



for your well-being

ANNUAL REPORT 2024

Empowering your future



To live each and every day in peace.

This is what you want.

To live in good health and spirits when the day comes
around together with family you love and friends you trust.

This is simply what you want.

Life happens, however.

Sometimes it is rainy and sometimes it is windy.

We believe that, when life happens,
the only thing that can support you is,
after all, a human like you.

We believe that it is a human that is able to see your heart
and tell what you think,
what you want and what you want to be.

And we believe that this ability is the most important thing
for our job, and cultivating it is the only way
to enhance the quality of our job.

Your sense of security can be enhanced even more.

We, Sumitomo Life,
wish more than anything to empower your future.



CONTENTS

Key Points of Annual Report 2024

In this report, we explain the significance of our continuing contributions to the well-being of our stakeholders as a mutual company in the context of the business environment, including the risk that the life insurance market will contract due to Japan's shrinking population. We present our strategies and initiatives aimed at expanding our customer base in both insurance and non-insurance domains and enhancing corporate value across the Group, including overseas businesses, in addition to continuing the sustainability management that Sumitomo Life has consistently pursued in various forms since its founding.

Moreover, by explaining Sumitomo Life's "human capital" that is our most important management resource in implementing strategies, our promotion of "digital & data" to supplement human capabilities, and the governance that underpins our endeavors, we aim to encourage a deeper understanding of the management of Sumitomo Life.

01 Sumitomo Life Value Creation P.2

Corporate Purpose "Contribute to the Advancement of Social and Public Welfare" P.2

Sumitomo Life Operating Policy P.4

Value Creation History P.6

Financial and Non-financial Highlights P.8

Becoming an "Indispensable Insurance Group" That Contributes to Well-being -for your well-being-

Message from
the President
P.10



Review of the Business Plan P.16

Roadmap to 2030 P.18

Sumitomo Life Value Creation Process P.20

Sumitomo Life Group Vision 2030 P.22

Employees Contributing to Well-being of Stakeholders P.25

Sustainability

Key Items of Sustainability and Sustainability Promotion System P.28

Message from Group Sustainability Officer P.30

Addressing Climate Change P.31

Responsible Investment Initiatives P.34

Natural Capital and Biodiversity Initiatives P.36

Initiatives for Future Generations (Future Generations Relations) P.38

Human Rights Initiatives P.39

Human Capital Management (Human Capital Development Initiatives) P.39

02 Sumitomo Life Management Strategies P.40

Sumitomo Life Medium-Term Business Plan 2025 P.40

[Four Initiatives]

Advancing to Well-being Design P.42

- SUMITOMO LIFE Vitality ● Sales Representatives (life designers)
- Wholesale ● Bancassurance Banks, Financial Institutions, etc. and Insurance Outlets

Realizing Innovation in New Domains P.52

- Well-being as a Service (WaaS) initiatives

Earnings Structure Reform Group Strategies P.56

- Asset Management ● Overseas Operations ● Group Strategies

[Two Engines]

Three-way Discussion with Chief and Deputy Chiefs
of Human Capital Development Headquarter P.64

Human Capital Development and Human Capital P.68

Digital & Data P.74

Round-table Discussion with Data Scientists P.76

03 Base to Support Value Creation P.80

Message from an Outside Director P.80

Corporate Governance P.82

Efforts toward Compliance P.97

Financial and Capital Policies P.99

Risk Management System P.101

11-year Key Financial Data P.105

Disclosure P.107

04 Financial Section P.109

Editorial Policy

This is an English translation of the Japanese version of the Integrated Report. This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. We have issued this booklet to convey financial information as well as sustainability and other non-financial information in a format that is easy-to-understand so that our stakeholders are able to gain a deeper understanding of our efforts. Please note that this booklet is an explanatory booklet made available for public inspection (explanatory document on business and property status) prepared based on Article 111 of the Insurance Business Act and disclosure standards set forth by the Life Insurance Association of Japan.

Covering

Period: April 1, 2023 to March 31, 2024
(Some activities performed on or after April 1, 2024 are covered.)
Organizations: Sumitomo Life Insurance Company and its subsidiaries and associates

Guidelines We Consulted:

- International <IR> Framework, International Integrated Reporting Council (IIRC)
- Guidance for Collaborative Value Creation, Ministry of Economy, Trade and Industry

Issued in:

July 2024
(the Japanese version)

Purpose of Sumitomo Life (Purpose: Reason for Existence)

Contribute to the advancement of social and public welfare



Sumitomo Life lists this purpose as Article 1 of the “Management Policy,” which is its corporate philosophy.

**To support customers’ lives
and contribute to the customers
and society through life insurance business.**

It is what Sumitomo Life has continued ceaselessly to do since its founding. Sumitomo’s Business Philosophy, which includes “*Jiri-rita, koushi-ichinyo*,” or “Benefit self and benefit others, private and public interests are one and the same,” which tells you to benefit society as well as yourself, has been passed down constantly over the past 100 years and courses through the “Management Policy.”

In addition, the philosophy makes it possible to solve social issues and increase corporate value at the same time and brings about sustainability of the Company as well as that of customers and society.

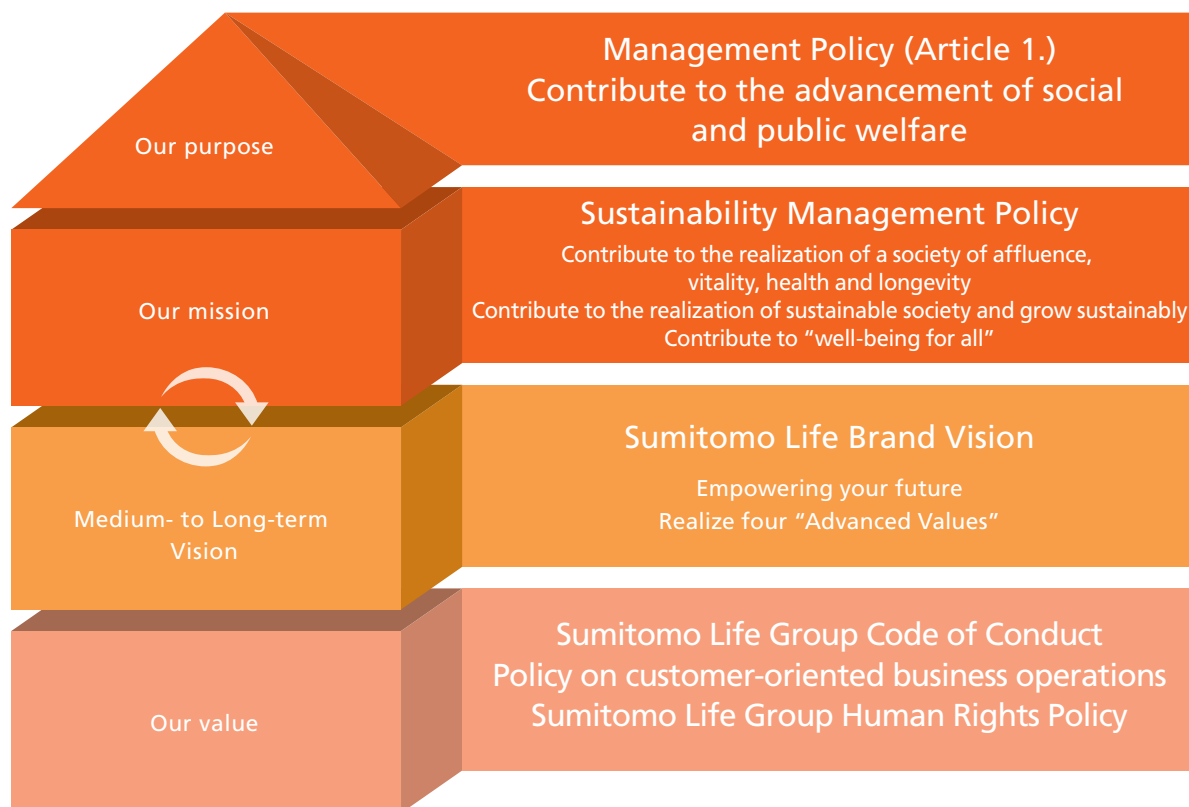
With this purpose, and with SUMITOMO LIFE Vitality as its core product, the Company has contributed to the realization of “well-being for all.”



Sumitomo Life Operating Policy

The Company sets the “Management Policy,” which is our corporate philosophy that represents the fundamental spirit of our operations, as the apex, and holds “Sustainability Management Policy,” which expresses the universal mission stated in the Management Policy from a sustainability perspective, and the “Sumitomo Life Brand Vision,” which characterizes the image of the Company that we aim to become in the medium- to long-term from a customers’ perspective, as our operating policy.

The Company has also formulated the “Sumitomo Life Group Code of Conduct,” the “Policy on customer-oriented business operations” and the “Sumitomo Life Group Human Rights Policy” as a set of standards, in order to ensure that executives and employees will put the operating policy into practice through their actions.



| Sustainability Management Policy

Sumitomo Life lists in the “Sustainability Management Policy” as follows: “contribution to the realization of a society of health and longevity through the sound operation and development of the insurance business,” “contribution to the realization of a sustainable society through the honest business operations and efforts to solve social and environmental issues.”

This policy also stipulates, in addition to the sound operation of the insurance business, that we make an effort to solve social and environmental issues, build a company that continues to grow and collaborate with stakeholders.

Guided by this management policy, through contribution to the well-being of customers and employees, we aim to be a company that is trusted and supported by stakeholders, including customers, and grows sustainably and stably.

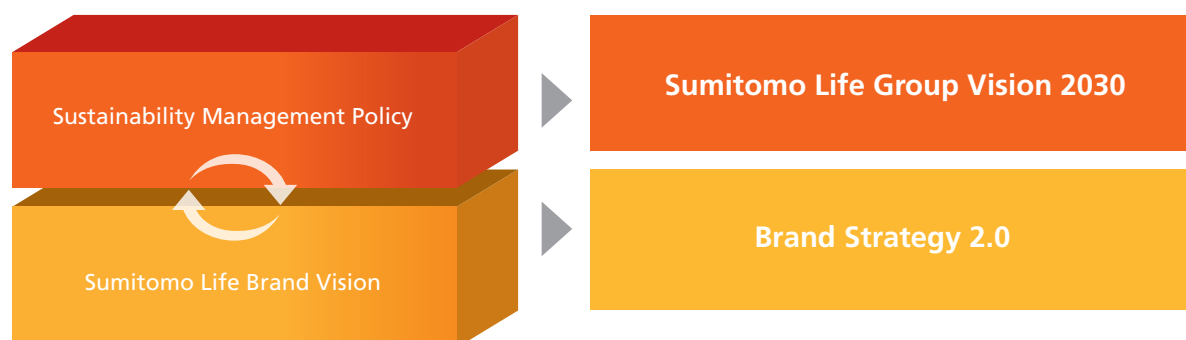
| Sumitomo Life Brand Vision

“Create an ideal life insurance company.” From this founding commitment, Sumitomo Life was born. Over the hundred years since then, Sumitomo Life has continued to move forward with the trust of “Sumitomo” and a sense of mission to “protect customers’ lives.” The vision that we have been pursuing is that of a company which demonstrates Sumitomo Life’s strengths: ability to protect tradition and pursue innovation, creates “something new” in the insurance world one after another and delivers them to its customers ahead of anyone else with all its heart.

To be responsible for creating genuine value that leads to a strong future for our customers and a new standard that is truly valuable to society. This is possible only because Sumitomo Life has continued to challenge and innovate beyond the boundaries of major life insurance companies over its more than 100-year history.

Under the slogan of “empowering your future,” we will continue to take on the challenge of making Sumitomo Life a more attractive company for our customers and society, and a company in which employees are even more proud of their involvement in its tasks.

Medium- to Long-term Visions for Realization of Operating Policy



Formulation of Sumitomo Life Group Vision 2030

The business and internal environments surrounding the Sumitomo Life Group continue to change at an accelerating pace.

Against this background, in March 2023, we established “Sumitomo Life Group Vision 2030,” which sets the year 2030 as an end point for the realization of our mission, the “Sustainability Management Policy,” as we believe it is important to clarify our medium- to long-term vision.

Our vision for 2030 is to become an “indispensable insurance group” that contributes to well-being, and we have clarified our goal to be a leading company in the area of well-being services. The Sumitomo Life Group will not only provide the value of life insurance, but will further expand its scope to contribute to stakeholders in various ways.

One example is SUMITOMO LIFE Vitality Shared-Value Insurance launched in 2018, which adds the new value of health enhancement to the original value of insurance, which is to protect against risk.

Now, we are taking it a step further and expanding the WaaS (Well-being as a Service) ecosystem, including the non-insurance domain, by developing the value of well-being with SUMITOMO LIFE Vitality at its core, not independently but in collaboration with various business partners.

Moreover, to help future generations live better lives, we will address issues surrounding society and the global environment, including the urgent issue of climate change and respecting human rights from the perspective of “business and human rights.”

In addition to proactively addressing various social issues, we will promote initiatives that support the well-being of all stakeholders – customers, society, business partners, the global environment, and employees – and aim to realize a sustainable future by contributing to “well-being.”

Deployment of Brand Strategy 2.0

Since 2011, we have deployed a “Brand Strategy” to realize our brand vision, and have been working to continue to deliver security and value to our customers and society with the ability to protect tradition and pursue innovation, with the message of “empowering your future.” In the midst of these efforts, our revolutionary product, SUMITOMO LIFE Vitality Shared-Value Insurance, has been subscribed by approximately 1.3 million customers since its launch and has been recognized with various awards, truly becoming a “new standard.”

In 2021, 10 years after its launch, the Company launched Brand Strategy 2.0, which contributes to “well-being for all.” In order to contribute to the well-being of our customers and society, we held “Brand Live,” an online inner event in which all 40,000 employees nationwide connected simultaneously for the first time to learn about well-being for themselves and to confirm the value of well-being with each other.

In addition, we are taking the opportunity of the relocation of our Tokyo Head Office to Yaesu to strengthen ties among employees and further spread the value of well-being to customers and society under the keywords “Connect, Expand, Move on – Challenge ∞ Change –.”

Starting in fiscal 2023, we will continue to create value with the ability to protect tradition and pursue innovation, always aiming to be one step ahead as we move toward 2026, the 100th anniversary of Sumitomo Life’s company name. In addition, we will further evolve our contribution to the well-being of our customers and society while constantly pursuing “new values,” such as customer service in the era of the 100-year lifespan.

