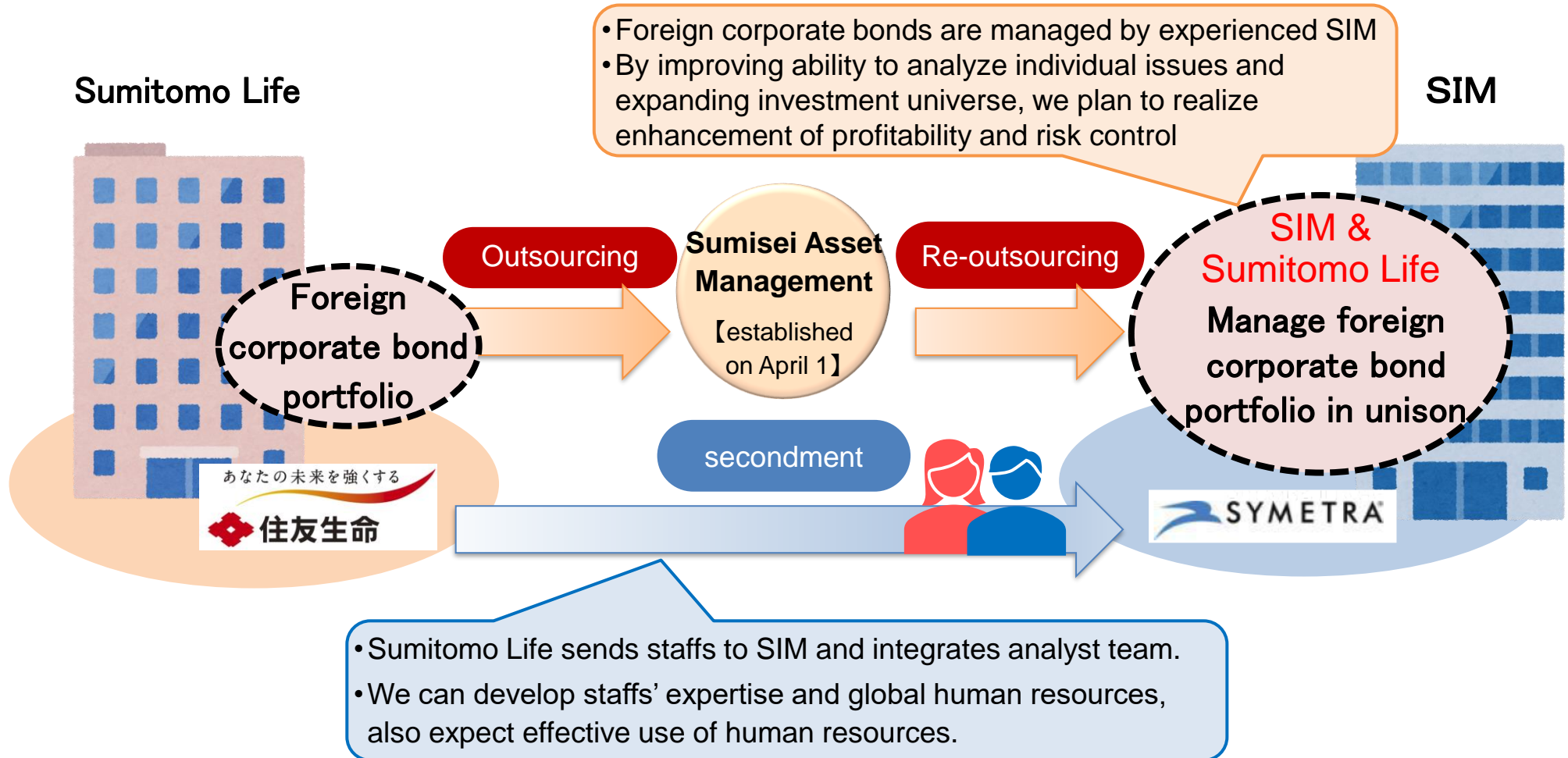
- Human resource development (train to be experts, promote diversity in human resources)
- Develop and implement IT strategy for medium- to long-term asset management (promote further innovation, PoC (note) of promising technology, BPR through cross departmental)
- Full outsourcing of investment in foreign corporate bond

(Note) Proof of Concept, verifying a feasibility for new idea or concept and its effect

Full Outsourcing of Investment in Foreign Corporate Bonds

Sumitomo Life fully outsources investment in foreign corporate bonds to Symetra Investment Management (SIM). To realize this scheme, Sumitomo Life established a new domestic investment management subsidiary.

Outsourcing Scheme

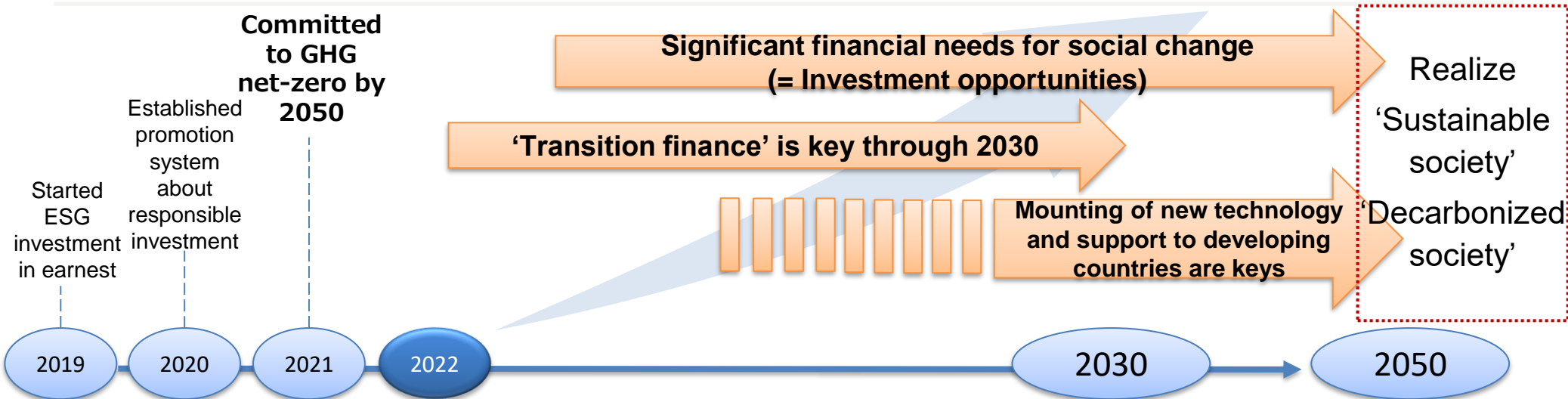


Initiatives for Responsible Investment

By promoting responsible investment, we strive to realize a sustainable society, and to enhance investment returns over the medium to long term at the same time.

Defining all asset management as responsible investment, we promote effective initiatives to solve social issues.

Transition of initiatives and awareness of the issues



Creating impact through responsible investment

■ Thematic Investment

- Started measuring the impact made through past investment projects that are measurable
- Flexibly consider and implement a required risk-return level in fields of great social significance, such as the achievement of SDGs and shift to a decarbonized society

Target from FY2020 to FY2022: JPY 500bn
Results by FY2021: JPY 382bn (rate of progress 76%)

Assets under management (approx. JPY 35tn)
Implement ESG integration to all assets

Thematic Investment
Impact Investment

■ Impact Investment

- Investments intended to create social and environmental impacts in addition to monetary returns
- Aim to invest about JPY 20bn mainly in funds while also accumulating knowledge

Target in FY2022: JPY 20bn



① Multi-Channel and Multi-Product Strategy

② Asset Management

③ Sustainability

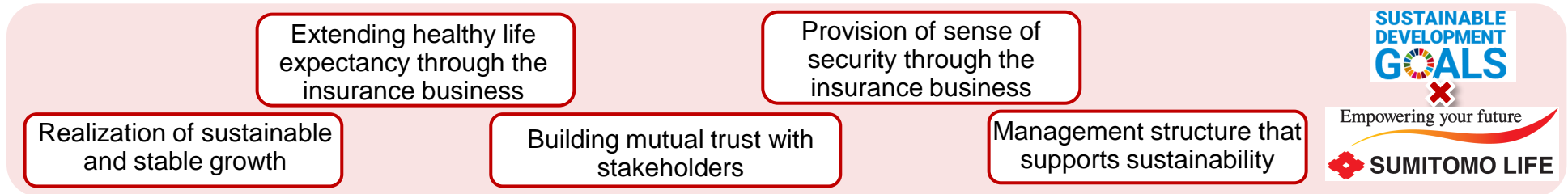
④ Overseas Business Development

⑤ Capital Policy

Initiatives to Sustainability

We aim to contribute to the realization of a society of affluence, vitality, health and longevity through the sound operation and development of the insurance business.

Our Vision



To be an “Indispensable” Insurance Company for Society

Efforts as a Life Insurance Company

Popularize SUMITOMO LIFE Vitality and provide services and information for the era of the 100-year lifespan

Contribute to the realization of a society of health and longevity

Aim to solve social issues of extending healthy life expectancy¹ by assisting customers to engage in health enhancing activities

Efforts as an Institutional Investor

Promote responsible investment (ESG investment and stewardship activities)

Contribute to the realization of decarbonization initiatives and a sustainable society

Encourage initiatives of investees to solve their social issues through providing funding such as thematic investment or constructive dialogue

1. The period during which an individual can maintain an autonomous daily life without needing nursing care, etc.

Specific Initiatives

Revised a reduction target of GHG emissions upward and formulated the Human Rights Policy in Sumitomo Life Group as new initiatives in 2H FY2021

Efforts as a Life Insurance Company

- FY2019

FY2020

FY2021

(New initiatives in 2H FY2021 in Red)

Efforts as an Institutional Investor

- FY2019

FY2020

FY2021

Offering Insurance	Expansion of bundled target products for SUMITOMO LIFE Vitality since its release July 2018	Launched “Cancer PLUS ALIVE” to provide coverage for cancer recurrence and lifelong anti-cancer drug treatment	Develop some plans such as a trial version through which customers experience the attraction of the Vitality program (See page 14 for details)	Structure	ESG Investment Policy	Reinforcement of the responsible investment structure after setting Basic Principles on Responsible Investment	Establishment of the Responsible Investment Team
Climate Change	Supported the TCFD Recommendations	Started our disclosure based on TCFD Recommendations Started assessing Scope1-3	Carbon Neutrality declaration Established target, Scope 1-3 (revised target upward in 2H FY2021) Conducted new scenario analysis about climate change	ESG Integration	Target domestic listed stocks	Addition of bonds and loans	Expansion to all assets
Human Capital	Started WPI project for work-style reform initiatives	Formulated an action plan related to the promotion of women’s participation	Launched the Human Capital Development Headquarters as a cross-departmental organization reporting directly to the President & CEO	Stewardship Activities	Target domestic listed stocks	Addition of domestic bonds	Enhancement of decarbonization initiatives
Human Rights	Conducted human rights enlightenment and training by position and annual training for all staff		Established Human Rights Policy	Negative Screening	Cluster bomb manufacturers Coal power generation projects		Inhumane weapon manufacturers Coal power generation projects
Take Hold within the Company	Promoted volunteer activities involving employees to contribute to solving social issues	Distributed video materials related to sustainability through e-learning tool	Declared and implemented initiatives for achievement of SDGs by each and every executive and employee	Thematic Investment	Initiatives centered on SDGs bonds	• Three-year (FY2020 to FY2022) cumulative goal: JPY 300 billion • FY2020 result: approx. JPY 150 billion	• Upward revision of three-year cumulative goal to JPY 500 billion • FY 2021 result: JPY 382 billion
				GHG Emissions		Start measuring GHG emissions in asset portfolios	Carbon Neutrality declaration for 2050 Set a reduction target of -42% by 2030

■ **Initiatives in FY2022:** Appointing the Group Sustainability Officer

■ **Initiatives in FY2022:** Creating impact through responsible investment

1. Please refer to various reports published to report the status of our efforts to promote sustainability.

[Sustainability report](#), [Responsible Investment Activities Report](#), [Corporate Governance Report](#)

External Initiatives

Participation in External Initiatives

【Environment (E) related】



Task Force on Climate-Related Financial Disclosures
 •A private sector-led task force established by the Financial Stability Board (FSB) in December 2015. In June 2017, TCFD released its final report (TCFD recommendations) providing a framework for companies' voluntary disclosure of information regarding climate-related risks and opportunities
 •Sumitomo Life announced the endorsement of the TCFD recommendations in March 2019.