Value Creation History

Sumitomo Life has continued to support customers' lives and contribute to the customers and society through its life insurance business.

1907

Foundation

Sumitomo Life born with the aspiration to “create an ideal life insurance company.”

In 1907, Toshiyuki Okamoto, who had been working as the Chief Medical Director of the Japan Branch Office of New York Life Insurance Company, which had expanded its business in Japan, had doubts about the current trends in the insurance industry and established Hinode Life Insurance Co., Ltd. based on his aspiration to “create an ideal life insurance company.”

Hinode Life always adhered to sound company management that entailed putting the security of company management and the interests of its policyholders first. It was called as “a diamond of the industry,” though it was small in its size at the time, for its superior business results, including a record of retained earnings in the first year of its founding.



Head office building of Hinode Life Insurance Co., Ltd.

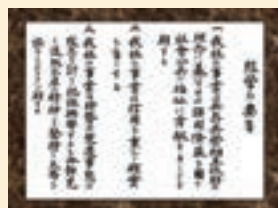
1947

Second Foundation

Restarted as “Kokumin Life” and contributed to Japan’s recovery from the post-war turmoil

In September 1947, Sumitomo Life changed its name to Kokumin Life Insurance Co. and took a new start. However, the number of life insurance policyholders declined sharply due to the war, and extreme inflation made the pre-war policies become almost worthless and lose their credibility, making Kokumin Life’s start a tough one.

Six years of American occupation of Japan ended in 1952, and in June 1952, Kokumin Life changed its name back to Sumitomo Life Insurance Company. To “Sumitomo’s Business Philosophy,” which we had adhered to, we added a philosophy that was suitable for the new era to establish the “Management Policy,” which is still guiding principles of the Company’s business management today.



Management Policy

2007

100th Anniversary of Foundation

Promoted CSR management toward the realization of a society of affluence, vitality and longevity

In 2007, Sumitomo Life celebrated its 100th anniversary of foundation. The notion of what it means to serve as an “ideal company” has shifted significantly in the eyes of our stakeholders amid dramatic changes in the environment surrounding the life insurance industry, including deregulation allowing for mutual entry into the life and non-life insurance fields through subsidiaries and a full lifting of the ban that had been imposed on banks selling insurance products over the counter.

When marking our 100th anniversary, we positioned our corporate philosophy, the “Management Policy,” as the roots of our CSR, which are to be passed down through the ages. We accordingly drew up our “CSR Management Policy” reflecting the principles flowing through the “Management Policy” to serve as our vision for an ideal company which we aspire to be.

Underlying Sumitomo Life’s CSR is its traditional ethos that we have consistently passed down to this day, our “spirit of trust, certainty and public interest.”

History of Development of Products to Contribute to Society

February 1996

V Guard

Covers five serious chronic diseases!



Claims will be paid in the event of severe hypertension, severe diabetes, chronic renal failure, liver cirrhosis or chronic pancreatitis, as well as death or severe disability.

* We released its successor product, LiV Guard, in October 2015. Since then we have not accepted any new contracts for V Guard.

April 2005

Senkyakubanrai

For those who had given up the hope of purchasing insurance due to health concerns



If you do not say yes to any of the five disclosure questions, you can purchase the insurance. Even if your existing condition recurs or is aggravated and you get hospitalized or undergo a surgery, we will pay the claim. In addition, both medical and mortality coverage will last a lifetime.

From 2023

Formulation of Sumitomo Life Group Vision 2030

Formulation of Sumitomo Life Medium-Term Business Plan 2025

Providing the value of well-being for as many people as possible

From 2022

Sustainability Management Policy

Ensure sustainability of the Company as well as that of customers and society

In 2022, in order to promote the concept of sustainability in management, we reviewed our "CSR Management Policy" and established the "Sustainability Management Policy" as the mission that Sumitomo Life must fulfill, and in 2023, we established the "Sumitomo Life Group Vision 2030" with the year 2030 as an end point to realize this policy. The challenge we are faced with now is how to solve the various issues that society faces, such as achieving the SDGs by 2030 and realizing carbon neutrality by 2050, while increasing corporate value over the medium to long term. In order to ensure sustainability of the Company as well as that of customers and society, we are going to contribute to "well-being for all" and aim for realization of a "society of affluence, vitality, health and longevity" and a "sustainable society."

01 Sumitomo Life Value Creation

02 Sumitomo Life Management Strategies

03 Base to Support Value Creation

From 2011

Deployment of a New Brand Strategy

Formulated brand vision:
Empowering your future

Since 2011, we have deployed a new brand strategy, expressing the determination of our founder to "create an ideal life insurance company" in the message of "empowering your future." With the advent of a super-aging society and diversifying customer needs, we positioned the 2010s as a "decade to empower the future" and launched our brand vision to symbolize it.

We organized and summarized what Sumitomo Life is aiming to be and what kind of values we are going to offer to our customers, and condensed them as Four Advanced Values. The vision we have of a "new ideal life insurance company" is that of a company which demonstrates Sumitomo Life's strengths: ability to protect tradition and pursue innovation, creates "something new" in the insurance world one after another and delivers them to its customers ahead of anyone else with all its heart.

Realization of these four values is also a challenge for Sumitomo Life to become a company that is more attractive to customers and society, and a company in which employees are even more proud of their involvement in its tasks.

November 2007

Long-term cancer support rider

Support with long-term cancer treatment and living expenses!



When you have been diagnosed as having cancer and being in a predetermined condition which cannot be cured or improved, you can claim an advance payment of all or part of your death benefits.

October 2015

1-UP

Lifestyle insurance to cover the risk of becoming unable to work



It is an insurance product that enables a customer to live vigorously, which was designed with the concept of protecting the lifestyle of a customer and his/her family and supporting a reintegration into society when he/she has become "unable to work as a result of illness or injury."

July 2018

SUMITOMO LIFE Vitality

Insurance with a new concept of "covering risks and reducing risks"

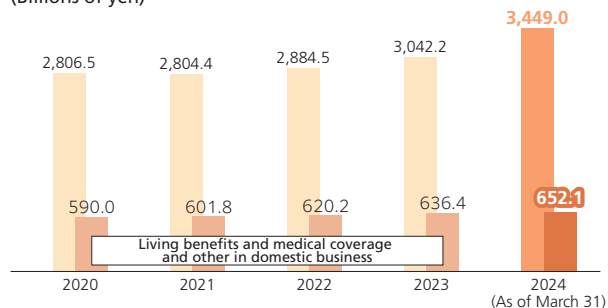


Vitality is a health program that reduces risks themselves through a mechanism that "awards you points for your efforts to evaluate them, such as getting exercise and taking a health check." Insurance that enhances conventional life insurance with the Vitality Wellness Program. That is SUMITOMO LIFE Vitality. It is insurance with a new concept of "covering risks and reducing risks."

Financial and Non-financial Highlights

Group Annualized Premiums from Policies in Force

(Billions of yen)



* Calculated as the total of Sumitomo Life, Medicare Life, Symetra, and Singlife. The acquisition of Singlife as a subsidiary is reflected in the figures for March 31, 2024.

Annualized premiums from policies in force for the Group as of March 31, 2024 amounted to ¥3,449.0 billion. Annualized premiums from policies in force for living benefits + medical coverage and other (total of two domestic entities), which we focus on as one of the growth areas, increased 2.5% compared to the end of the previous fiscal year to ¥652.1 billion, growing steadily for twenty consecutive years since we started to publish such figures.

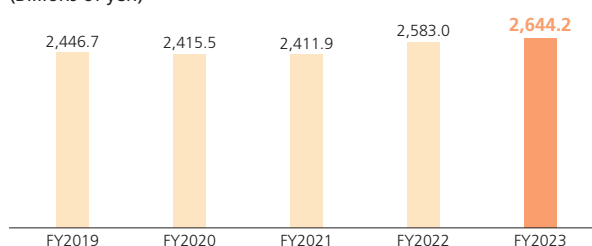
We believe that these are the results of our effort to offer insurance products and services through multiple channels, including sales representatives, bancassurance-banks, financial institutions, etc. and insurance outlets while responding to the changing social environment and diversifying customer needs.



Annualized premiums from policies in force is an indicator obtained by computing premiums of each policy in force on an annual basis and adding them all up.

Consolidated Insurance Premiums and Other

(Billions of yen)



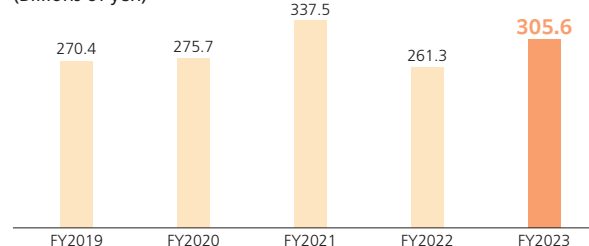
Consolidated insurance premiums and other increased 2.4% year on year for the Group as a whole, mainly due to an increase in policies in force at Medicare Life and overseas operations (Symetra), as well as partly due to depreciation of the yen. This was despite a decline in sales of level-premium products at Sumitomo Life.



Insurance premiums and other consist largely of insurance premiums paid in by policyholders and reinsurance revenue, and account for the majority of our income.

Group Core Business Profit

(Billions of yen)



* Calculated by combining core business profit of Sumitomo Life and Medicare Life, profit before tax of Symetra, and profit before tax of Singlife, Baoviet Holdings, BNI Life and PICC Life attributable to Sumitomo Life's equity stake in each company, with adjustments made to some internal transactions. For Singlife, the ownership ratio before becoming a subsidiary is applied.

* The core business profit is based on the new definition applied from fiscal 2022, including the inclusion of hedging costs related to foreign exchange in the calculation. Figures for prior years are also calculated using the same definition.

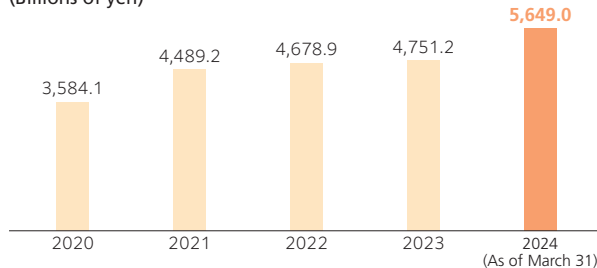
The Group core business profit increased 16.9% compared to the previous year, mainly due to a decrease in payments of claims and benefits related to COVID-19 by Sumitomo Life and Medicare Life.



Core business profit is an indicator that shows the status of basic profit or loss for a period that is comprised of insurance-related revenue and expenses, including insurance premiums income and payment of insurance claims and operating expenses, and investment-related revenue and expenses consisting largely of interest and dividend income.

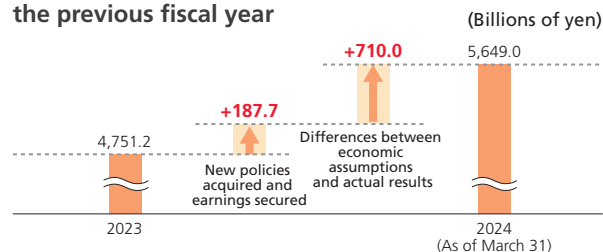
European Embedded Value (EEV)

(Billions of yen)



The Sumitomo Life Group's EEV increased by ¥897.8 billion compared to the end of the previous fiscal year due to the positive results of the insurance business such as new policies acquired and earnings secured from policies in force, as well as the rise in domestic stock prices.

Factors of the changes from the end of the previous fiscal year

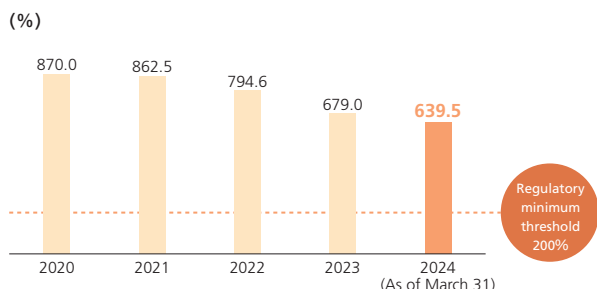


* The EEV of the Sumitomo Life Group is calculated as follows: Sumitomo Life's EEV plus Medicare Life's EEV, Symetra's EEV and Singlife's EEV, less Sumitomo Life's book value of equity of Medicare Life, Symetra and Singlife. Singlife is included in the EEV of the Sumitomo Life Group from March 31, 2024.



European Embedded Value (EEV) is an indicator of corporate value of an insurance company and shows such things as financial soundness and growth potential of the company.

Consolidated Solvency Margin Ratio

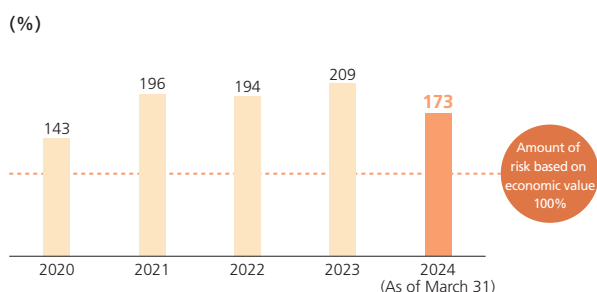


Consolidated solvency margin ratio stood at 639.5%, demonstrating that we have adequate payment capability.



The solvency margin ratio is an indicator that shows the capability of an insurance company to pay insurance claims (soundness) in the wake of an event that cannot normally be predicted, such as a big disaster or a stock market crash. If this figure falls below 200%, the insurance company will be subject to a business improvement order by a supervisory authority.

Consolidated ESR



The consolidated ESR*¹ is 173%, which is an adequate risk buffer against risk.

*¹ Internal risk management figures are shown.



ESR (Economic value-based Solvency Ratio) is an indicator of soundness similar to the solvency margin ratio, and is a quantified comparison of capital and risk based on an economic value-based*² assessment of assets and liabilities. The introduction of ESR into solvency regulations beginning in FY2025 is being scheduled.

*² Value is evaluated using assumptions (interest rates, mortality rates, etc.) as of the valuation date.