Climate Action100+
 •An initiative to seek the reduction of greenhouse gas emissions through engagement with companies. (Five-year project that started in December 2017)
 •Sumitomo Life signed the initiative in December 2020.



CDP
 •An initiative to encourage major companies around the world to disclose information on climate change, water, forests, etc., and to engage in collaborative engagement. Launched in 2000.
 •Sumitomo Life signed the initiative in December 2020.



PCAF
 •An initiative launched in 2015 that aims to standardize assessment and disclosure related to asset portfolio greenhouse gas emissions.
 •Sumitomo Life signed the initiative in August 2021.



AOA
 •An international initiative that aims to achieve the Paris Agreement's goal of limiting temperature rise to 1.5° C through the cooperation of asset owners. Under the leadership of the United Nations Environment Programme Finance Initiative (UNEP FI) and the Principles for Responsible Investment (PRI), the AOA has been active since 2019.
 • Sumitomo Life joined AOA in October 2021.

【Society (S) related】



Women's Empowerment Principles
 •A set of international principles for female economic empowerment drawn up for companies jointly by the UN and UNGC UNIFEM (now UN Women), an autonomous compact framework established between the UN and companies in March 2010. These aim to energize corporate activity and promote growth by encouraging companies to put gender equality and female empowerment at the heart of management, and to autonomously implement related initiatives.
 •Sumitomo Life signed the principles in September 2020.



"The Valuable 500"
 •A global movement launched at the Davos World Economic Forum in January 2019, the aim of which is for business leaders to effect a transformation in business, society, and the economy, in order to enable people with disabilities to fulfill their potential.
 •Sumitomo Life became a member in September 2020.



Principles for Responsible Investment
 •A set of investment principles launched by the United Nations in 2006 that calls for institutional investors to incorporate ESG perspectives into their investment and financing decision-making processes.
 •Sumitomo Life signed the PRI in April 2019.



JSI
 •An initiative launched in November 2019 to enable a free exchange of views between industry participants such as asset owners and asset managers. JSI provides opportunities to share information and explore solutions for practical issues relating to stewardship.
 •Sumitomo Life has been a participant since it was launched.



United Nations Global Compact (UNGC)
 •An initiative that encourages organizations to comply with and put into practice 10 principles in the four areas of human rights, labor, environment, and anti-corruption.
 •Sumitomo Life has been a participant since July 2008.



Principles for Financial Action for the 21st Century
 •A code of conduct established in October 2011 for financial institutions seeking to fulfill the responsibilities and duties required to shape a sustainable society. Its official name is "Principles for Financial Action Towards a Sustainable Society."
 •Sumitomo Life signed the principles in November 2020.



the Japan Impact-driven Financing Initiative
 the Japan Impact-driven Financing Initiative
 An initiative to promote impact investment through cooperation and collaboration between diverse and multiple financial institutions that believe that the purpose of financial institutions is to actively address social and environmental issues, holistically understanding impact
 •Sumitomo Life signed this initiative in April 2022



① Multi-Channel and Multi-Product Strategy

② Asset Management

③ Sustainability

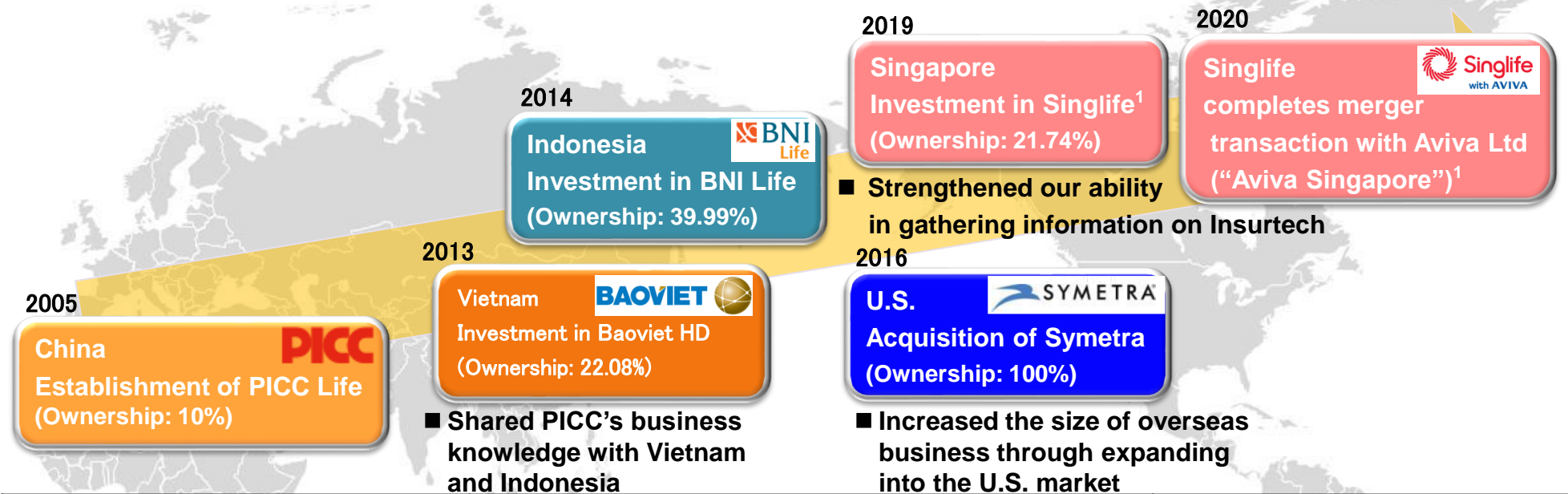
④ Overseas Business Development

⑤ Capital Policy

Overseas Business Expansion

Stable revenue base in Japan, steady growth in the U.S. and high growth in Asia
Established a business portfolio with stability and growth potential

Track Record of Overseas M&A



<p>Japan ~ Stable Revenue Base ~</p>	<p>Asia (China, Vietnam, Indonesia, Singapore) ~ High Growth Market ~</p>	<p>United States ~ Steady Growth / The Largest Market ~</p>
<ul style="list-style-type: none"> ■ The third largest market in the world² ■ Less growth potential due to the trend of declining population, but stable underwriting income resulting from mortality gain is expected ■ Our home market which supports our stable revenue base 	<ul style="list-style-type: none"> ■ China has the largest population in the world and its insurance market is still growing ■ Rapid growth is expected in the future in Vietnam/Indonesia ■ Development of Insurtech is flourishing in Singapore ■ Benefit from growth opportunities through technical assistance including channel development, risk management, system development and asset management 	<ul style="list-style-type: none"> ■ The largest market in the world² ■ Benefit from steady growth in the U.S. insurance market through Symetra, our 100% subsidiary

1. Invested in Singlife in 2019. In November 2020, Singlife merged with Aviva Singapore, one of the largest domestic insurance companies. We made an additional investment to support the transaction.

2. Swiss Re sigma No3/2021 Life premium volume in USD in 2020

Initiatives in the U.S. Market ①

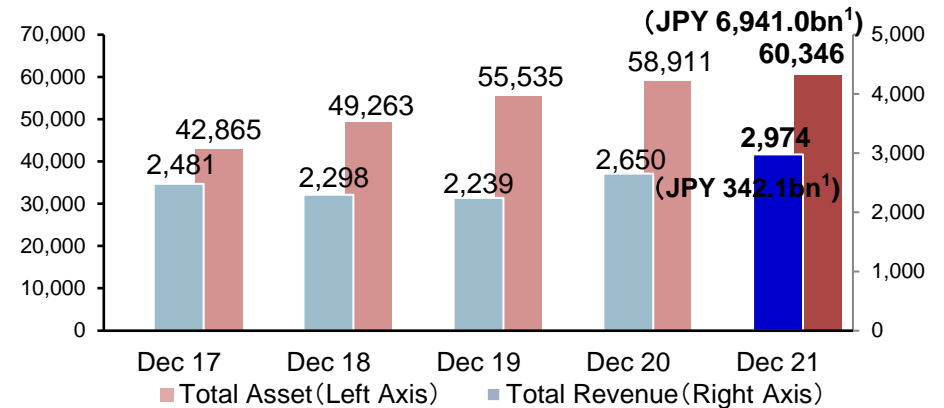
Symetra has solid business base across the U.S.

Capture steady earnings resulting in improved earnings base and risk diversification.

Business Development in the U.S. - Symetra (100% subsidiary)

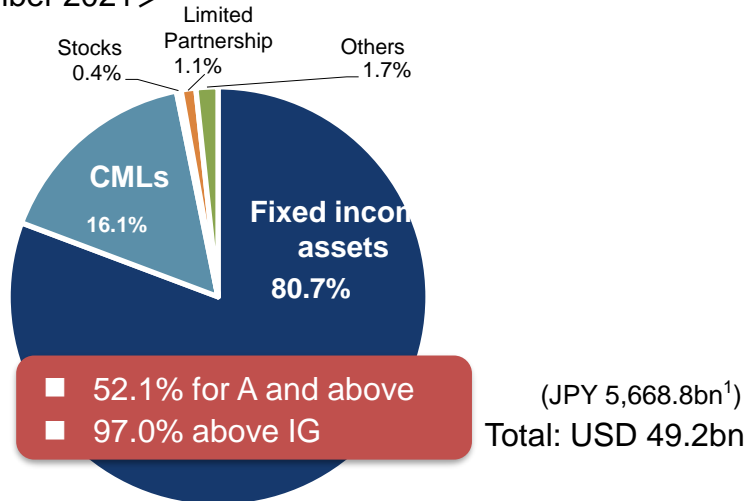
- 100% acquisition of Symetra Financial Corporation (February 2016)
- Number of employees (Consolidated): Approx. 2,000
- RBC Ratio (Risk Based Capital)*: 393% (As of December 31, 2021)
*Calculated without considering 50% of the risk profile (denominator)
- Ratings: A (S&P), A1 (Moody's), A (AM Best)

Total Revenues and Total Assets (USD mn)



Conservative Investment Policy – Asset Management Portfolio

<As of December 2021>



Synergy Effects



- Leveraged Symetra's expertise to commence sales in Japan of a fixed indexed annuity product, one of Symetra's core products
- Sharing information about the markets and certain issuers
- Plan to expand the outsourcing of asset management for investment grade corporate bonds entrusted to Symetra Investment Management, and reach an entrusted asset balance of 2 trillion yen.
- Sumitomo Life and Symetra are dispatching personnel to a base in Silicon Valley to gather information on FinTech activities

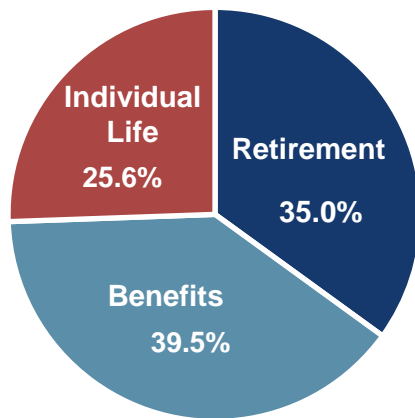
1. USD1 = JPY115.02 (as of December 31, 2021)

Initiatives in the U.S. Market ②

Symetra has a balanced business portfolio, and each business line has shown stable growth even amidst the COVID-19 pandemic.

Balanced Business Portfolio – Ordinary Income by Segment

<As of December 2021>



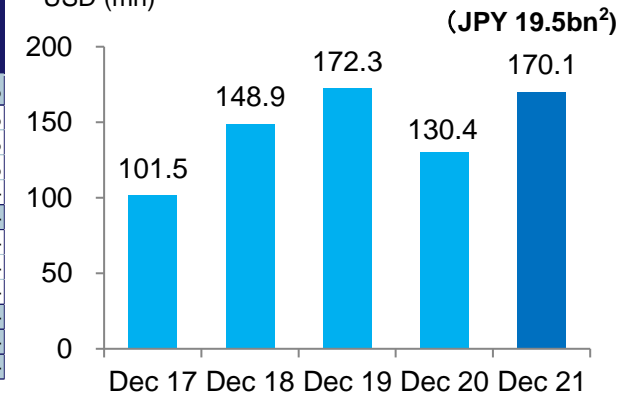
Summary P&L

USD (mn)

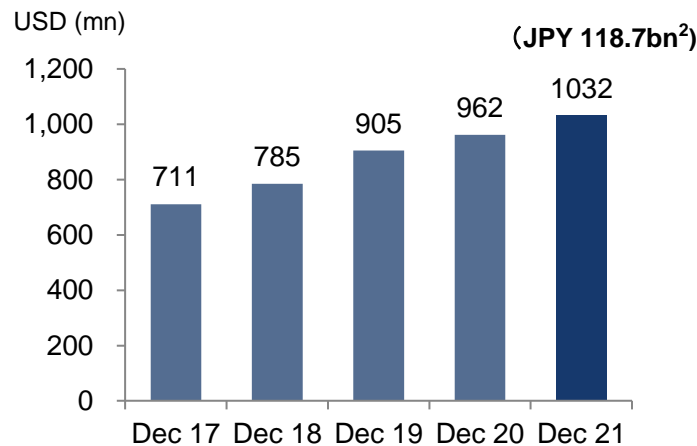
	Year ended Dec 31, 2020	Year ended Dec 31, 2021	Increase (Decrease) as % of Dec 31, 2020
Adjusted pre-tax income ¹	130.4	170.1	30.4%
Benefits	12.9	15.5	20.2%
Retirement	128.8	154.9	20.3%
Individual Life	8.7	17.8	104.6%
Other	(20.0)	(18.1)	-
Add (deduct) the following:	(290.3)	(90.1)	-
Excluded realized gains (losses)	(37.4)	(50.0)	-
Amortization of intangible assets	(143.2)	(127.7)	-
Closed Block results	(109.7)	87.6	-
Income (loss) from operations before income tax	(159.9)	80.0	-
Total provision (benefit) for income taxes	68.4	(5.1)	-
Net income (loss)	(91.5)	74.9	-

<Adjusted pre-tax income>

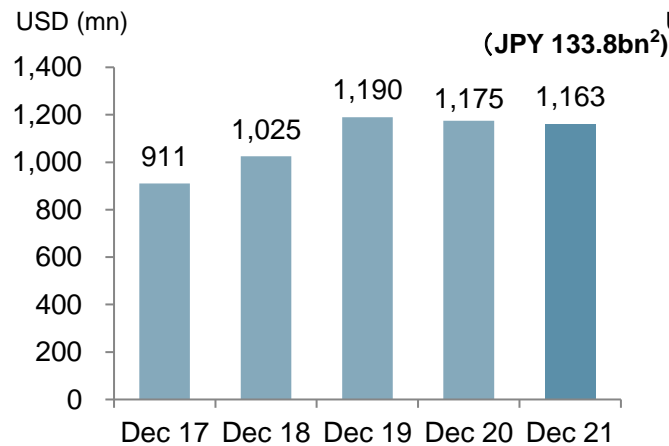
USD (mn)



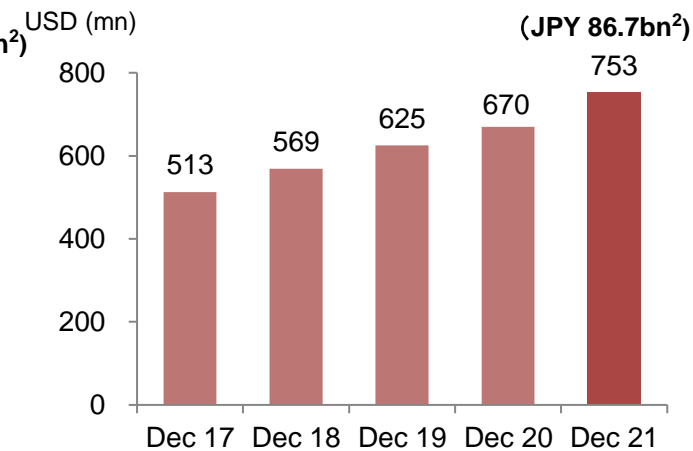
Ordinary Income from Retirement



Ordinary Income from Benefits



Ordinary Income from Individual Life



1. Income from operations before income taxes, excluding results from closed blocks, intangible asset amortization and certain net realized gains (losses).

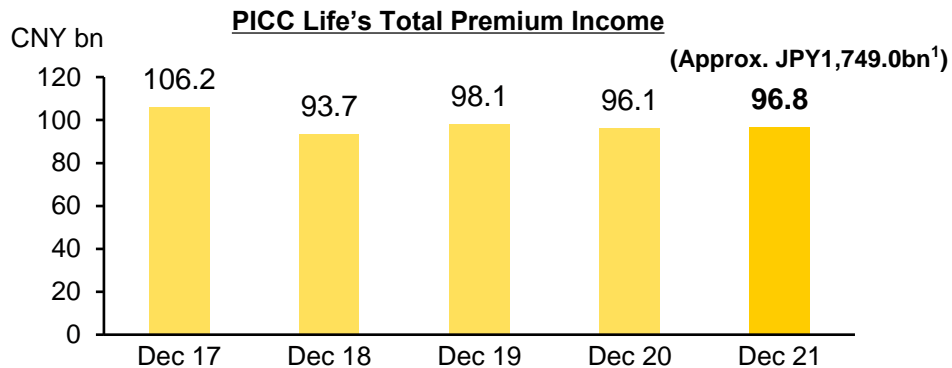
2. USD1 = JPY115.02 (as of December 31, 2021)

Initiatives in the Asian Market

Partner with local leading companies in the Chinese, Vietnamese, Indonesian and Singaporean markets. The companies we have invested in have shown stable growth and contributed to our profit.

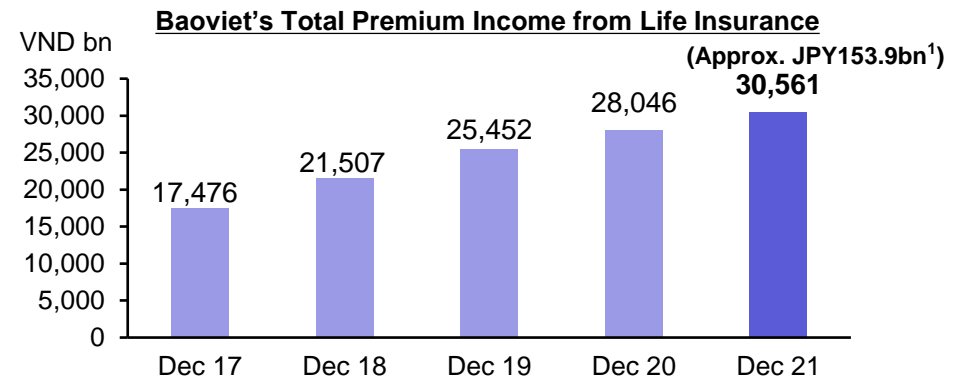
China

- Establishment of PICC Life Insurance Company (November 2005)



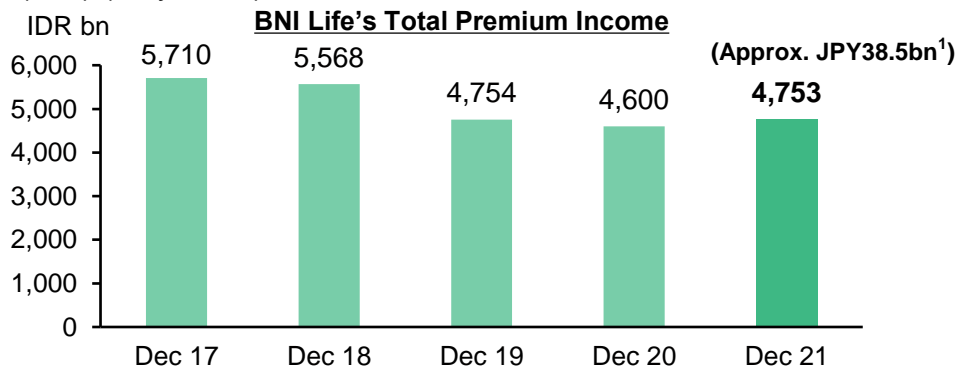
Vietnam

- Investment in Baoviet Holdings (March 2013)



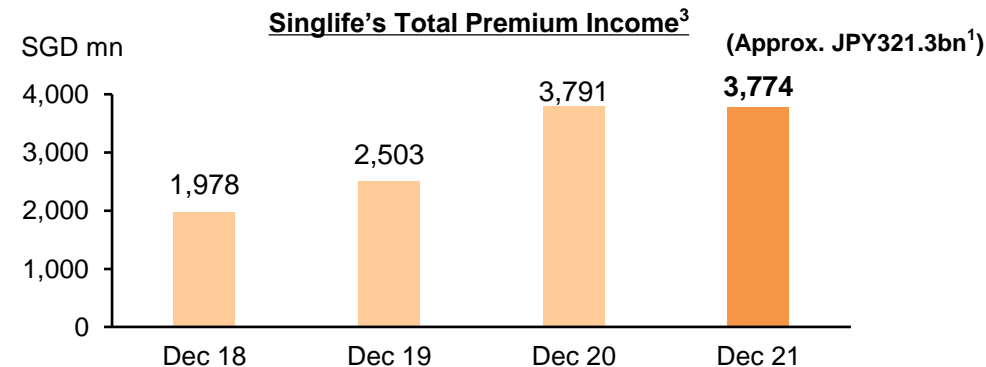
Indonesia

- Investment in BNI Life, a subsidiary of Bank Negara Indonesia (BNI) (May 2014)



Singapore

- Investment in Singlife Holdings² (June 2019)



Source: Company disclosure

1. CNY1 = JPY18.06, VND1 = JPY0.005039, IDR1 = JPY0.0081, SGD1 = JPY85.15 (as of December 31, 2021).

2. Invested in Singlife in 2019. In November 2020, Singlife merged with Aviva Singapore, one of the largest domestic insurance companies. We made an additional investment to support the transaction.