Customer Satisfaction

Result of Customer Satisfaction in FY2023

| Satisfaction - General | Satisfaction - By Scene | | |
|------------------------|-----------------------------------|--------------------------------------|---------------------------------------|
| | At the enrollment of an insurance | After the enrollment of an insurance | At the payment of claims and benefits |
| 91.9% | 96.7% | 92.4% | 96.3% |

We take customer feedback by conducting a general survey of all customers and a timely transaction survey of customers who have completed prescribed procedures.

Engagement Survey

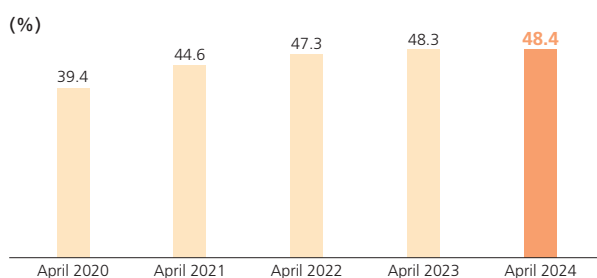
Results of the Engagement Survey in FY2023

| Employee engagement score | Environment for active employee participation |
|---------------------------|---|
| 61.0% | 72.0% |

We implement the Engagement Survey to understand the engagement status of each and every employee who works for the Company and use it in the PDCA cycle to improve human capital management and engagement in the Company as a whole and in each organization.

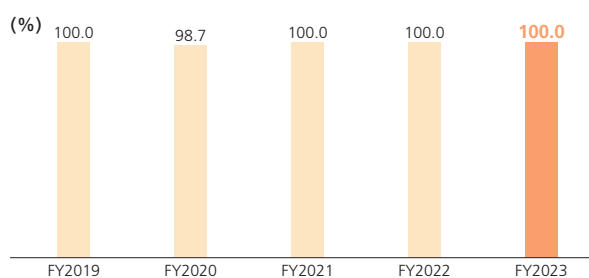
* "Engagement" in the context of our human capital efforts refers to an employee's affection for the Company and satisfaction with his/her job. "The engagement score" is a figure to indicate the level of engagement from multiple perspectives and a ratio of employees who have chosen a favorable response ("Strongly agree" or "Agree") in a survey with a scale of one to five.

Ratio of Female Managers



The ratio of female managers is on track to reach our target of 50% by the end of FY2025.

Ratio of Male Employees Who Took Childcare Leave



The ratio of male employees who took childcare leave was 100% in FY2023 as well, and we are making steady progress toward creating a comfortable working environment for all employees.

Message from the President



Yukinori Takada
Director,
President & Chief Executive Officer
Representative Executive Officer

We will go beyond the scope of insurance to spread the value of well-being throughout the world.

Our Approach to “Well-being”

Sumitomo Life’s mission “for your well-being.”

I have upheld “contributing to well-being” as a key theme ever since I became President in 2021. As a combination of the words “well” and “being,” well-being is generally understood as a state of mental and physical satisfaction. However, Sumitomo Life perceives it from a somewhat broader perspective, as a multitude of diverse values. We have embodied this approach in our message “for your well-being,” committing to a contribution to every individual living a better life. This message is the expression of our strong aspiration to stay close and be helpful to all of our customers throughout their lives.

We also believe there is meaning in the hyphen between “well” and “being.” Just as the hyphen links together “well” and “being,” Sumitomo Life should perform the role of linking together different people, societies, and the present and future.

Sustainability — especially social and environmental sustainability — has become a focus of significant attention in recent times, and this concept is closely related to the well-being we advocate. If we imagine it as a building, sustainability is the foundation and first floor, while well-being forms the second floor, built above that.*¹ Sustainability represents our efforts to solve problems so that the world or the globe does not go wrong direction and keeps being sustainable. Well-being is built on this premise, but at its core is a positive approach: “what can we do to make things better?”

As humans, we naturally want to make our life happier, and well-being is an important approach for that. When communicating this approach to our employees, I also ask them to think about what well-being means to them. I believe that always thinking about well-being from a variety of different standpoints will also lead us to discover Sumitomo Life’s mission in the future.



*1 See p. 20 “Sumitomo Life Value Creation Process.”

I “Well-being” and SUMITOMO LIFE Vitality Shared-Value Insurance

Providing new values by not only preparing for risks but also reducing risks.

In Japan, it has been said for a long time that we live in an “era of the 100-year lifespan” with an increase in average life expectancy. At the same time, however, with the declining birthrate and aging and declining population, the world appears to be somewhat uncertain and gloomy. In such situation, I kept thinking about how Japan can once again have a bright future, and I have been searching for what we, as a life insurance company, can do to achieve this goal.

The development and launch in 2018 of SUMITOMO LIFE Vitality Shared-Value Insurance^{*2} was a major turning point. Until then, life insurance had focused on being financially prepared, “just in case.” SUMITOMO LIFE Vitality takes it one step further, and aims to change lives and lifestyles of policyholders by reducing the risk itself, helping them live in a more positive way. By offering new value to our customers and society, we were able to go beyond the scope of life insurance and open up great potential for development into the non-insurance domain.

When we launched SUMITOMO LIFE Vitality back then, however, the fact that we are a life insurance company led many people to perceive its added value as little more than a supplementary service. It is said that innovations face three major tests on the way to realization: so-called the Devil River, the Valley of Death, and the Darwinian Sea, which refer to the difficulties from research and development to productization, commercialization, and marketing and industrialization. SUMITOMO LIFE Vitality struggled on the last one of these tests. It was just when I was considering how Sumitomo Life could expand the significance of SUMITOMO LIFE Vitality with a larger concept beyond the scope of life insurance that I encountered the “well-being” approach. The more I learned about this approach, the more I realized that it matched the Company’s purpose “contribute to the advancement of social and public welfare.” By reinterpreting the purpose that underlies our work as “social well-being,” we were able to turn SUMITOMO LIFE Vitality into an impact factor that will transform life insurance.

COLUMN

The moment I feel “well-being”

The greatest source of well-being for me, as President, is hearing our employees say how happy they are to be able to realize their dreams and aspirations by working here and actually witnessing the improvement of their well-being.

In private life, my hobby is art appreciation, and I go art museums in my free time. Old European paintings, especially, inspire my passion. Why did the painter paint this picture? What did the painter hope to convey? Knowing the background of the paintings leads me to unexpected discoveries, and thinking about the times makes me even go further. For example, I look at a painting by Vermeer, wondering what he wanted to express. That’s when I can feel a sense of intellectual happiness, and that’s well-being for me.

Sumitomo Life has a long history spanning 117 years. We do business based on Sumitomo’s Business Philosophy of “*Jiri-rita, koushi-ichinyo*,”^{*3} or “Benefit self and benefit others, private and public interests are one and the same.” In other words, our history is built on the accumulation of endeavors premised on the idea that everything we do must be in the interests of society and everything we do for society is in our own interests as well. By knowing the past and understanding our history, we can predict our future. If we use our imagination to look back on the present from the future, I believe we will see the significance of our current actions and their valuable accumulation.

We need to imagine the future by knowing the past and understanding history. I always try to convey the importance of this perspective to our employees.

^{*2} See p. 43 “SUMITOMO LIFE Vitality.”

^{*3} A phrase expressing the Business Philosophy of Sumitomo, it means that Sumitomo’s business must benefit not only Sumitomo itself, but also the nation and society. Companies are seen as both private entities and public institutions.

Towards achieving 20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members.

In terms of the economic environment, fiscal 2023 was a historical turning point. In May 2023, COVID-19 was reclassified to a category 5 infectious disease under the Infectious Diseases Act, leading to the further normalization of a wide variety of economic activities. Then, in March 2024, the Bank of Japan finally abandoned its negative interest policy, returning Japan to a “world with positive interest rates” for the first time in 17 years. Changes such as these made fiscal 2023 a year that clearly demonstrated the potential for future society-wide change.

The year saw a new step forward for the entire Sumitomo Life Group, too, with the start of Sumitomo Life Group Vision 2030^{*4} and Sumitomo Life Medium-Term Business Plan 2025^{*5}. The number of members of SUMITOMO LIFE Vitality, our key product, now exceeds 1.3 million. What was once just another example of innovation has now started to function as an integral part of the lives of its users. In this sense, I believe we have realized a new world previously unknown in the insurance industry.

As we consider how to expand this success model in the future, we have set goals of 20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members by 2030. In other words, we have established the ideal of realizing a world where one-in-six Japanese citizens receive value from the Sumitomo Life Group. All of us at Sumitomo Life will come together to consider — backcasting from these goals — what we need to do and what we can achieve and what innovations we need to bring about over these three years. We will leverage everyone’s wisdom and ingenuity to overcome the difficulties we face on our way to 2030. In this way, we hope to continue to strive to achieve Sumitomo Life’s vision.

● Strategy to expand services in the non-insurance domain

The goal of at least 20 million customers receiving the value of well-being is based on our social mission. As a business, of course, we will consider the balance of revenue and expenditures, but our focus at this stage is firmly on connecting with customers through

the provision of well-being value. Going forward, we believe that the important thing is how we can make a greater contribution to the well-being of policyholders. Therefore, during the three years of the medium-term plan to fiscal 2025, we will concentrate on expanding our business domain and building a foundation to support these efforts.

More specifically, we hope to expand our business domain based on the concept of “Well-being as a Service (WaaS)^{*6},” a service that will improve the lives of our customers, to consider what value we can provide to address the pain points in life. At the same time, we will leverage business alliances, investments and M&A to join with a wide variety of like-minded companies and groups to promote activities that will connect together to form a WaaS ecosystem.

For our services in the WaaS domain, in addition to expanding our health enhancement offerings, centered on SUMITOMO LIFE Vitality, we have collaborated with a specialist preconception care company to launch the corporate-oriented service “Whodo Seiba” as a service to support employees to balance infertility treatment with work. We are also working with PREVENT^{*7}, which joined the Group in November 2023, to promote services that address the need to maintain quality of life despite illness or health challenges or live a better life while preventing serious illness.



^{*4} See p. 22 “Sumitomo Life Group Vision 2030.”

^{*5} See p. 40 “Sumitomo Life Medium-Term Business Plan 2025.”

^{*6} WaaS (Well-being as a Service) is an ecosystem of services that support “well-being for all,” centered on SUMITOMO LIFE Vitality.

See p. 53 “Well-being as a Service (WaaS) Initiatives.”

^{*7} See p. 54 “Initiatives for Aggravation Prevention.”

There is one point we always keep in mind when promoting these initiatives: “What is the well-being of each individual?” We believe that this question should be the starting point of all our activities. What contribution can we make to addressing the person’s needs or addressing the pain points they may experience in the future? It is vital that we implement effective services based on consideration and pursuit of the well-being of each individual. This is definitely not a product-first approach.

This belief has a strong affinity with our existence as a mutual company. As a mutual company, insurance policyholders are our main stakeholders. It is crucial that we continue to think about how we can contribute to the well-being of our policyholders. Society is formed by a collection of individuals, not only present policyholders but also potential customers, and the WaaS concept is rooted in the pursuit of the value we can provide to each individual, over and above simply chasing short-term earnings. I feel that the significance of being a mutual company lies in the fact that we continue to think for our policyholders and stay close to them, maintaining a medium- and long-term perspective.

As we continue to search for what we can do to provide value as the Sumitomo Life Group, WaaS will take form from the results of our consideration of “what is ‘for your well-being’ for our customers.” This is our vision for WaaS. The key is to remember that the well-being of each individual is first and foremost; the value we provide as Sumitomo Life is to connect together this well-being.

● Earnings structure reform

As a life insurance company, we utilize the insurance premiums entrusted by policyholders, together with the asset management profits from investing these premiums, to pay insurance claims, benefits, provide reserves for the future, pay the necessary expenses for the Company’s business operations, etc. We appropriately allocate the revenue gained from these business activities for purposes such as securing our financial soundness for the future, providing policyholder returns, and making future growth investments, so that we can contribute to customers’ well-being as a mutual company in the medium and long term.

From the point of view of our role as an insurance company, perceptions of the family and the nature of households are undergoing significant changes in Japan, and this has implications for the kinds of insurance

needed. At Sumitomo Life, we have always strived to capture and respond to customer needs promptly, providing SUMITOMO LIFE Vitality and other new products and services through our sales representatives and selling Medicare Life’s products through insurance outlets. We are also engaged in broadening our customer base to achieve future revenue growth through measures such as the revision of our sales processes after COVID-19 and the increase in customer contact points by providing the value of well-being.

Even as we enhance our systems for providing both insurance and non-insurance services to customers from a medium- and long-term perspective, the external environment is changing significantly. These changes include soaring prices and personnel expenses and the rising need for investment in digital technologies. Under these conditions, the asset management of the insurance premiums entrusted to us by our customers is also becoming increasingly important. The asset management requires skills of balancing risk and return, as well as diversifying investments and selecting investees. Not many factors would cause a dramatic change in investment behavior in the life insurance industry, as life insurance companies hold a large amount of long-term assets. In recent times, however, the asset management environment has changed dramatically, with historical levels of yen weakness, an upturn in interest rates due to the change in the Bank of Japan’s policy, and the highest stock prices ever in history. These aspects make it difficult to manage investment portfolios and select investees.

As an insurance company, we have a social mission not only to secure stable management returns but also to practice “responsible investment*⁸,” considering sustainability as a responsible institutional investor. How will we achieve net-zero greenhouse gas emissions by 2050, to achieve a sustainable society? How will we enhance the medium- and long-term corporate value of our investee companies through dialogue, while also encouraging them to engage in achieving carbon neutrality? Not just investment, we are also required to contribute to sustainability in various and expansive ways.

We are expanding our outlook beyond Japan to include growth markets overseas. Even as we capture synergies and returns through active investments, we are also focused on efforts to prepare for future risks through diversification. The major goal of our earnings structure reform is to accumulate the experience and know-how from these efforts to build an earnings structure that is resilient to changes in the environment.

*8 ESG investment and stewardship activities are collectively referred to as responsible investment.

See p. 34 “Responsible Investment Initiatives.”

● Overseas operations

In March 2024, we acquired full ownership of Singlife in Singapore.*⁹ Ever since its establishment in 2017, Singlife's strength has been the use of digital technology in its business model. We made our first investment in it in 2019. Its business scale has steadily grown and today it is one of the major players in the Singapore domestic market, ranked fifth in terms of market share. Singapore is an extremely digitalized country, and we plan to pursue an Asia strategy based in Singapore, including the leveraging of synergies from Singlife's technologies and expertise.

Meanwhile in the U.S., we are continuing with our efforts to grow Symetra, which we acquired as a wholly owned subsidiary in 2016. The U.S. is one of the advanced countries where the population is actually increasing, and the insurance market is continuing to grow. We firmly

believe that through our cooperation as a long-term partner, we can help achieve growth for Symetra.

We have become the first mutual company in Japan to be designated as an IAIG*¹⁰ with the acquisition of Singlife as a wholly owned subsidiary. Looking ahead, we will face demands on the effectiveness of our governance of subsidiaries as an international insurance company. In addition to balancing risk and return, we will engage in more rigorous compliance and risk management, not only in Japan but also overseas.

The Company will also advance internal reform through unprecedented challenges and initiatives. We hope to make this first step we made in fiscal 2023 even more meaningful going forward, both in terms of achieving global growth and in terms of raising the level of Sumitomo Life's governance and corporate structure.

■ Sumitomo Life's social mission

We will expand the domains where we contribute to well-being and aim to achieve a sustainable future.

Sumitomo Life is undertaking initiatives to contribute to the sustainability and well-being of stakeholders in each country, region, and business domain.

For example, Symetra and Singlife are both currently aiming to achieve their visions for "financial freedom," a concept that shares a lot in common with well-being.*¹¹ As the "Three S (3S)" companies, Symetra, Singlife, and Sumitomo Life share a common aspiration for international growth through activities that go beyond the scope of insurance companies.

Meanwhile, inside Japan, we are focusing our efforts on supporting regional revitalization. How should we develop lifestyle-related services in each region in collaboration with the relevant local governments? How should we address the issues of local communities? There are many things that we can do, and many demands on us, as a private-sector business. We hope to actively pursue the provision of well-being services rooted in communities.*¹²

In terms of our role as an institutional investor, we will focus on responsible investment aimed at achieving a sustainable society. We have designated all of the assets we hold, amounting to almost 40 trillion yen, as responsible investment assets. We have declared that we will reduce our greenhouse gas emissions by 50% from fiscal 2019 levels by 2030, and we hope to achieve this target with the greatest speed possible.

I believe that human power is the most important factor in achieving our vision for 2030: to be an "indispensable insurance group" that contributes to well-being. We will use digital and data*¹³ to supplement and further utilize human power. In our human capital development*¹⁴ initiatives so far, we have clearly indicated the vision for Sumitomo Life's employees and created a system to enable diverse employees to play even more autonomous and active roles. As a result, I feel that the human capital capable of expanding the domains where we contribute to well-being is steadily growing.

Another important theme is our ability to expand our business domain using digital and data, expanding our network of collaborating businesses while also deepening contact points with real connections. We are promoting the use of generative AI and digital human capital development, but I believe there are still lots of things we can do. We will develop a concrete approach to how we contribute to well-being through digital technology.

Through the initiatives we implement to achieve our vision, we will ensure that Sumitomo Life wins the true understanding of all its stakeholders.

*9 See p. 59 "Overseas Operations."

*10 An abbreviation of "Internationally Active Insurance Group."

*11 See p. 62 "Comment from CEOs of Overseas Subsidiaries."

*12 See p. 25 "Creating Healthy Communities through Collaboration with Local Governments."

*13 See p. 74 "Digital & Data" and

See p. 76 "Round-table Discussion with Data Scientists"

*14 See p. 68 "Human Capital and Human Capital Development" and

See p. 64 "Three-way Discussion with Chief and Deputy Chiefs of Human Capital Development Headquarter."

Value Creation Overview

Review of the Business Plan

We have advanced our businesses together with our customers, contributing to society, and sustainably enhanced our corporate value through the steady implementation of the strategies set forth in the business plan.

>>> 2011–2013

Sumitomo Life Medium-Term Program

“Empowering your future”

Three-year plan to create an ideal company

Basic Policies

- **Reaction to the Great East Japan Earthquake**
- **Quality improvement program**
 - Ensuring that the customer comes first; Improving quality
- **Management strengthening program**
 - Strengthening sales and services through sales representatives; Strengthening agency channel; Developing new sales channels
- **Investment in growth program**
 - Strengthening initiatives in growth areas

Results

- Development of the new corporate brand (2011)
- Launch of “Cancer PLUS” (2013)
- Investments in Baoviet Holdings and BNI Life (2012, 2013)

● Trend in Embedded Value (EV)

>>> 2014–2016

Sumitomo Life Medium-Term Business Plan 2016

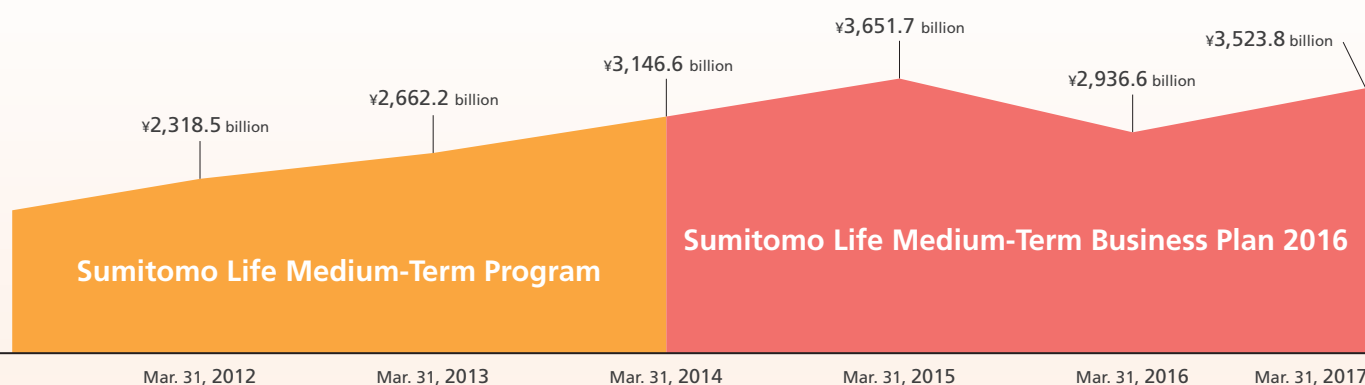
“Three-year plan for brand evolution and establishment of a new growth path”

Basic Policies

- **Brand strategy**
 - Advancing to phase 2 of the brand strategy
- **Improving value for customers**
 - Maintaining and improving quality cross entire operations; Improving customer satisfaction
- **Growth strategy**
 - Strengthening sales and services by sales representatives; Agencies such as financial institutions and insurance outlets; Overseas operations
- **Business foundations**
 - Strengthening earnings and financial foundation; Strengthening management infrastructure

Results

- Started the “Japan Vitality Project” (2016)
- Launched work disability insurance “1-UP” (2015)
- Acquired Symetra as a subsidiary (2016)
- Transitioned to a company with nominating committee, etc. (2015)



*The method used to calculate EV was revised in FY2016 to use the ultimate forward rate as the interest rate for ultra-long terms. The figure as of March 31, 2016 was reevaluated based on this method.

»» 2017–2019

Sumitomo Life Medium-Term Business Plan 2019

Creating new value for customers and building the future together

Basic Policies

■ Brand strategy

- Achieving the goal of becoming an “Ideal life designer”
- Promoting a CSV project focusing on health

■ Priority fields

- Strengthening the sales and service structure; Promoting alliances
- Sophisticating asset management; Enhancing corporate values of overseas investees and contributing to revenue

■ Business foundation

- Maintaining and enhancing the quality of administration and services
- Promoting work style reforms, sophisticating governance, and advancing ERM, etc.

Results

- Launched “SUMITOMO LIFE Vitality” (2018)
- Formed business alliances with NN Life Insurance and Sony Life Insurance (2016, 2018)
- Acquired INSURANCE DESIGN and AIARU Small Amount & Short Term Insurance as subsidiaries (2017, 2019)
- Invested in Singlife (2019)
- Introduced productivity assessment in the personnel evaluations (2019)

»» 2020–2022

Sumitomo Life Medium-Term Business Plan 2022

Becoming an “indispensable insurance company” for society

Basic Policies

■ Contribute to society—Contribution to achieving the SDGs

- Contributing to the creation of healthy and long-living society through the promotion of “SUMITOMO LIFE Vitality”
- Promoting initiatives to achieve the SDGs

■ Be trusted by society—“Customer” is the subject word

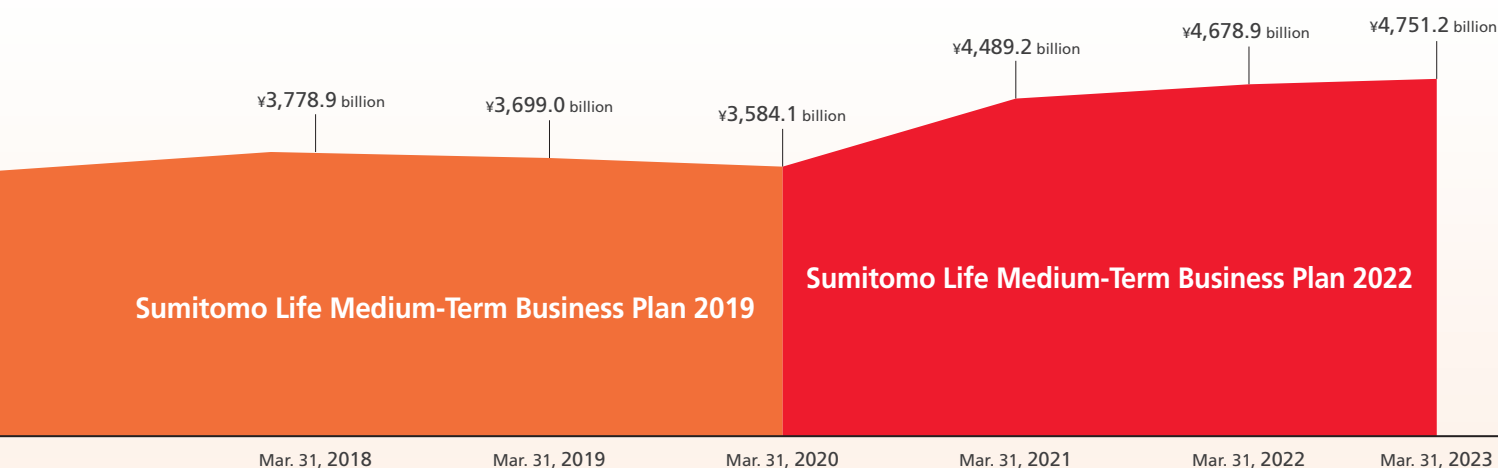
- Inculcating Sumitomo Life Group Code of Conduct
- Promoting the “WPI Project”

■ Adapt to social change—Transformation for continual evolution

- Taking a long-term perspective and promoting initiatives to transform our corporate character (transforming services, developing human capital, establishing infra-structure, creating innovation)

Results

- “SUMITOMO LIFE Vitality” topped one million enrollments (2022)
- Launched “Cancer PLUS ALIVE” and “Sumisei Dementia Insurance” (2021, 2022)
- Established the SUMISEI INNOVATION FUND, a CVC fund (2020)
- Steadily conducted new initiatives in the new normal that fused humans and digital technology



01 Sumitomo Life Value Creation

02 Sumitomo Life Management Strategies

03 Base to Support Value Creation

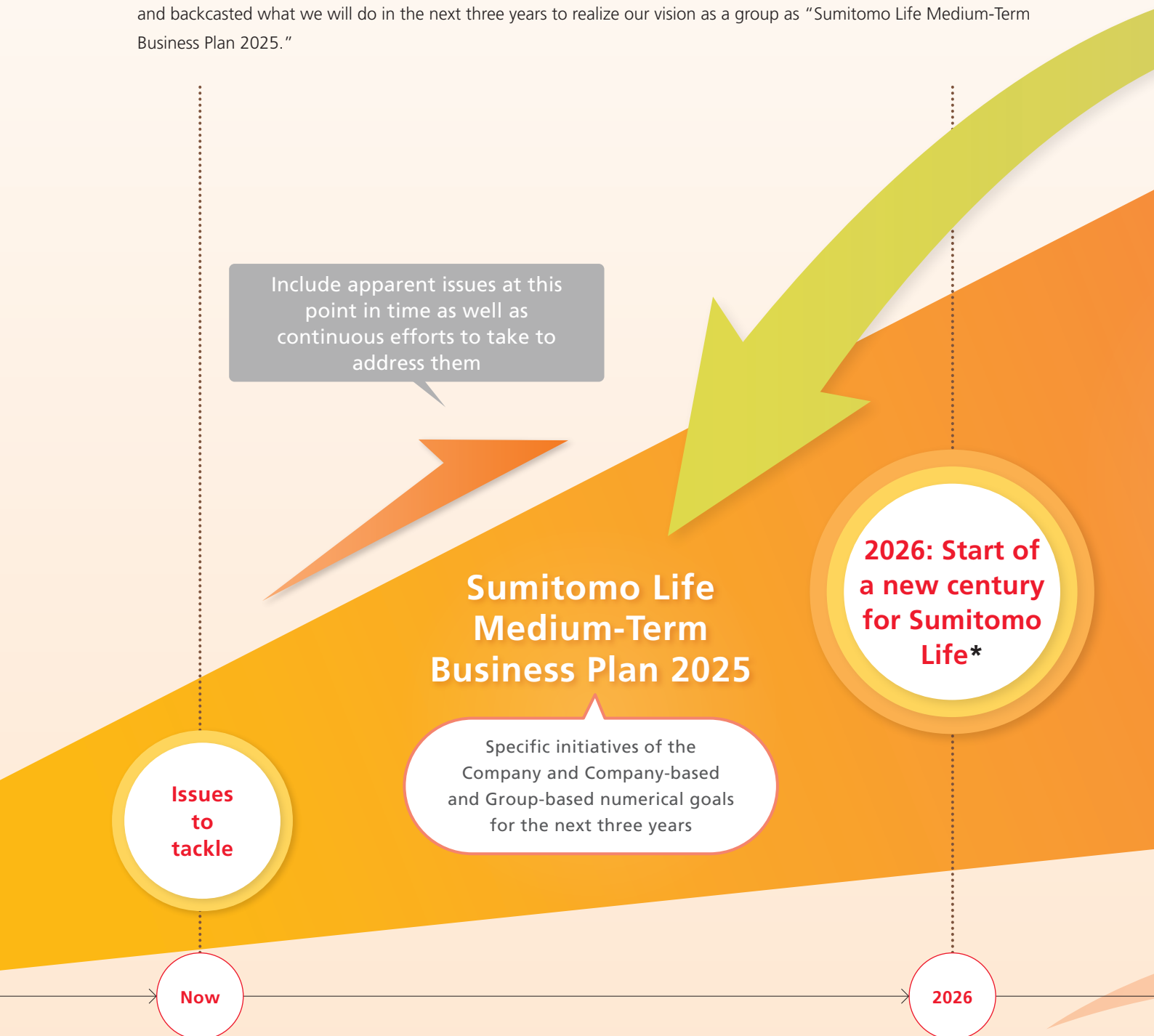
Value Creation Overview

Roadmap to 2030

Considering the environment surrounding the Sumitomo Life Group, the future is more uncertain than ever before, making it difficult to predict the future, and it is expected to continue to change at an accelerating pace. In addition, the insurance business may face difficult times in the foreseeable future, given the declining and aging population and declining birthrate.