3. Singlife Holdings' operating results are based on the combined figures before integration of Singlife and Aviva Singapore. (consolidated figure for December 31, 2021 and the simple sum of the two companies for the periods before the year ended December 31, 2020).

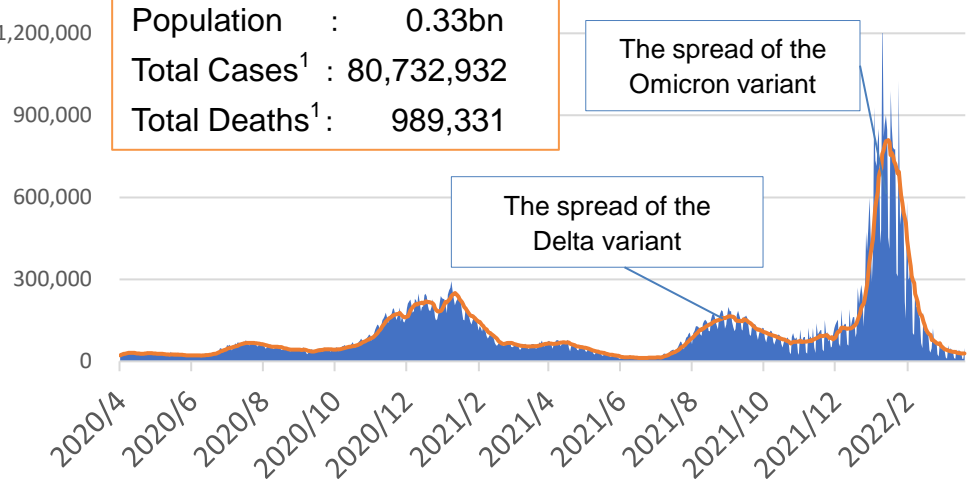
COVID-19 Situation in countries where we operate

U.S.

Population : 0.33bn
 Total Cases¹ : 80,732,932
 Total Deaths¹ : 989,331

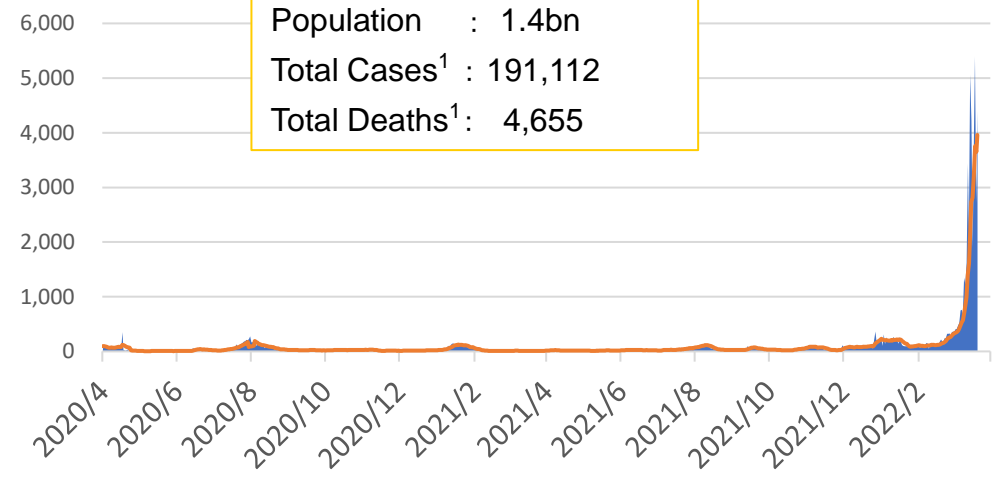
The spread of the Omicron variant

The spread of the Delta variant



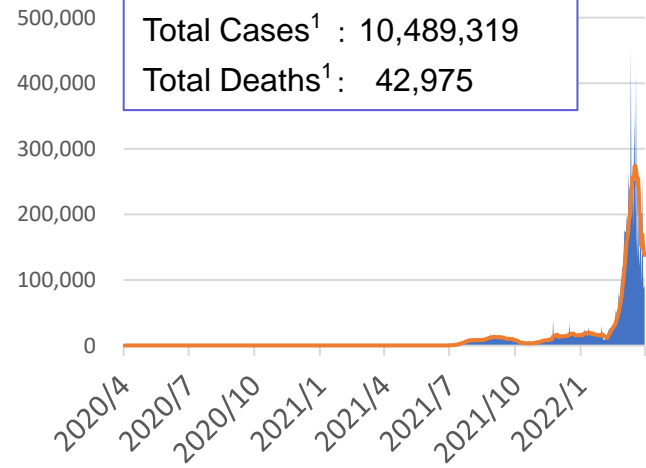
China

Population : 1.4bn
 Total Cases¹ : 191,112
 Total Deaths¹ : 4,655



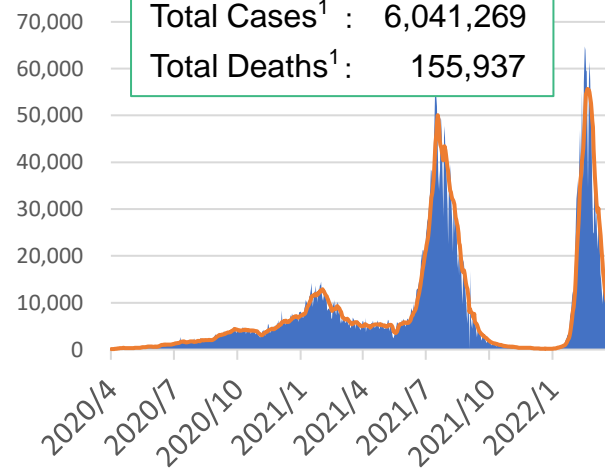
Vietnam

Population : 90mn
 Total Cases¹ : 10,489,319
 Total Deaths¹ : 42,975



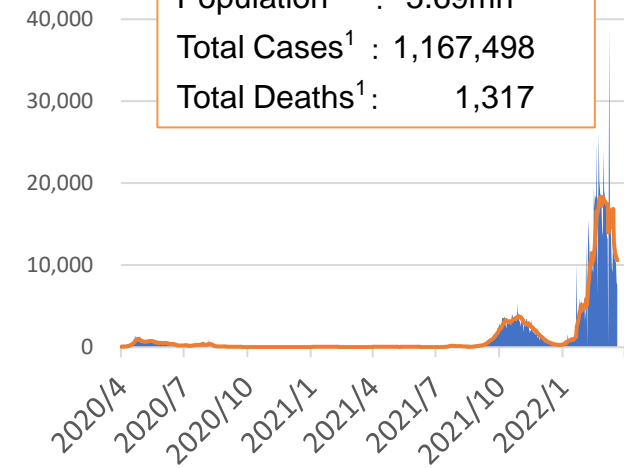
Indonesia

Population : 0.27bn
 Total Cases¹ : 6,041,269
 Total Deaths¹ : 155,937



Singapore

Population : 5.69mn
 Total Cases¹ : 1,167,498
 Total Deaths¹ : 1,317



Source: Our World in Data

1. Excerpts from the website of Office for COVID-19 and Other Emerging Infectious Disease Control, Cabinet Secretariat, Government of Japan (April 20, 2022)



① Multi-Channel and Multi-Product Strategy

② Asset Management

③ Sustainability

④ Overseas Business Development

⑤ Capital Policy

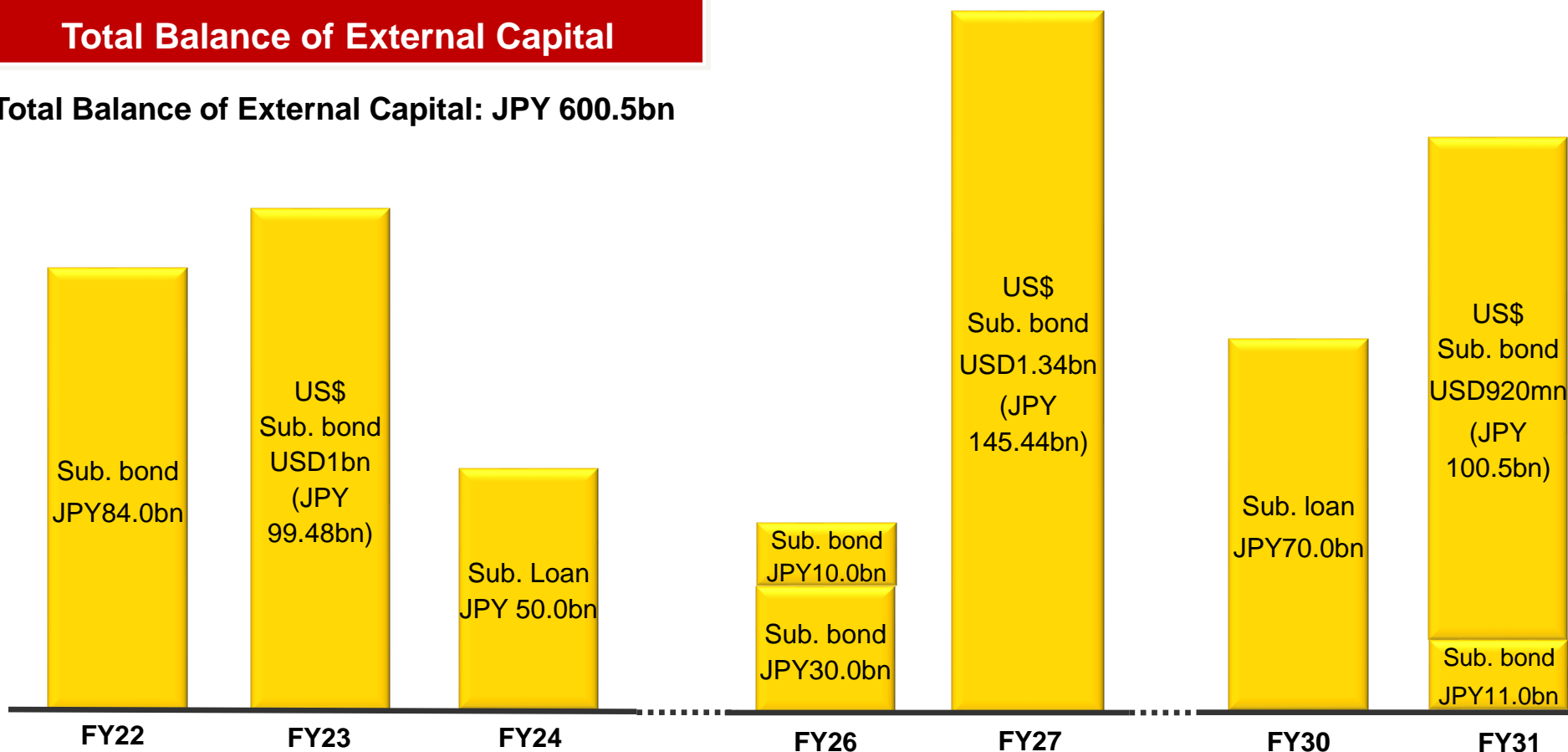
External Capital

Philosophy Behind External Capital

In building core capital, we focus on enhancing internal reserves and surplus, and view external capital as a complement. We will secure a sufficient capital level, considering the current solvency regulation and new economic value-based capital regulation, which we expect to be implemented in the near future.