In order to respond to such changes in society and in the business and internal environments surrounding the Sumitomo Life Group, it is necessary to consider Group-wide initiatives. In order to realize the “Sustainability Management Policy,” which is our long-term vision, it is necessary to set a medium-term direction and promote consistent initiatives, rather than focusing on addressing immediate issues.

To this end, we have defined our vision for 2030 and the strategies to achieve it as “Sumitomo Life Group Vision 2030,” and backcasted what we will do in the next three years to realize our vision as a group as “Sumitomo Life Medium-Term Business Plan 2025.”



* Company name changed from Hinode Life to Sumitomo Life in 1926

Backcasting
from 2030

Our calling and long-term vision

Realization of Sustainability
Management Policy

Sumitomo Life
Group Vision
2030

Strategy for ensuring our
realization of Sustainability
Management Policy

**Vision for
2030**

Sustainability Management Policy

Sound operation
of insurance business

Creating a company
that continues to grow

Efforts to resolve social
and environmental issues

Collaboration
with stakeholders

We have created a video to help you
visualize how we will contribute to the
well-being of our stakeholders toward
the ideal vision set forth in the
“Sumitomo Life Group Vision 2030.”
Please access the site by using the
two-dimensional code on the right.



2030

01 Sumitomo Life Value
Creation

02 Sumitomo Life
Management Strategies

03 Base to Support Value
Creation

Value Creation Overview

Sumitomo Life Value Creation Process

Purpose

Contribute to the advancement of social and public welfare

Becoming an “indispensable insurance group” that contributes to well-being
-for your well-being-

Financial capital

Consolidated total assets

¥48.2 trillion

Consolidated solvency margin ratio

639.5%

Consolidated ESR

(Economic value-based Solvency Ratio)

173%

Capital:*

¥3,250.0 billion

Status of credit rating*

S&P Global (S&P)

Insurer financial strength rating

A+

Moody's Investors Service (Moody's)

Insurance financial strength rating

A1

Fitch Ratings

Insurance company financial strength rating

A+

Rating and Investment Information (R&I)

Insurance claims paying ability rating

AA

Japan Credit Rating Agency (JCR)

Ability to pay insurance claims rating

AA

Human capital

Number of employees*

42,511 (Non-consolidated)

Among which, number of sales representatives*

32,082 (Non-consolidated)

Social capital

Number of customers receiving the value of well-being (in Japan)

Approx. 13.25 million

Number of SUMITOMO LIFE Vitality members*

Approx. 1.29 million

Claims, annuities, benefits*

Approx. 4.88 million cases**Approx. ¥1,296.5 billion**

* Non-consolidated results of Sumitomo Life for fiscal 2023

Sumitomo Life Medium-Term Business Plan 2025

– Establishment of a path for the realization of Sumitomo Life Group Vision 2030 –

Key strategies

Advancing to well-being design

📖 P.42

Realizing innovation in new domains

📖 P.52

Engines

Human capital development

📖 p.68

Digital & data

📖 p.74

Earnings structure reform 📖 p.63

Group strategies 📖 P.63

Fostering a better corporate culture

Business risk countermeasures

Key goal indicators

Number of customers receiving the value of well-being (in Japan)

Group: **14.60 million**

Sumitomo Life: **11.90 million**

Number of SUMITOMO LIFE Vitality members

Sumitomo Life: **2.40 million**

Annualized premiums from policies in force

Group: **¥3,340.0 billion**

Sumitomo Life: **¥2,260.0 billion**

Core business profit (3-year total)

Group: **¥730.0 billion**

Sumitomo Life: **¥600.0 billion**

Brand

Promotion of Sustainability Management (Promote initiatives based on Key Items of Sustainability) 📖 P.28

Base for sustainable growth

ERM 📖 P.99

Corporate governance 📖 P.82

Sumitomo Life Group Vision 2030

Providing the value of well-being for as many people as possible  P.22

Target numbers

Number of customers receiving the value of well-being
20 million

Number of SUMITOMO LIFE Vitality members
5 million

Stakeholder well-being



Customers

Customers have access to the assurances and services they need and can live enthusiastically and free of anxiety over risks.



Society

Many people can live in good health and prosperity even as the birthrate declines and the population ages. Also, even as they age, and even if they fall ill, people can live happy lives with their loved ones.



Business partners

Our business partners have a shared understanding of the Group philosophy and work with us to create and deliver value, increasing sustainability for themselves and their stakeholders.



Global environment

Efforts to achieve carbon neutrality substantially reduce the risks of climate change. We can create a sustainable environment that is habitable to everyone and everything.



Employees

All employees can demonstrate their value as they grow independently and autonomously. They also earn the trust of those around them and continue working with pride and confidence.



The Company

The Group achieves sustained, consistent growth by supporting stakeholders and earning their trust and support in return.

Strategy 2.0

Compliance  P.97

Risk management  P.101

Our calling and long-term vision
Realization of sustainable society of affluence, vitality, health and longevity

Sound operation of insurance business

Creating a company that continues to grow

Efforts to resolve social and environmental issues

Collaboration with stakeholders

Sumitomo Life Group Vision 2030 —Becoming an “indispensable insurance group” that contributes to well-being

Contribute to “well-being” for as many people as possible.

We have established the long-term vision of being an “insurance group that continuously contributes to the future well-being of Japan, the world, and the planet.” To realize this long-term vision, we have defined our goal for 2030 as an “indispensable insurance group” that contributes to well-being. Sumitomo Life continues to be a corporate group that contributes to the well-being of all stakeholders—customers, society, business partners, the global environment, and employees.

What is well-being?

The world is in the midst of great change, including rapid digitalization, the declining birthrate and aging population, as well as global climate change, and people’s lifestyles and points of view are also undergoing a transformation.

And, every individual has a different concept of well-being.

“Well-being” is generally interpreted as a state not only of physical health but also of social and mental health and happiness.

We have established the “well-being for all” approach based on our aspiration to stay close to people and do something more to improve their lives, society, and the global environment, in addition to providing economic security through insurance and physical health through SUMITOMO LIFE Vitality.

Sumitomo Life Group will always stay close to all our stakeholders and contribute to their well-being toward 2030.



Our vision of stakeholder well-being

We have established our 2030 vision of well-being for each type of stakeholder: customers, society, business partners, the global environment, and employees.

Customers



Customers have access to the assurances and services they need and can live enthusiastically and free of anxiety over risks.

Society



Many people can live in good health and prosperity even as the birthrate declines and the population ages. Also, even as they age, and even if they fall ill, people can live happy lives with their loved ones.

Business partners



Our business partners have a shared understanding of the Group philosophy and work with us to create and deliver value, increasing sustainability for themselves and their stakeholders.

Global environment



The risk of climate change has been substantially reduced by efforts to achieve carbon neutrality. A sustainable environment with biodiversity has been achieved.

Employees



All employees can demonstrate their value as they grow independently and autonomously. They also earn the trust of those around them and continue working with pride and confidence.

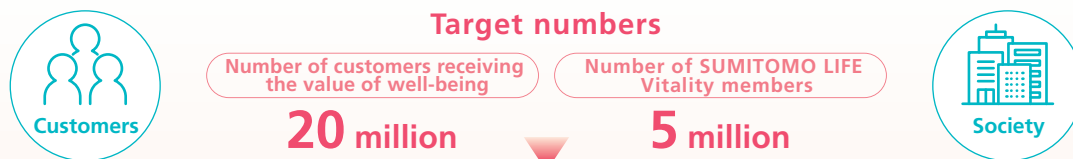


How we drive the initiatives

Well-being contribution areas under Sumitomo Life Group Vision 2030

In order to provide the value of well-being to as many stakeholders as possible, we will deepen our efforts in the areas of “contributing to health promotion” and “supporting fulfilling lifestyles and all generations,” in addition to the essential role of insurance, which is “providing a sense of security through insurance.” In addition, we will provide services that are rooted in each country and region, not only to our customers who subscribe to our insurance policies, but also to the community at large.

Providing the value of well-being for as many people as possible



Contributing to health promotion

Health support centered on SUMITOMO LIFE Vitality

Physical prosperities

Providing a sense of security through insurance

Continuing to be on the same page as customers to provide them with optimal assurances and services tailored to their individual needs

Economic preparedness

Supporting fulfilling lifestyles and all generations

Providing comprehensive services that address generational needs

Social connections

We provide well-being services rooted in various **countries and regions**.

We provide support for **local government** initiatives and local **corporations'** health and well-being management.



Business partners

Working together to create future-oriented innovation that leads to **growth for our business partners**.



Global environment

Striving to improve the **global environment** through unceasing efforts to achieve carbon neutrality.



Employees

Working to **stimulate and improve the engagement** of the Group's **human capital**.



The Company

We will join others in the continuous pursuit of growth to steadily promote initiatives in these domains.

Initiatives to contribute to well-being

Staying close to customers' well-being in the era of the 100-year lifespan

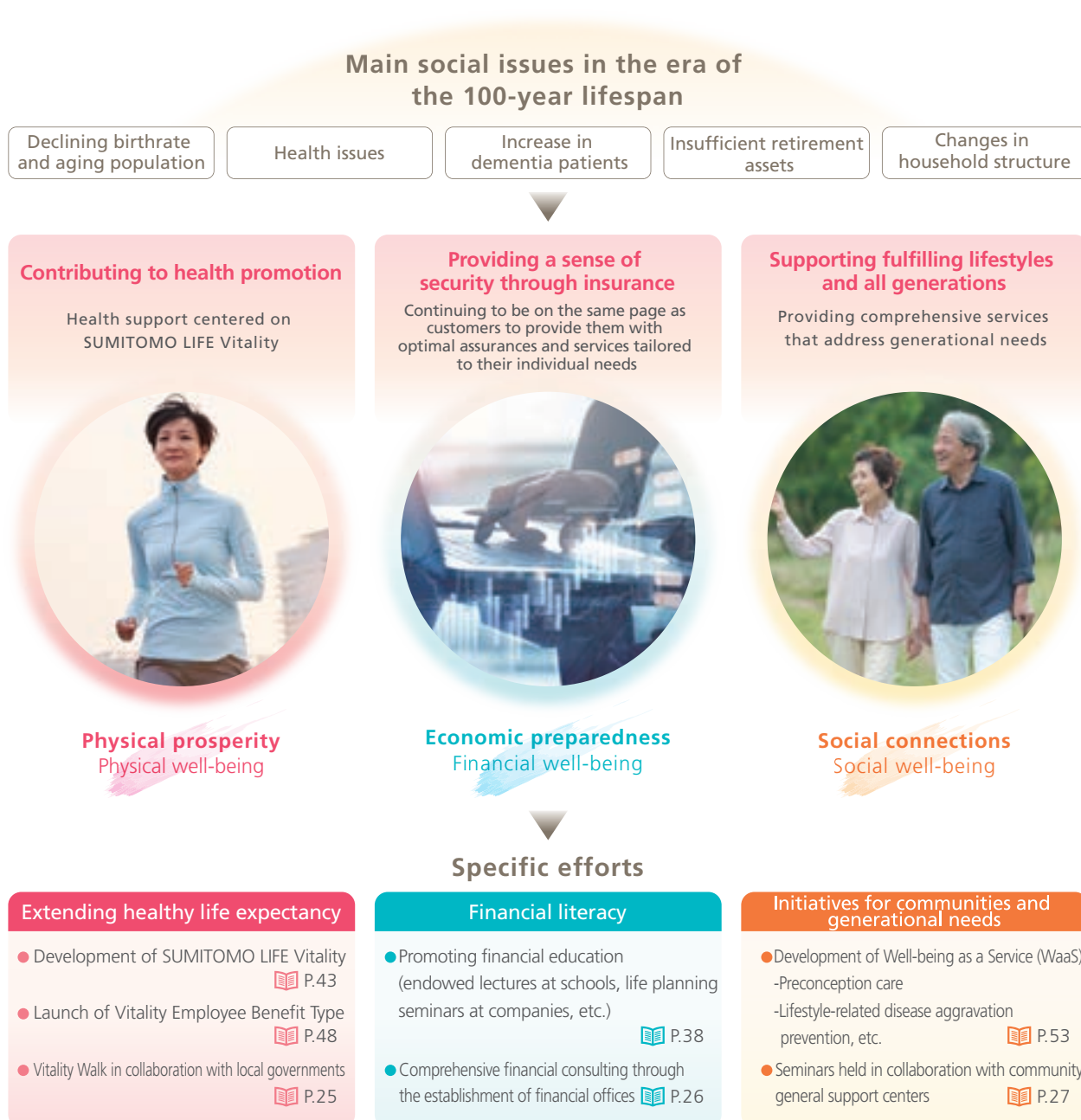
A variety of social issues are emerging in this era of the 100-year lifespan. In addition to physical health, economic preparedness and social connections are becoming increasingly important to live in a state of well-being.

As part of its efforts to contribute to the well-being of each individual, Sumitomo Life has contributed to physical enrichment by expanding SUMITOMO LIFE Vitality in various ways, in addition to providing peace of mind through insurance, which it has always been doing. We also support economic preparedness through comprehensive financial consulting, including financial education tailored to each age group and recently-launched non-insurance products. We also

support social connections in collaboration with community general support centers.

Additionally, we are promoting the development of Well-being as a Service (WaaS) as a service tailored to each generation. We have launched and begun offering non-insurance services to customers, such as preconception care and lifestyle-related disease aggravation prevention through PREVENT, which joined the Group in 2023.

We will further push ahead with our initiatives to help customers live better in the era of the 100-year lifespan, providing products and services that cater to the diverse well-being of each of our customers.



01 Employees Contributing to Well-being of Stakeholders

Creating Healthy Communities through Collaboration with Local Governments

Our relationship with local governments began with our agreements on cancer awareness, and we have promoted cooperation with local governments throughout Japan through partnership agreements, etc., with the aim of contributing to health promotion and regional revitalization. After piloting the use of Vitality with Osaka Prefecture and several other local governments, we have provided the Vitality Wellness Program in collaboration with local governments since fiscal 2023, calling it the "Vitality Walk." We are working towards implementing the program in 100 municipalities by March 31, 2026. We will deepen our relationship with local governments and contribute to the well-being of our customers, communities, and society, so that we can provide well-being services that support fulfilling lives and are rooted in local communities.



Akiko Takasaki
Coordinating Officer for
Local Government
Collaboration

Towards achieving well-being for the people of Kagawa Prefecture through the use of SUMITOMO LIFE Vitality



Manager Fukuya
Shinsakaide District Office Takamatsu Branch Office

Tell us about your initiatives in collaboration with the local government.

We always tell people about our comprehensive cooperation agreement with Kagawa Prefecture and our efforts to help improve the health of people in the prefecture.

Recently, we have provided information on the "Kagawa Vitality Walk," held as part of our cooperation projects, to all our customers, to work towards improving the health of residents in Kagawa.

How have your customers responded?

Many customers are interested in topics related to health, and the majority of them seemed willing to listen to our efforts even if we haven't met before. A large number of customers participated in the "Kagawa Vitality Walk" this time. We received a variety of feedback after the event, such as "taking this walk has made me realize that I've got to exercise more regularly" and comments we are really grateful for, such as "can we continue to use this app after the event?" Even after the period, some customers joined Vitality Smart and are engaging in health enhancement activities together with their partners.

What contribution do you hope to make to the well-being of customers?

Through our cooperation with the local governments and the SUMITOMO LIFE Vitality product, we hope to create opportunities for our customers to think about their health and for us to support their health enhancement activities.

Personally, I am also working hard to improve my health every day, so that I can be healthier through SUMITOMO LIFE Vitality.



Manager Fukuya is explaining about the Vitality app

Message from a local government that held Vitality Walk Mayor of Sapporo Katsuhiro Akimoto

Sumitomo Life and Sapporo City have signed the "Sapporo Wellness Partner Agreement" and are working together to extend the healthy life expectancy of the people of Sapporo. With the help of Sumitomo Life, we held the "Vitality Sapporo Wellness Walk" for 1,000 Sapporo citizens in 2023. It was very effective, with many participants commenting that the event had made them more conscious of the need to exercise and they now spend more time walking. We will continue to deepen our collaboration and engage in solving issues in the local community together.



Collaborative projects utilizing the Vitality Wellness Program (stand-alone provision) (as of July 2024)



*Please refer to our news releases (in Japanese) for information on the use of SUMITOMO LIFE Vitality in collaborative projects with local governments.
<https://www.sumitomolife.co.jp/about/newsrelease/walk.html>

02 Employees Contributing to Well-being of Stakeholders

Contributing to financial well-being through comprehensive financial consulting

We are pursuing initiatives to improve financial literacy, including in non-insurance domains such as NISA and iDeCo, and contribute to our customers' financial well-being through comprehensive financial consulting, to address diverse asset building needs. In April 2024, we established new financial offices in Tokyo and Osaka, and we will engage in developing human capital with a high level of financial literacy, establishing sales methods for financial products, and creating new markets.

I feel that comprehensive financial consulting is crucial for our customers' financial well-being.



Mai Okamura

Team Manager, Central-Tokyo-Area Financial Office, Central-Tokyo-Area Marketing Promotion Dept.

Tell us about what you are working on at the financial office.

We begin by thinking about our own financial well-being and joining programs such as NISA, iDeCo, or individual annuities, according to our individual needs, to deepen our understanding of each program. In addition to conventional methods, all the team members make suggestions and use our financial knowledge to approach customers by creating and implementing our own money seminars and money literacy questionnaires. We are committed to helping our customers by comprehensively addressing their concerns.

How have your customers responded?

Our customers have expressed their gratitude to us for conveying an accurate understanding of NISA, iDeCo, individual annuities, and other programs, saying how it enabled them to reorganize and correct the gaps in their information and knowledge. There is a customer who made their first step towards health enhancement, saying "I was conscious of the importance of health, but I hadn't put this into action. I'll start by trying SUMITOMO LIFE Vitality."

What contribution do you hope to make to the well-being of customers?

I hope to contribute to customers' financial well-being. Specifically, I will interview customers in detail about the current status of their assets and their preparations for the future, then explain our various asset building programs and products before advising them on the necessary level of coverage through future of customer diagnosis. I will also practice comprehensive financial consulting, helping customers with health enhancement through SUMITOMO LIFE Vitality.



Team Manager Okamura is conducting a consultation for a customer

Expanding contribution areas through comprehensive financial consulting

In addition to providing a sense of security through insurance and contributing to health promotion through SUMITOMO LIFE Vitality, we are advancing comprehensive financial consulting through the establishment of our financial offices, thus expanding the areas where we contribute to customers' well-being.

Expanding contribution areas

Supporting fulfilling lifestyles, and all generations by resolving financial anxieties

Contributing to health promotion through SUMITOMO LIFE Vitality

Providing a sense of security through insurance

Contributing to financial well-being

03 Employees Contributing to Well-being of Stakeholders

Efforts to solve issues in a super-aging society through collaboration with community general support centers

Sumitomo Life is promoting collaboration with community general support centers to enable the elderly to continue to live with a sense of security in their own familiar neighborhood. Specifically, we are holding end of life planning seminars at community general support centers and organizing and sponsoring events for individuals suffering dementia, as well as their families.

Through these efforts, we will contribute to creating systems that enable elderly customers to continue to live life in their own way and help to solve the challenges of a super-aging society.

We build face-to-face relationships to establish trust.



Assistant General Manager Watari
Corporate Planning Department (concurrently serving at the Kyoto Branch Office)

Tell us about your initiatives in collaboration with community general support centers.

We work together with 61 community general support centers in Kyoto City to hold lectures and events for groups that request them. As part of our face-to-face support, we present lecture participants with a booklet for "ending notes" to pass on information and express wishes after one's death (consideration notebook*) and plan events based on the wishes of participants.

What has been the reaction of people in the local community?

Our initiatives are very appreciated. At the end of a life planning seminar where we used consideration notebooks, the person in charge commented that they had previously requested similar lectures, but that ours was especially interesting and easy to understand. Participants from the local community at a seminar held on a weekday commented that "it would be good if people from a wider age groups could listen to this," and requested that we hold a lecture on a Sunday, when a broader range of people could participate.

What contribution do you hope to make to the well-being of the community and society?

Through our repeated initiatives for people in the local community, we believe that we will succeed in creating a community where all elderly people can live with a sense of security, whether they have dementia or not. We will continue to strengthen the circle of mutual aid and assistance among local residents and provide the knowledge to see opportunities. We will pursue initiatives that enable many people to live in good health, prosperity, and happiness even as the birthrate declines and the population ages.



An event to mark the World Alzheimer's Day

*A booklet issued by Sumitomo Life that enables our customers to leave their thoughts and hopes to their families in writing. It is composed of five topics: "About myself," "Assets," "Healthcare and nursing," "Succession," and "My wishes."

Message from the Kyoto Iwakura Community General Support Center

Kyoto Iwakura Community General Support Center, Deputy Chairperson,
Kyoto Community General Support Center and In-Home Care Support Center Liaison Council

Mr. Shigeo Matsumoto

With the enforcement of the basic law dealing with dementia in January 2024, we expect to build a society where all the citizens of Japan have a correct understanding of dementia, make early preparations, and continue to live together and support each other, even with dementia. The voices of dementia sufferers themselves provide the starting point for these efforts. It is important that we listen to the words of those who have suffered from dementia before us.

In Kyoto Prefecture, we have established the Dementia-friendly Cross-industry Collaboration Council to consider and provide dementia-friendly products and services through cross-industry collaboration between Sumitomo Life and other companies. With companies beginning to utilize the opinions of dementia sufferers, we expect the trend of listening to the voices of people with dementia will spread throughout the community. Sumitomo Life's consideration notebooks are created to enable elderly people with decreased cognitive function to continue to live with a sense of security in their own familiar neighborhood. I think it is important that we, as community general support centers, residents' associations, welfare commissioners, etc., utilize these consideration notebooks to provide and share opportunities for everyone to think about dementia and end of life planning.

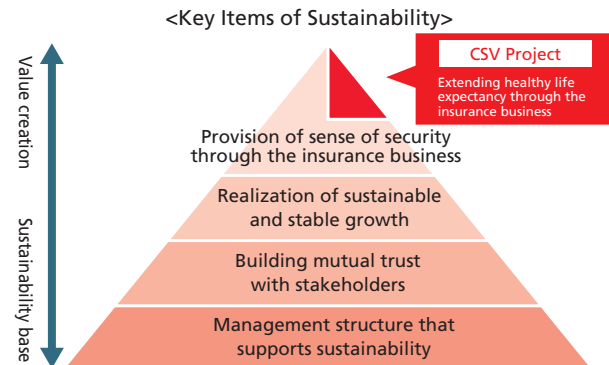


Sustainability

Key Items of Sustainability (Materialities)

We have defined materialities based on our operating policy as shown in the diagram presented on the right. For each of these five materialities, we have identified risks and opportunities, as well as key initiatives to achieve them to clarify the issues we focus on.

Led by the “Sumitomo Life Medium-Term Business Plan 2025,” we have set forth specific initiatives for materiality mainly focusing on contribution to the creation of healthy and long-living society through “SUMITOMO LIFE Vitality.”



| Materiality | Risks and Opportunities | Material Issues | Our Visions | Relevant SDGs |
|--|---|--|---|---------------|
| Extending healthy life expectancy through the insurance business | Risks <ul style="list-style-type: none"> Longer lives could result in decreasing demand for death protection, and increases in benefits paid in relation to hospitalization and surgery, etc. Opportunities <ul style="list-style-type: none"> Rising demand for pure endowments driven by longer lives and the increase in one-person households Market growth driven by development of proprietary products that contribute to the promotion of health | <ul style="list-style-type: none"> Promote business related to “SUMITOMO LIFE Vitality” <p>Implement initiatives to publicize “SUMITOMO LIFE Vitality” throughout society, as well as initiatives to drive the evolution of products, programs, and rewards</p> | Contribute to extending healthy life expectancy in Japan through the insurance business, with a view to realizing a society where people can continue to live with peace of mind in good health | |
| Provision of sense of security through the insurance business | Risks <ul style="list-style-type: none"> Mismatches between products and services provided and customer needs; obsolescence caused by similar products and services from other companies or neighboring industries Possibility of damage to asset values as a result of investment and financing behavior that ignores the ESG perspective Opportunities <ul style="list-style-type: none"> Enhancement of corporate value through the provision of products and services that capture customer needs Increase in investment and financing opportunities generated by the expansion of funding needs for ESG projects | <ul style="list-style-type: none"> Provide services and information for the era of the 100-year lifespan Sustainability-based responsible investment | Provide all people with suitable life insurance products and services, as well as security that they will lead to, by pursuing customer-oriented management | |
| Realization of sustainable and stable growth | Risks <ul style="list-style-type: none"> Loss of customers, reduced motivation to work, and obstacles to hiring employees resulting from an approach to operating the business that is incompatible with environmental changes Opportunities <ul style="list-style-type: none"> Gaining of social trust, securing stable earnings and enhancement of corporate value resulting from an approach to operating the business that captures the changing needs of society | <ul style="list-style-type: none"> Improving productivity through work style reform and resource optimization Hiring and developing flexible, diverse human capital Coexisting with business partners through cooperation and other efforts Creating new value through open innovation Diversifying our earnings base through overseas business Strengthening IT and other business development infrastructure | Under a management policy to be passed down through the ages, continue to grow steadily while responding to changes and reforms in society | |
| Building mutual trust with stakeholders | Risks <ul style="list-style-type: none"> Possibility of loss of social reason for existence caused by damage to mutual trust Opportunities <ul style="list-style-type: none"> Gaining the trust of stakeholders by fulfilling social responsibilities | <ul style="list-style-type: none"> Promoting financial literacy education Contributing to the achievement of carbon neutrality Providing well-being services rooted in communities Promoting social contribution activities | Meet the expectations of stakeholders and aim to be a company that is trusted and supported by them | |
| Management structure that supports sustainability | Risks <ul style="list-style-type: none"> Possibility of reduced trust and of damage to corporate value caused by infringements of laws and regulations or corporate behavior that deviates from social norms Opportunities <ul style="list-style-type: none"> Enhancing corporate value by achieving highly effective corporate governance and making continuous improvements to it thereafter | <ul style="list-style-type: none"> Strengthening the management system on a Groupwide basis Compliance initiatives Human rights initiatives Personal information initiative Promoting ERM, enhancing the risk management system | Continue to be a corporate group that contributes to the creation of a sustainable society by conducting honest business operations and building a sound financial base | |

* Responsible investment contributes to the achievement of all SDGs

Process for Identifying Materiality

In view of global trends surrounding CSR, we identified key items of CSR in 2018 in the following steps (the process used at the time of identification is shown). Later in 2022, we established the Sustainability Management Policy. Accordingly, we have changed their name to key items of sustainability.

STEP1 Uncovering Related Items

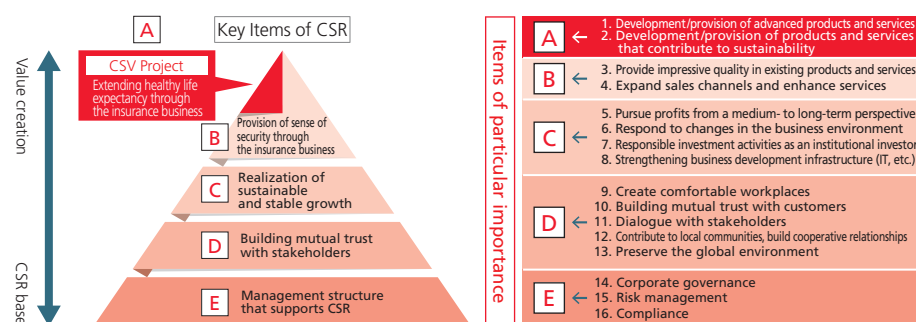
Taking into account advice from external resources, such as international guidelines, we uncovered items that were thought to be related to CSR. After further collating and revising the items, we extracted and organized the items that became the subject for the survey.