Total Balance of External Capital

Total Balance of External Capital: JPY 600.5bn



(Note) As of April 30, 2022. The first call maturity coming year for subordinated bonds / loans

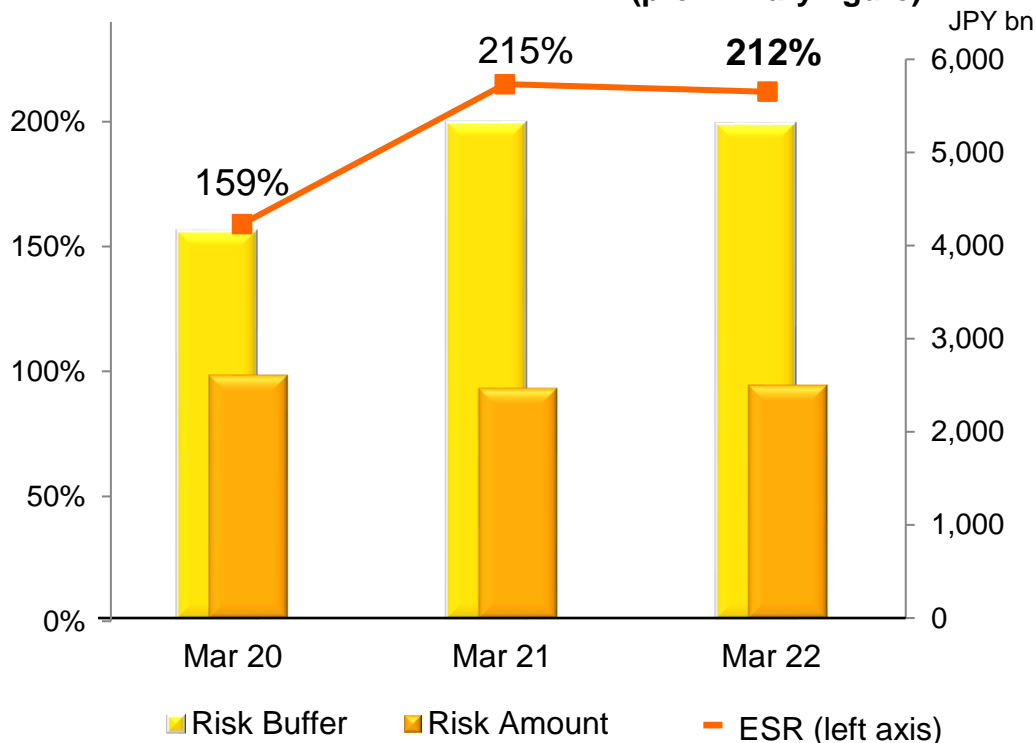
Capital Adequacy (Economic Value Basis)

Appropriately control the balance between risks and risk buffers in consideration of future changes in circumstances such as the regulatory environment.

The capital adequacy ratio as of the end of March 2022 (ESR, preliminary figure) is 212%.

ESR¹

(preliminary figure)



Sumitomo Life's Risk Management System

Current

Risk management based on the requirement by the regulatory authorities

- Solvency margin ratio, etc.



Risk management based on internal control (economic value) (from FY2009)

- ESR monitoring: Confirmation of the adequacy of capital, etc.
- Stress testing: Check the impact under multiple risk scenarios

Future

(Economic value-based solvency regulation in Japan, 2025 (planned))

Risk management based on the requirement by the regulatory authorities

- Details have not been confirmed



Risk management based on internal control (economic value)

- Make adjustments to internal risk management as necessary, taking into account the requirement by regulatory authorities

	Mar 20	Mar 21	Mar 22	Change
Newly Issued 30yr JGB	0.420%	0.665%	0.930%	0.265%
TOPIX (Closing Price)	1,403.04	1,954.00	1,946.40	(7.60)

①

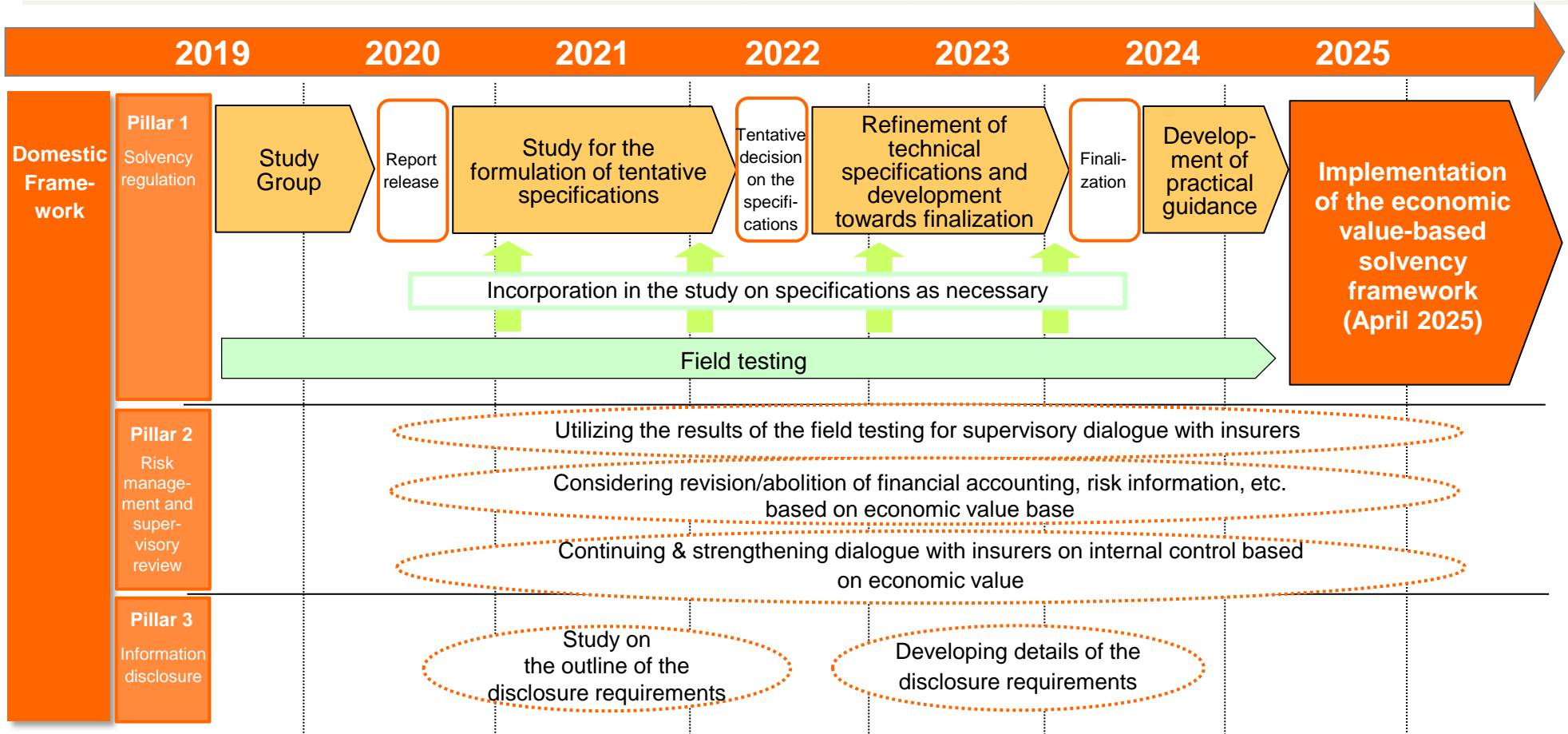
②

②-①

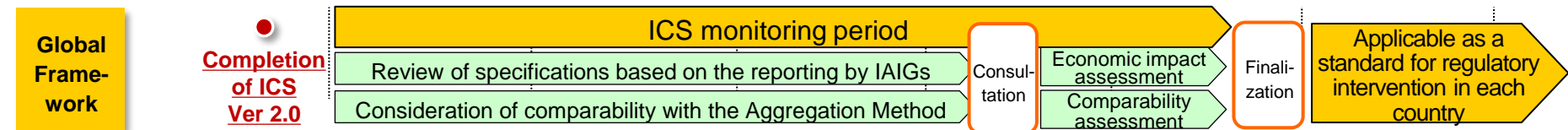
1. The risk amount is calculated using an internal model with a confidence level of 99.5% (holding period of 1 year). The calculation of economic value-based capital amount and risk amount uses an ultimate forward rate for setting super long-term interest rate.

Introduction of Economic Value-Based Capital Regulation

Timeline for the Introduction of Japan's Economic Value-Based Solvency Regulation Indicated by the Study Group



<Reference: The Insurance Capital Standard (ICS) for the IAIGs¹ by the International Association of Insurance Supervisors (IAIS)>



1. Internationally Active Insurance Group. IAIG is selected with the following criteria by national authorities: (1) Premiums are written in at least three jurisdictions and at least 10% of the group's gross written premium (GWP) is from outside the home jurisdiction; and (2) Total assets of not less than USD 50 billion or GWP of not less than USD 10 billion.

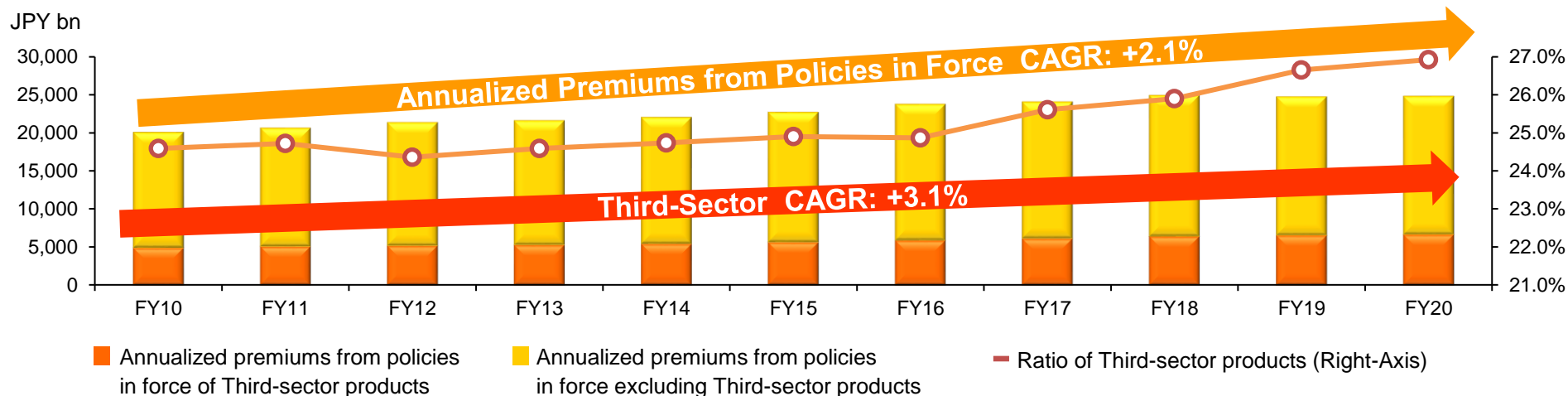


III. Appendix

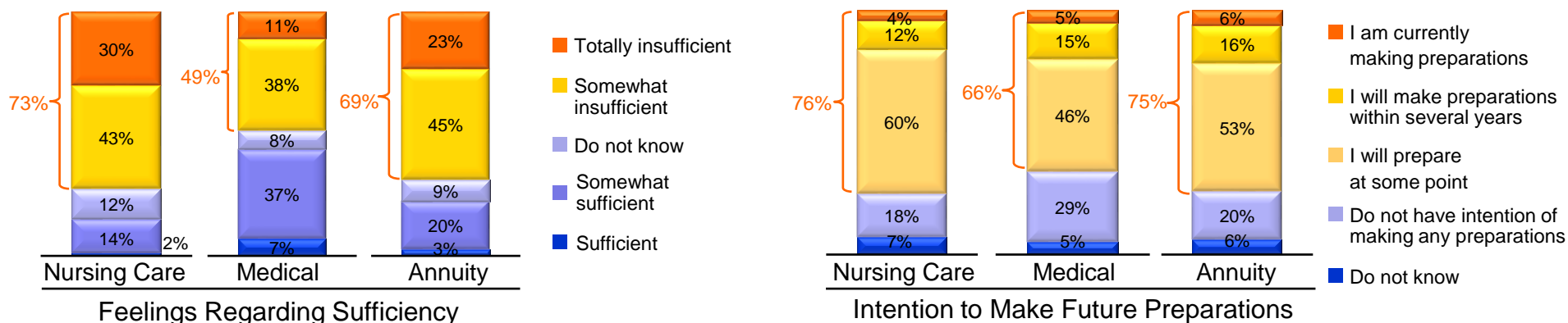
Domestic Life Insurance Market

The life insurance market in Japan has grown by 2.1% CAGR over the last 10 years, driven primarily by the third-sector insurance.

Trend of Annualized Premiums from Policies in Force¹



Survey on Life Protection (FY2019)



Source: The Life Insurance Association of Japan, Japan Institute of Life Insurance "Survey on Life Protection"

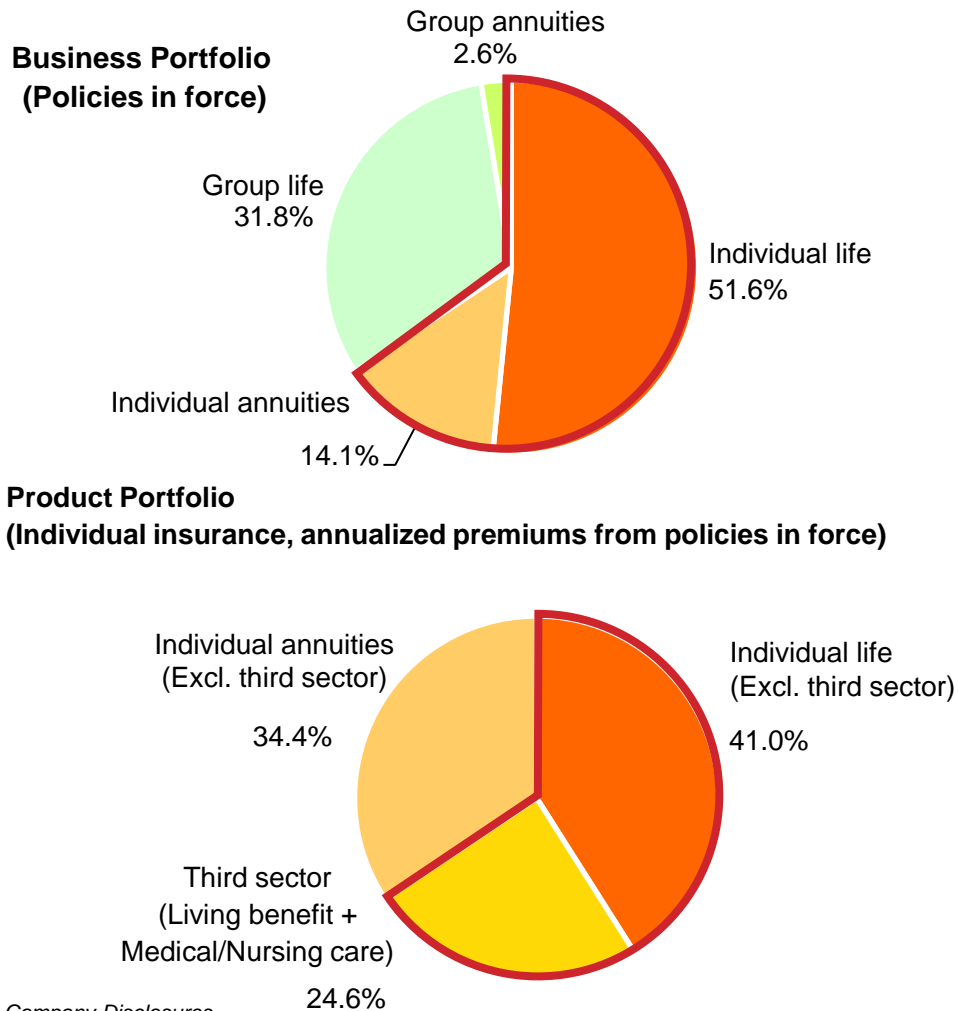
1. Excluding Japan Post Insurance

Attractive Domestic Business Model

We offer broad insurance products with a focus on protection products in highly profitable individual life insurance. Even under the low-interest rate environment, we have maintained profitability mainly thanks to our stable insurance underwriting profit.

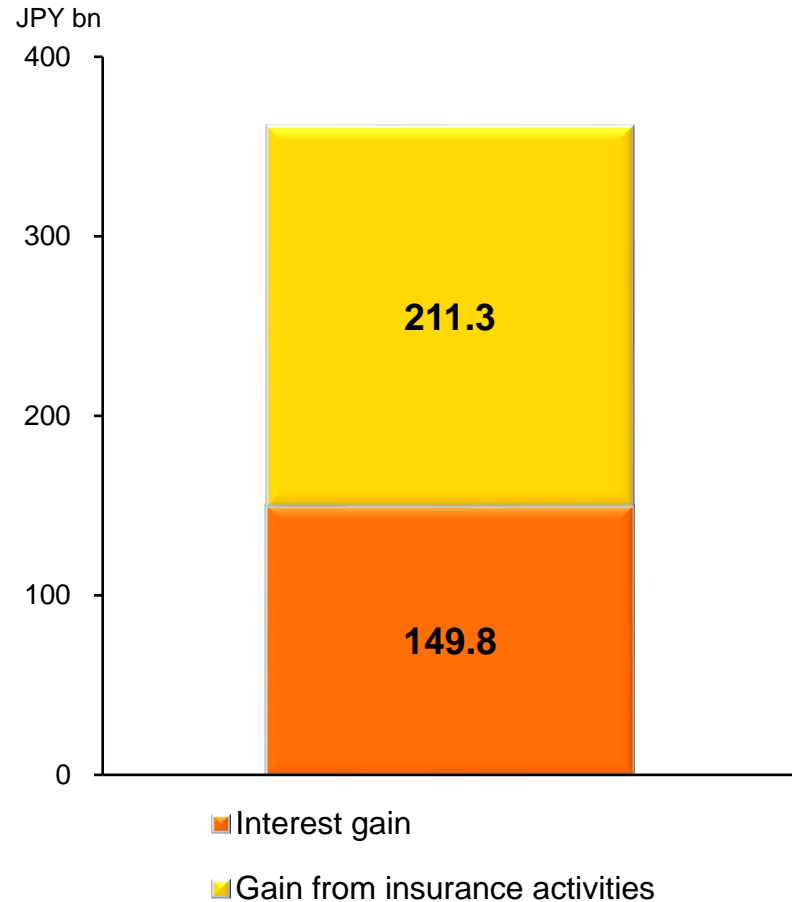
Business / Product Portfolio (Non-consolidated)

<As of March 31, 2022>



Gain from Insurance Activities / Interest Gain (Non-consolidated)

<As of March 31, 2022>

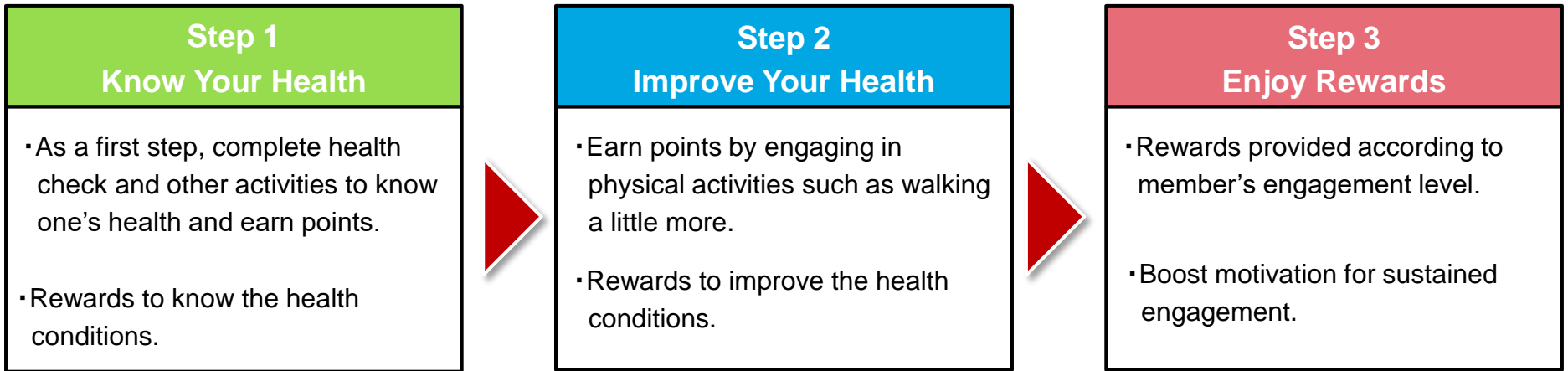


How Vitality Wellness Program Works

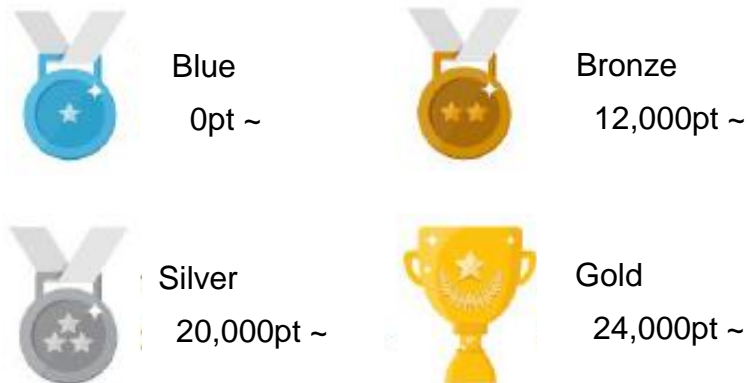
A proprietary program developed by Discovery had been localized by Sumitomo Life to adapt to the local lifestyles, guidelines, etc. in Japan.