STEP2 Refining Based on Internal and External Assessments

Reflecting internal and external opinions on the items that were extracted in Step 1, we assigned priorities both from the stakeholder perspective and Sumitomo Life operational perspective. Based on the priorities derived from both perspectives, we selected 16 items that both stakeholders and Sumitomo Life considered to be important. (Refer to diagram below)

STEP3 Verification of Key Items Based on Management Policy

Based on the CSR Management Policy, Sumitomo Life selected five key items of CSR. The Company confirmed that the five key items of CSR correspond to the 16 items derived from this process, and their reasonableness was verified.



Promotion System

In order to realize our “Sustainability Management Policy,” we have clarified the main initiatives for each Key Item of Sustainability (materiality), and have a system in place to confirm the status of these initiatives by the Executive Management Committee and report them to the Board of Directors, as well as to implement the PDCA cycle.



Council for Promotion of Social and Environmental Sustainability

The Company has established the “Council for Promotion of Social and Environmental Sustainability,” chaired by the Group Sustainability Officer, to examine initiatives to contribute to social and global environmental well-being, which is the foundation of a sustainable society. In

addition to promoting initiatives toward carbon neutrality and social contribution activities, the Council also evaluates the impact of newly arising issues on business from the perspective of social and environmental challenges.

Message from the Group Sustainability Officer

Achieving a better future through sustainability management

Hideyuki Sumi Director, Deputy President & Executive Officer
(Representative Executive Officer)
Group Sustainability Officer



When we think about social sustainability, it seems that future uncertainty is rising around the world. The situation in recent years has been changing more dramatically than ever, and becoming increasingly more complex. In addition to tackling environmental issues such as climate change and protecting biodiversity, we face a diverse range of issues we must address, such as respect for human rights and the inclusion of diversity.

Under these circumstances, as a corporate group with social responsibilities, Sumitomo Life is striving to actively fulfill its role in solving social and environmental issues while also pursuing initiatives to contribute to stakeholder well-being through its businesses. In these ways, we seek to achieve better lives for people, a better society, and a better global environment. We will continue to engage in the sustainability management we have consistently pursued, in changing forms, since the time of our founding, as we aim for a better future.

Promoting sustainability management

In Sumitomo Life's Sustainability Management Policy, which presents our approach to being sustainable together with society, we set forth our goals to "contribute to the realization of a society of affluence, vitality, health and longevity" and "contribute to the realization of a sustainable society." To achieve these goals, under "Sumitomo Life Group Vision 2030," we aim to provide the value of well-being to as many people as possible, centering on SUMITOMO LIFE Vitality.

Looking back on fiscal 2023, we were able to advance SUMITOMO LIFE Vitality in a variety of ways, achieving the largest annual number of new subscriptions since the service was launched. Going forward, we will further expand the services we provide, in the non-insurance domain as well, centered on SUMITOMO LIFE Vitality. At the same time, it is also important for us to continue to implement our existing initiatives, and we will increase our focus on addressing the Key Items of Sustainability (materialities) based on our Management Policy.

Solving social and environmental issues

Sumitomo Life is working to help solve social and environmental issues through its initiatives to address the Key Items of Sustainability. To this end, we have established the "Council for Promotion of Social and Environmental Sustainability," chaired by the Group Sustainability Officer. Our cross-divisional discussions on the Group's contribution to the well-being of society and the natural environment lead to the implementation of various initiatives.

One of the specific initiatives we are promoting is the reduction of greenhouse gas (GHG) emissions from our own business activities and our asset portfolio, aiming to achieve net zero GHG emissions by 2050, the target set by the Sumitomo Life Group. As an institutional investor, we promote asset management that takes sustainability into consideration (responsible investment). We actively undertake dialogue with our investees, as well as transition financing, etc.

With the finalization of the TNFD recommendations in September 2023, it has become more important for companies to engage in conserving natural capital and biodiversity, and we will continue to consider our response to newly emerging issues such as these.

In addition to addressing climate change and other issues in the natural environment, we are also engaged in efforts to respect the human rights of the stakeholders related to all processes in our business activities and further enhance "human value" through human capital management and human capital development.

By supporting health and longevity in this era of the 100-year lifespan, and through repeated dialogue with the younger generations that will shape the future, we aim to realize a society of well-being. Sumitomo Life will continue to engage in sustainability management while cooperating with its various stakeholders.

Addressing Climate Change

We will reduce environmental burdens arising in the course of our business activities and consider the importance of biodiversity, based on awareness that the global environment forms the foundation of a sustainable society. By encouraging the shift to a decarbonized society, we will also contribute to the realization of a carbon-neutral society.

Realization of a Carbon-Neutral Society

Greenhouse Gas Emissions Reduction Targets

Sumitomo Life Group aims for net-zero greenhouse gas ("GHG") emissions by 2050. We have also established reduction targets for 2030 as interim targets.

| 2050 Target | Net zero GHG emissions [Groupwide* ¹] | |
|---------------------|---|--|
| 2030 Interim Target | Scope 1+2+3* ² | compared with FY2019 -50% [Groupwide] |
| | Asset portfolio* ³ | compared with FY2019 -50%* ⁴ [Sumitomo Life (non-consolidated)] |

*1 Scope of coverage is Sumitomo Life and its consolidated subsidiaries.

*2 Scope 1, 2, and 3 are concepts in the GHG emissions accounting and reporting standards for businesses stipulated by the GHG Protocol and refer to the following.

- Scope 1: Direct emissions from fuel use at Sumitomo Life Group
- Scope 2: Indirect emissions from use of electricity and heat purchased by Sumitomo Life Group
- Scope 3: Indirect emissions from business activities other than those in Scope 1 and 2

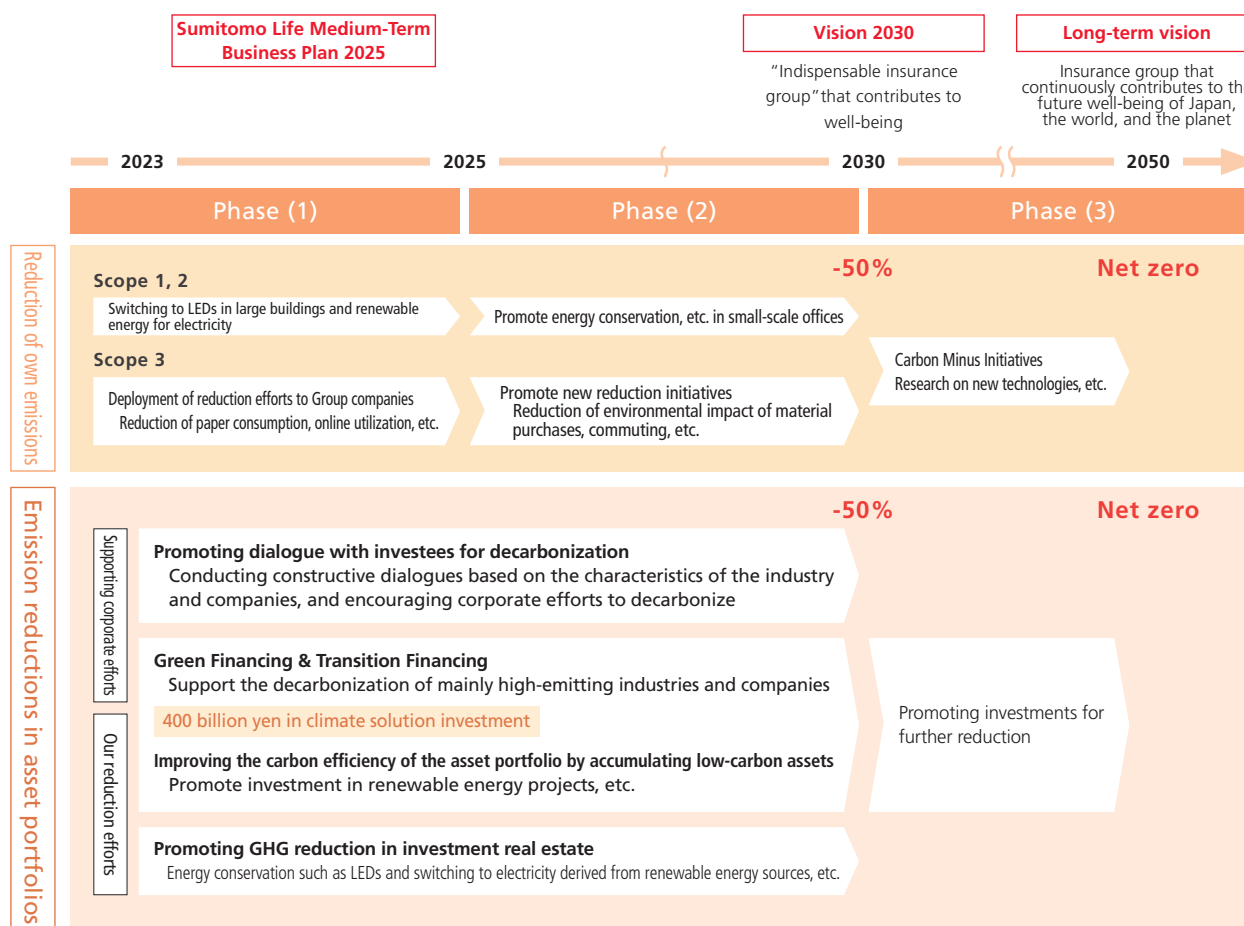
Scope 3 covers the items in which emissions are to be reduced through the proactive efforts of Sumitomo Life Group and its employees. It includes Category 1 (Purchased Goods and Services), Category 3 (Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2), Category 4 (Upstream Transportation and Distribution at the expense of Sumitomo Life Group), Category 5 (Waste Generated in Operations), Category 6 (Business Travel),

Category 7 (Employee Commuting), and Category 12 (End-of-Life Treatment of Sold Products). Category 13 (Downstream Leased Assets) and Category 15 (Investments) are managed separately as emissions from the asset portfolio.

*3 For the 2050 target, this encompasses all assets excluding government bonds, etc. For the 2030 target, this encompasses domestic and overseas listed stocks, corporate bonds, loans, real estate for investment, and infrastructure investments. Target Scopes are investees' Scope 1 and 2. The reduction indicator expresses "Intensity (GHG emissions proportional to the amount of balance held in the portfolio)," in order to assess emissions excluding effects of asset size. It is measured by dividing the GHG emissions from the asset portfolio by the amount of balance held.

*4 This level also meets the reduction level recommended by the Net-Zero Asset Owner Alliance, which Sumitomo Life has joined.

Efforts to Achieve Carbon Neutrality by 2050 - Roadmap for Climate Change Response -



Adoption of TCFD Recommendations

In March 2019, we announced our endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB). We will redouble our initiatives thus far related to climate change while also enhancing our disclosure taking into account the TCFD recommendations.



Governance

Sumitomo Life recognizes that climate-related issues will present risks and opportunities for its business activities. Our "Sustainability Management Policy" stipulates "contribution to the realization of a sustainable society through efforts to solve social and environmental issues," including climate change. We have established the Key Items of Sustainability (materialities) based on our Management Policy, and our Business Plan specifies initiatives to address climate change ("contributing to the realization of a carbon-neutral society" and "sustainability-based responsible investment") and clarifies the key issues we must tackle.

The "Sumisei Environmental Policy" has been established as a specific action policy for the global environment. We have also formulated the "Basic Principles on Responsible Investment" with the aim of helping to realize a sustainable society encompassing measures to address climate change through asset management, and the Responsible Investment Committee discusses a broad range of issues, including climate change. (See the "risk management" section for details of the risk management system.)

In addition, in response to Key Items of Sustainability (materialities) related to social and environmental issues, the "Council for Promotion of Social and Environmental Sustainability," chaired by the Group Sustainability Officer, discusses how to deal with climate change issues (reports on the status of responses in the first half and fiscal year to the Executive Management Committee and the Board of Directors).

Strategy

We recognize that Sumitomo Life's business activities gain opportunities and incur risks due to climate change as described below. As such, we have been working to reduce such risks while exploiting such opportunities by appropriately engaging in initiatives to manage risk.

<Opportunities>

1. Development of new life insurance products and services to address climate change in the life insurance business
2. In asset management, we are encountering more opportunities for investment particularly with respect to companies that develop technologies contributing to a carbon neutral society as well as projects related to renewable energy.

<Risks>

The following risks from among those related to climate serve as the primary risks that may significantly affect Sumitomo Life's business.

1. Risk of incurring losses amid changes in the incidence of death, etc. over the medium to long term due to factors that include higher average temperatures
2. Risk of future impairment on the value of our investment assets under a situation where we become subject to substantial effects involving our investees due to factors that include policy changes and regulatory reforms regarding the transition to a carbon neutral society

We have performed scenario analysis enlisting the following steps in order to evaluate effects of climate-related risk on the life insurance business and the asset management business based on our awareness of the aforementioned risks. For details of the results of our scenario analysis, please visit our official website. Details of our scenario analysis are presented on our official website. (See the next page for the analysis for fiscal 2023.)

Steps in scenario analysis

| STEP 1 | STEP 2 | STEP 3 | STEP 4 |
|---|---|---|---|
| Assess materiality of risks Risk exemplified in the TCFD recommendations <ul style="list-style-type: none"> ■ Physical risks Acute risk and chronic risk ■ Transition risks Policy and legal risks, technology risk, market risk, and reputation risk | Identify scenarios Select a scenario under which the average temperature rises by 1.5°C/2°C, 4°C prior to the year 2100 relative to average temperatures prior to the Industrial Revolution | Evaluate business impacts Evaluate effects on the life insurance business and the asset management business | Identify potential responses <ul style="list-style-type: none"> ■ Continue to study methods of analyzing the impact of the increase in the number of deaths and hospitalizations on the payment of claims and benefits, as well as methods of utilizing the analysis results ■ Calculate and analyze volumes of GHG emissions resulting from the asset management portfolio |

Risk management

Under our integrated risk management framework we have identified climate change risk as emerging risks in the form of potential events that could substantially affect Sumitomo Life in the future amid a scenario where such risk newly emerges or undergoes transformation due to environmental change or other such developments. Climate change risk is also made a subject of our newly established process for managing business risks (risks that would impede the achievement of our management strategy due to insufficient response to changes in

our business environment). Climate change risk is also monitored and reported to the ERM Committee, the Executive Management Committee, and the Board of Directors on a regular basis, in order to share risk awareness, etc.