A framework consists of three steps to assist program members to enjoy the program and become healthier.

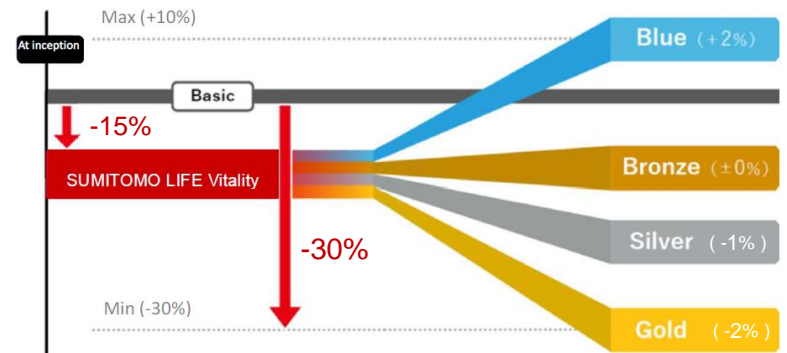
How Vitality Wellness Program Works



Vitality Status and Points



Illustrative Premium Flex Design



Global Network of Vitality

Discovery has a global network of Vitality with over 27.1 million members across 36 countries and regions worldwide (as of February 28, 2022).

Sumitomo Life is the exclusive partner insurer for the Japanese market.

Global Network of Vitality¹



<Overview of Discovery Limited>

Established	1992
Representative	Adrian Gore, Group Chief Executive
Head office	Sandton, Johannesburg, South Africa
Stock listing	Johannesburg Stock Exchange (JSE)
Total assets (as of June 30, 2021)	ZAR 246,694 million (JPY 2,082.0 billion) ²

¹ Each country and region has its own point distribution standards, status levels and other aspects of the Vitality program

² ZAR1 = 8.44 JPY (exchange rate as of March 31, 2022); Discovery Limited's financial year end is June 30

“Well Aging Support- ASUNOEGAO”

Sumitomo Life and AXA Life jointly developed a long-term care service that realizes total coordination of long-term care.

Business Alliance with AXA Life

October 2018

Basic agreement on a business alliance for joint development and usage of long-term care services

October 2019

Introduced the “Well Aging Support- ASUNOEGAO” service in certain areas

April 2020

Expanded menus of “Well Aging Support- ASUNOEGAO”

April 2021

Launched “Well Aging Support- ASUNOEGAO” nationwide

Key Services of ASUNOEGAO

ASUNOEGAO call center

- ◇ Consultation on various topics related to long-term care
- ◇ Introduction to and information on long-term care facilities
- ◇ Consultation on public long-term care insurance system

Introduction according to content of phone consultation

Face-to-face consultation about long-term care facilities

Long-term care prevention / QOL enhancement support service

Long-term care / Living-support service

Asset management support service



Effects of Symetra's Reinsurance Transaction

Effects of the reinsurance transaction to Symetra's GAAP-based income could be expected to decrease gradually

Overview of the Reinsurance Transaction

- Reduced exposure to long-term interest rate risk associated with the long-tail nature of the business through entering into a reinsurance transaction in September 2018
- The modified coinsurance structure of the transaction requires that Symetra continues to hold the associated invested assets and liabilities on its balance sheet
- Investment returns etc. belongs to the Reinsurer on a statutory accounting basis
- Asset management is executed under the instruction of the Reinsurer

Positive Impacts from the Reinsurance Transaction

Economic Value	• Contributed to an increase of EV (JPY 4.4 billion)
Statutory Income (Loss)	• Avoided future losses by reducing the risk of additional cash flow testing reserve expected with the assumption based on the interest rates at the time of entrance of reinsurance agreement
Financial Strength	• RBC ratio improvement • Reduced exposure of equities

Effects of the Transaction to Symetra's GAAP-Based Income (Loss)

Accounting Impact #1: Positive impact to GAAP net income (loss) of Symetra when interest-rates hike (negative impact at the time of interest-rates decline)

Based on the GAAP accounting rules, amounts equivalent to unrealized gains of bonds in the reinsured business are booked as losses for Symetra via FV changes of embedded derivatives in insurance liabilities.

Accounting Impact #2: Negative impact to GAAP net income (loss) of Symetra on sale or maturity of bonds

Quarterly gains (losses) of the reinsured business are passed to the Reinsurer on a statutory accounting basis and is neutral to statutory earnings of Symetra. However, GAAP BV of bonds held by Symetra is higher than statutory BV due to revaluation when Sumitomo Life acquired Symetra (PGAAP).

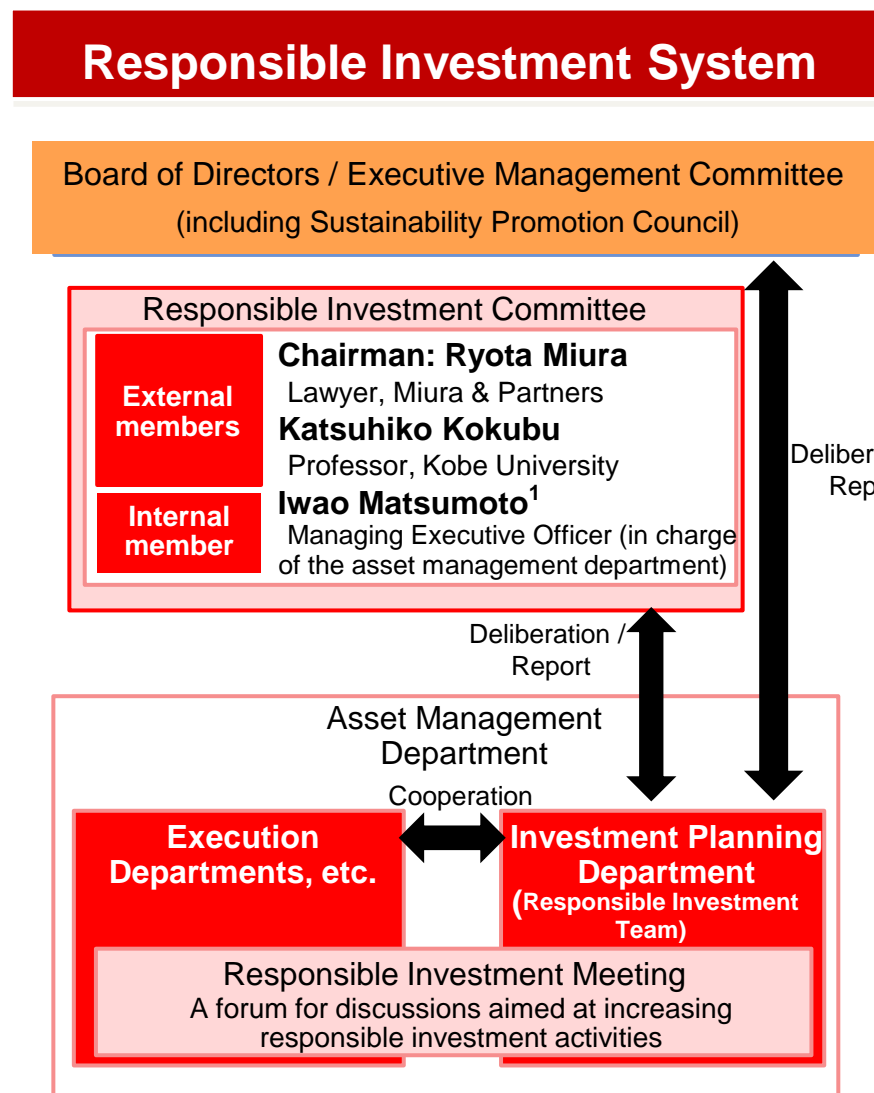
(USD mn)

	Year ended December 31, 2020	Year ended December 31, 2021	Increase (Decrease) as % of December 31, 2020
Adjusted pre-tax income ¹	130.4	170.1	30.4%
Add (deduct) the following:	(290.3)	(90.1)	-
Excluded realized gains (losses)	(37.4)	(50.0)	-
Amortization of intangible assets	(143.2)	(127.7)	-
Closed Block results	(109.7)	87.6	-
Income (loss) from operations before income tax	(159.9)	80.0	-
Total provision (benefit) for income taxes	68.4	(5.1)	-
Net income (loss)	(91.5)	74.9	-

1. Income from operations before income taxes, excluding results from closed blocks, intangible asset amortization and certain net realized gains (losses).

Sustainability Promotion System

Established an internal system to promote sustainability



1. Mr. Iwao Matsumoto is not involved in deliberations on conflicts of interest, as he may be involved in decision making on the exercise of voting rights.

Transition from LIBOR

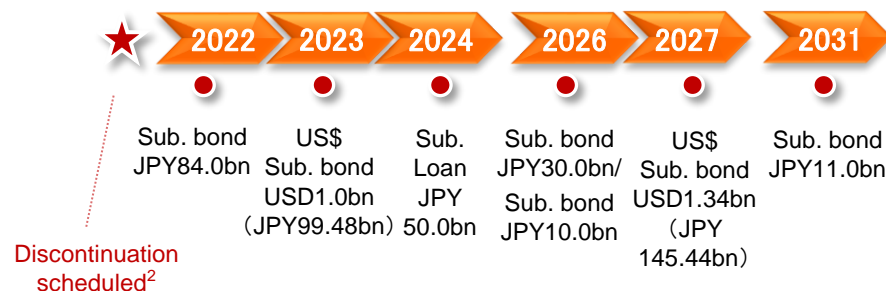
Outstanding Bonds and Loans that are Referencing LIBOR

<Outstanding Bonds and Loans referencing LIBOR>

Item	No. of issues ¹	Balance (JPY bn)
Issues referencing JPY LIBOR	8	185.0
Subordinated bond	7	135.0
Subordinated loan	1	50.0
Issues referencing USD LIBOR	2	Approx. 245.0
Total	10	Approx. 430.0

<Maturity Schedule>

(Note) The first call maturity coming year for subordinated bonds / loans



1. Issues with different face values (e.g. A, B) are counted separately.

2. USD LIBOR rates will no longer be published after the end of June 2023 except for one-week and two-month rates.

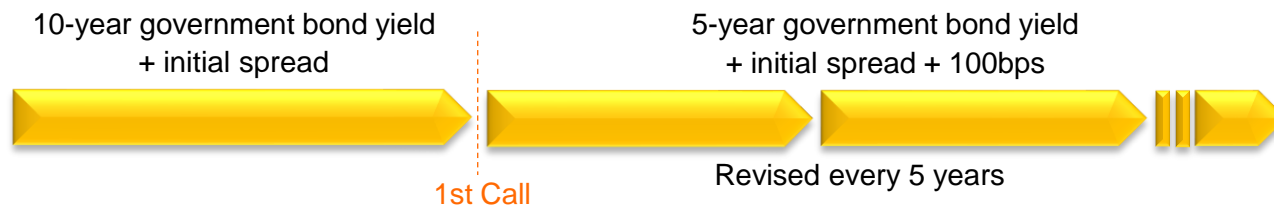
LIBOR Transition Plans

<Outstanding Bonds>

Domestic bonds	<ul style="list-style-type: none"> In the event that early redemption is not exercised on the first callable date, contracts will be amended after the start of the period when early redemption can be notified, and before the start of the LIBOR-referencing interest rate period.
144A/RegS bonds	<ul style="list-style-type: none"> A legislation to amend New York State law, which is the governing law, was passed in April in 2021. The legislation stipulates the compulsory application of the benchmark rate recommended by the ARRC without exceptions, even if there is no agreement between the parties to a contract.

<Issuances in the future>

- ✓ We plan to continue to employ a rate structure that uses a government bond yield as a benchmark for both yen-denominated and dollar-denominated issues.



Unrealized Gains / Losses on Securities

Total unrealized gains in general account are JPY 2,536bn.

Unrealized Gains/Losses in General Account (Non-consolidated)

JPY bn

	Unrealized Gains / Losses As of Mar 2021	As of March 2022			
		Book Value	Market Value	Unrealized Gains / Losses	Change from March 2021
Securities *	3,694.1	29,313.1	31,849.6	2,536.4	(1,157.6)
Held-to-maturity debt securities	261.3	1,569.1	1,812.0	242.9	(18.4)
Policy-reserve-matching bonds	1,597.1	12,514.4	13,596.4	1,082.0	(515.1)
Available-for-sale securities	1,840.9	15,177.3	16,387.3	1,210.0	(630.8)
Domestic bonds	52.5	2,752.7	2,709.9	(42.7)	(95.2)
Domestic stocks	1,222.5	1,155.1	2,297.2	1,142.0	(80.5)
Foreign securities	521.9	10,149.3	10,231.8	82.4	(439.4)
Others	38.0	411.0	435.3	24.3	(13.6)

*Securities except for Trading Securities Book values of stocks, etc. without quoted market price are excluded from the table above.

<Market Conditions>

	Mar 21	Mar 22	Change
TOPIX (Closing Price)	1,954.00	1,946.40	(7.60)
Newly Issued 10y JGB	0.090%	0.210%	0.120%
Newly Issued 20y JGB	0.475%	0.700%	0.225%
USD / JPY	110.71	122.39	11.68
EUR / JPY	129.80	136.70	6.90

①

②

②-①

<Break-Even Level of Unrealized Gains/Losses>

	As of Mar 2022
Domestic Stocks (Nikkei225)	JPY13,900 Level
Domestic Stocks (TOPIX)	970 Point Level
Domestic Bonds (10y Yield)	0.7%
Foreign Securities (USD / JPY)	JPY108 Level

Solvency Margin Ratio (Consolidated)

Solvency Margin Ratio (Consolidated)

JPY bn

Items	As of Mar 2021	As of Mar 2022
Solvency Margin Gross Amount (A)	5,178.3	4,795.7
Foundation funds and others	516.4	495.8
Reserve for price fluctuation	883.8	972.1
Contingency reserve	510.9	705.4
General allowance for possible loan losses	3.4	3.6
(Net unrealized gains (losses) on available-for-sale securities (before income tax effect adjustments) and deferred unrealized gains (losses) on derivatives under hedge accounting (before income tax effect adjustments)) x 90% (Multiplied by 100% if losses)	1,880.4	1,248.9
Net unrealized gains on real estate x 85% (Multiplied by 100% if losses)	103.0	118.1
Total amount of unrecognized actuarial gains (losses) and unrecognized past service costs	0.2	(1.4)
Excess of continued Zillmerized reserve	791.0	761.6
Qualifying subordinated debt	569.9	600.5
Deduction clause	(152.2)	(180.4)
Others	71.1	71.3
Total Amount of Risk $\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2 + R_4 + R_6}$ (B)	1,200.7	1,207.0
Insurance risk R_1	90.6	93.8
Large disaster risk R_6	0.0	0.0
Third-sector insurance risk R_8	82.6	86.8
Insurance risk of small-amount, short-term insurer R_9	0.0	0.0
Risk of assumed yield R_2	181.5	175.4
Minimum guarantee risk R_7	4.8	6.1
Investment risk R_3	974.7	984.6
Operational risk R_4	26.6	26.9
Solvency Margin Ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	862.5%	794.6%

Historical Issuances of Sumitomo Life

Historical Issuances

Issue Date	Type	Years to Maturity	Maturity Date	Amount (JPY bn)	First Call Date	Coupon	Security Ratings
Subordinated Bonds							
20-Sep-2013	144A/RegS	60yr	20-Sep-2073	USD 1bn	20-Sep-2023	6.50% until Sep 2023, thereafter 3m\$LIBOR+444bps (100bps step up)	Moody's: A3 S&P: A-
29-Jun-2016	Domestic/ Private	60yr	29-Jun-2076	30	29-Jun-2026	1.04% until Jun 2026, thereafter 6m¥LIBOR+195bps (100bps step up)	R&I: A
21-Dec-2016	Domestic/ Private	60yr	21-Dec-2076	84	21-Dec-2022	1.13% until Dec 2022, thereafter 6m¥LIBOR+95bps until Dec 2026, thereafter 6m¥LIBOR+195bps	R&I: A
21-Dec-2016	Domestic/ Private	60yr	21-Dec-2076	10	21-Dec-2026	1.30% until Dec 2026, thereafter 6m¥LIBOR+199bps (100bps step up)	R&I: A
21-Dec-2016	Domestic/ Private	60yr	21-Dec-2076	11	21-Dec-2031	1.55% until Dec 2031, thereafter 6m¥LIBOR+200bps (100bps step up)	R&I: A
14-Sep-2017	144A/RegS	60yr	14-Sep-2077	USD 1.34bn	14-Sep-2027	4.00% until Sep 2027, thereafter 3m\$LIBOR+299.3bps (100bps step up)	Moody's: A3 Fitch: A-
15-Apr-2021	144A/RegS	60yr	15-Apr-2081	USD 920mn	15-Apr-2031	3.375% until Apr 2031, thereafter 5yrUST+274.7bps (100bps step up)	Moody's: A3 S&P: A-
Subordinated Loan							
26-Jun-2019	Domestic/ Securitization	60yr	21-Jun-2079	50	21-Jun-2024	0.66% until Jun 2024, thereafter 6m¥LIBOR+71bps until Jun 2029, thereafter 6m¥LIBOR +171bps	R&I: A
20-Oct-2020	Domestic/ Securitization	60yr	15-Oct-2080	70	15-Oct-2030	1.105% until Oct 2030, thereafter 5yrJGB+208bps (100bps step up)	R&I: A

(Note) As of April 30, 2022. Issuances that are already redeemed are excluded

Key Performance Indicators

Key Performance Indicators (Group)

JPY bn

	Group		Sumitomo Life		Medicare Life		Symetra	
	Mar 2022	Increase(decrease) as % of Mar 31, 2021	Mar 2022	Increase(decrease) as % of Mar 31, 2021	Mar 2022	Increase(decrease) as % of Mar 31, 2021	Dec 2021	Increase(decrease) as % of Dec 31, 2020
Annualized premiums from policies in force	2,884.5	2.9%	2,269.3	(0.8%)	71.3	29.4%	543.7	17.6%

	Group		Sumitomo Life		Medicare Life		Symetra	
	FY2021	Increase(decrease) as % of Mar 31, 2021	FY2021	Increase(decrease) as % of Mar 31, 2021	FY2021	Increase(decrease) as % of Mar 31, 2021	FY2021	Increase(decrease) as % of Dec 31, 2020
Annualized premiums from new policies	215.7	13.1%	100.7	6.1%	19.6	19.4%	95.2	20.2%

	Group		Sumitomo Life		Medicare Life		Symetra	
	Mar 2022	Increase(decrease) compared to Mar 31, 2021	Mar 2022	Increase(decrease) compared to Mar 31, 2021	Mar 2022	Increase(decrease) compared to Mar 31, 2021	Dec 2021	Increase(decrease) compared to Dec 31, 2020
Solvency margin ratio	794.6%	(67.9pt)	809.0%	(31.5pt)	1672.2%	(626.3pt)	-	-

EEV	4,678.9	189.7	4,743.1	80.6	265.1	56.9	257.1	72.1
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	Group		Sumitomo Life		Medicare Life		Symetra	
	FY2021	Increase(decrease) compared to Mar 31, 2021	FY2021	Increase(decrease) compared to Mar 31, 2021	FY2021	Increase(decrease) compared to Mar 31, 2021	FY2021	Increase(decrease) compared to Dec 31, 2020
Value of new business	139.9	72.3	100.4	49.0	27.4	5.6	12.0	17.6

(Note) Group EEV is calculated as Sumitomo Life's EEV + Medicare Life's EEV + Symetra's EEV - book value of Medicare Life's equity and Symetra's equity owned by Sumitomo Life
The fiscal year-end of Symetra is December 31 (Exchange rate as of December 31, 2021 is JPY115.02 to US\$1.00)

Financial Statements (Key Items)

Consolidated Income Statement

	FY2021						FY2021	
	Consolidated		Sumitomo Life		Medicare Life		Symetra	
	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(USD mn)	Increase(decrease) as % of Dec 31, 2020
Ordinary income	3,599.4	2.3%	3,094.2	(0.5%)	69.0	34.8%	2,974	12.2%
Ordinary expenses	3,470.6	2.1%	2,948.3	(0.2%)	99.4	38.6%	2,894	3.0%
Ordinary profit	128.8	9.0%	145.9	(6.2%)	(30.3)	-	80	-
Net surplus	45.6	69.1%	58.3	6.6%	(22.6)	-	74	-

Consolidated Balance Sheet

	Mar 2022						Dec 2021	
	Consolidated		Sumitomo Life		Medicare Life		Symetra	
	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(JPY bn)	Increase(decrease) as % of Mar 31, 2021	(USD mn)	Increase(decrease) as % of Dec 31, 2020
Total assets	42,994.2	4.6%	36,443.3	2.9%	289.7	11.8%	60,346	2.4%
Total liabilities	41,369.0	6.1%	34,743.4	4.5%	267.7	15.8%	55,998	4.0%
Total net assets	1,625.2	(22.7%)	1,699.8	(20.5%)	22.0	(21.0%)	4,347	(14.1%)

(Note) US-GAAP for Symetra

Net surplus in consolidated is net surplus attributable to the parent company

The fiscal year-end of Symetra is December 31

"-" for increase (decrease) when the target figure is negative

[Inquiries Regarding This Material]

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