When it comes to asset management, we take climate change and other ESG factors into consideration when making investment decisions and furthermore carry out engagement activities involving dialogue on climate change with investees.

Metrics and targets

We initially aim to achieve the GHG emissions reduction targets for 2030 (see [p. 31](#)) on our path to realizing carbon neutrality by 2050. The latest actual results available have undergone certification by a third-party agency.

GHG emissions results [Sumitomo Life Group]

(t-CO₂e)

| Category | FY2019 | FY2020 | FY2021 | FY2022 |
|----------------------------------|---------|---------|---------|---------|
| Scope1+2+3 [Groupwide] | 165,249 | 140,313 | 145,966 | 150,891 |
| Scope1 | 15,476 | 11,219 | 13,112 | 13,306 |
| Scope2 | 38,795 | 30,514 | 30,432 | 28,687 |
| Scope3 | 110,977 | 98,580 | 102,422 | 108,897 |

(t-CO₂e/million yen)

| Category | FY2019 | FY2020 | FY2021 | FY2022 |
|---|--------|--------|--------|--------|
| Asset portfolio* [Sumitomo Life (non-consolidated)] | 1.22 | 0.92 | 0.82 | — |

*The latest actual results available for the asset portfolio are those for FY2020. The actual figures have been adjusted in accordance with the revision of the target assets for the 2030 reduction target in March 2023.

● Initiatives to reduce GHG emissions from our business activities

We are promoting the replacement of lighting in the buildings we own with LED lights and progressively introducing renewable energy as initiatives aimed at reducing the GHG emissions resulting from our business activities. We have also reduced the volume of paper we use and introduced automotive leases using hybrid vehicles with excellent fuel efficiency at our branch offices and district offices.



Equipment supplying renewable energy to our Head Office building

<Scenario analysis: Impact (quantitative evaluation) of hot weather on insurance claim payments (death benefits and hospitalization benefits)>

Since fiscal 2020, we have implemented scenario analysis of the impact of climate-related risks on our life insurance business based on the TCFD recommendations, beginning with the impact on insurance claim payments and asset management (see our website for the past scenario analysis results).

We use two socio-economic scenarios in this analysis: "scenario involving an increase in average temperature limited to 1.5°C/2°C," and "scenario involving an increase in average temperature of 4°C," which serve as assumptions for considering how selected risks might develop in the future. In fiscal 2023, we combined the emissions scenarios and climate models used in the Intergovernmental Panel on Climate Change: Sixth Assessment Report (IPCCAR6) to implement our scenario analysis (quantitative evaluation). As a result, we were able to confirm that the impact of both the "increase in death benefit payments due to hot weather" and the "increase in hospitalization benefit payments

due to heatstroke, etc." was limited, being equivalent to less than 1% of our historical payments for all emissions scenarios and future dates, regardless of the population scenario.*¹

We recognize that the impact of a rise in temperatures on health is not limited to an increase in heat stress. It may also bring about warmer winters and changes in the epidemic patterns of infectious diseases. It is not just about temperature but the complex interactions between a wide range of factors: the global movement of people and goods, socioeconomic background, etc. Moreover, the methods and data used for scenario analysis are still in the process of development internationally. Given these facts, we will continue to monitor the direction of debate in Japan and overseas as we consider how to expand the scope of our analysis and the methods we use, working to further enhance the level of our scenario analysis.

Death benefits: Estimated increase in death benefit payments due to hot weather*¹

| Emissions scenario | (Reference) Average death benefit payments per year* ² | 2030 | 2050 | 2090 |
|--------------------|---|----------------|----------------|----------------|
| 1.5°C increase | ¥284.2 billion | + ¥0.3 billion | + ¥0.4 billion | + ¥0.2 billion |
| 4°C increase | | + ¥0.3 billion | + ¥0.6 billion | + ¥2.4 billion |

Hospitalization benefits: Estimated increase in hospitalization benefit payments due to heatstroke, etc.*¹

| Emissions scenario | (Reference) Average hospitalization benefit payments per year* ² | 2030 | 2050 | 2090 |
|--------------------|---|---------------|---------------|----------------|
| 1.5°C increase | ¥53.0 billion | + ¥19 million | + ¥31 million | + ¥16 million |
| 4°C increase | | + ¥16 million | + ¥50 million | + ¥197 million |

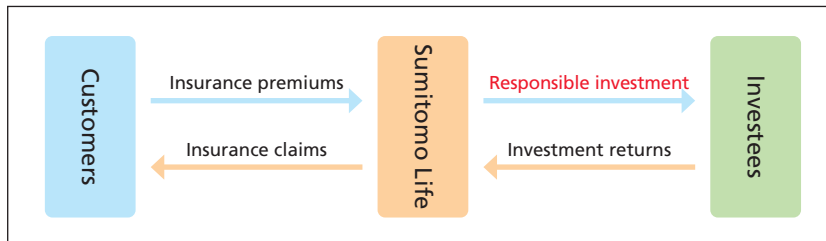
*¹ Our analysis is based on certain assumptions (we assume that our product types, payment standards, policy age composition, etc. remain unchanged from the present into the future) and emissions scenarios, population scenarios (we use several patterns based on the degree of population decline), etc. (the estimates shown above are based on a fixed population.) We have not considered the impact of warmer winters in the analysis this time.

*² The amounts of death benefits and hospitalization benefits are calculated based on our historical payments (deaths from the period from January 2017 to December 31, 2022; hospitalizations from the period from January 2017 to December 2019). Death benefits exclude cases where the direct cause of death was COVID-19. Payments from 2020 onward are excluded from historical payments for hospitalization benefits in order to eliminate the impact of COVID-19.

Responsible Investment Initiatives

We promote asset management that takes sustainability into consideration (responsible investment) with the aim of securing stable investment returns over the medium to long term and contributing to the realization of a sustainable society. We believe that contributing to the realization of a sustainable society is an initiative that is in line with our company's Purpose, and also contributes to securing medium to long term investment opportunities and reducing investment risks in our asset management. We will continue to make further contributions to solving social and environmental issues by promoting responsible investment.

Conceptual diagram



Toward Realization of a Sustainable Society



Purpose of responsible investment

Responsible investment: asset management with sustainability in mind

Securing stable investment income over the medium to long term + Contribution to the realization of a sustainable society

Specific methods (details: next page)

ESG investment

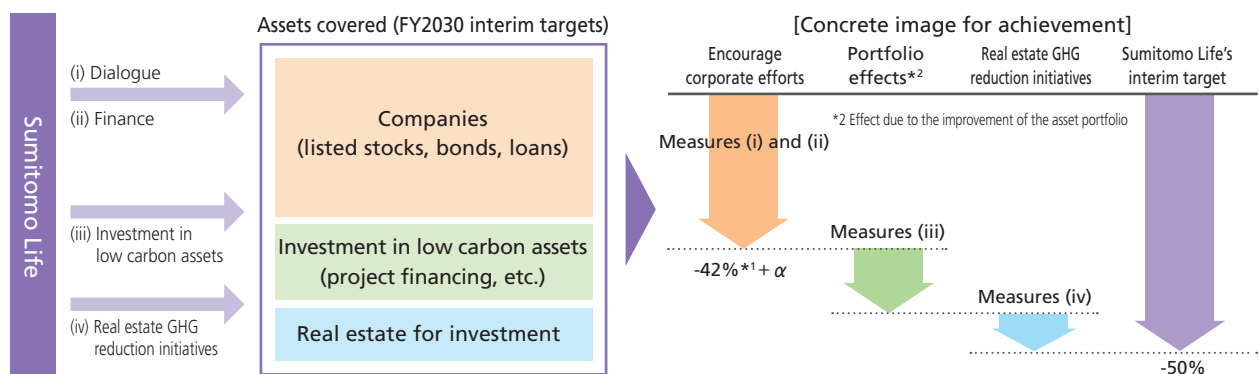
Investment behavior that considers ESG factors in addition to financial information

Stewardship activities

Dialogue activities and exercise of voting rights that take into account ESG factors from the perspective of improving the medium- to long-term corporate value of investee companies

Initiatives to achieve a decarbonized society

Initiatives to reduce GHG emissions resulting from the asset portfolio
We will strive to achieve the target level of GHG emissions reduction in our asset portfolio through various measures.



| Measures | Outline of initiatives |
|--|--|
| (i) Dialogue | ● Engage in dialogue to encourage companies to decarbonize their operations. |
| (ii) Finance | ● Support the decarbonization of investee companies through finance (transition financing*3, etc.). |
| (iii) Investment in low carbon assets | ● Focus on investments in low-carbon assets, including infrastructure equity funds and project finance for renewable energy. |
| (iv) Real estate GHG reduction initiatives | ● Promote energy conservation and switch to renewable energy in investment real estate. |

*3 This financing method is designed to support the efforts of companies that are steadily working to reduce GHG emissions in accordance with their long-term strategies toward the realization of a decarbonized society.

ESG Investment Initiatives

● ESG integration

It is a method in which you consider non-financial information, including responses to ESG issues, in addition to quantitative financial information in your investment decision-making process. We are committed to implementing and improving ESG integration for all assets under our management.

● ESG thematic investments

Refers to investment projects in which the use of funds contributes to the achievement of the SDGs. With investment opportunities expected to increase due to the transition to a decarbonized society, we will continue to promote ESG thematic investments. Our targets and results for FY2023–2025 are shown below.

[Targets and results for the implementation of ESG thematic investments]

| | |
|---------------------------------------|---|
| FY2023–2025 (3-year total) | Target: ¥700.0 billion Result: ¥304.4 billion (FY2023) |
| Of which, climate change financing | Target: ¥400.0 billion Result: ¥205.5 billion (FY2023) |

To realize a decarbonized society, we believe it is crucial for high-emitting industries to steadily transition towards decarbonization. We are focusing our efforts on transition finance, investing in GX Economy Transition Bonds and other transition bonds, etc.*¹

*1 We invest in all 20 issuers that have actually issued transition bonds within Japan (as of March 31, 2024).

● Impact investment

Refers to investment projects that are intended to create social and environmental impacts as well as gain financial returns. We have executed approximately 77.0 billion yen so far (as of March 31, 2024). We believe that it is important to visualize and further create impact, and we are actively engaged in doing this.

● Sumisei Sustainable Finance Framework

We established the “Sumisei Sustainable Finance Framework” in March 2024 to more actively meet the financial needs of companies as they promote their sustainability initiatives. We will provide companies with financial support so that they can create even more positive impact.

● Negative screening

We have prohibited investments to inhumane weapons manufacturing companies and coal-fired power generation projects. However, social and environmental issues that need to be addressed are growing year by year. To address these issues comprehensively, we have established and announced the “Policy for Sectors with High Social and Environmental Risk*²” in March 2024

*2 For details on this initiative, please visit the following URL.
<https://www.sumitomolife.co.jp/english/newsrelease/pdf/nr20240329.pdf>

Efforts of Stewardship Activities

We actively engage in stewardship activities (dialogue activities and exercise of voting rights) based on the underlying objective of the Principles for Responsible Institutional Investors (Japan’s Stewardship Code) of promoting sustainable growth as well as enhancement of corporate value of investees through dialogues.

● Dialogue activities

Through dialogue to encourage investees to improve their corporate value over the medium to long term, we share recognition with them and urge them to work to solve issues. Our basic stance for dialogue is to communicate our concerns and requests as an investor based on our analysis of individual companies and work to deepen the understanding of themes, as companies’ management-related and ESG-related issues and solutions vary depending on their size, growth stage, etc. We will continue to promote dialogue activities on important themes such as companies’ measures against global warming, as well as human rights and labor environment issues, human capital, and biodiversity.

● Exercise of voting rights

We have established the “Guidelines for Exercising Voting Rights” from the viewpoint of improving corporate value over the medium to long term. We determine whether to vote for or against a proposal taking into account the content of the dialogue and the status of the efforts to address issues. The Company revises the Guidelines for Exercising Voting Rights as necessary, based on factors such as the direction of debate related to ESG.

*For details on responsible investment, please visit our website.
https://www.sumitomolife.co.jp/english/assetmanagement.html#esg_en

Viewpoints for dialogue

| Themes | Main viewpoints for dialogue |
|---|---|
| Management strategy Business strategy | <ul style="list-style-type: none"> ● Basic management philosophy, medium- to long-term growth strategy ● Key management indicators and measures for improvement ● Balancing social sustainability and economic rationality, etc. |
| Capital efficiency Shareholder returns | <ul style="list-style-type: none"> ● Efforts to improve capital efficiency ● Balance between retained surplus and investment plans, and shareholder returns, etc. |
| ESG | <p>Identification of important issues (materiality) and response [With respect to environment and society]</p> <ul style="list-style-type: none"> ● Significance of the businesses that lead to the solution of environmental and social issues and response ● Efforts to reduce GHG emissions ● Deepen efforts to address human rights and labor environment issues ● Promoting human capital management, including diversity, equity & inclusion <p>[With respect to governance]</p> <ul style="list-style-type: none"> ● Composition and operation of the Board of Directors ● Process for appointment and dismissal of management executives ● Philosophy on the officer remuneration system, etc. |

Please see the following information on our website for the status of our dialogue and exercise of voting rights and the details of specific guidelines.

- Adherence to the Principles for Responsible Institutional Investors (Japan’s Stewardship Code) (Only in Japanese)
- Responsible Investment Activities Report, Lists of Our Votes by Investee and Proposal (Only in Japanese), etc.

Natural Capital and Biodiversity Initiatives

As stated in the Sumisei Environmental Policy, Sumitomo Life has thus far recognized the importance of global environmental protection and biodiversity conservation and is engaged in various initiatives. We will pursue further initiatives from the dual standpoints of a business and an institutional investor, in order to achieve a sustainable society.

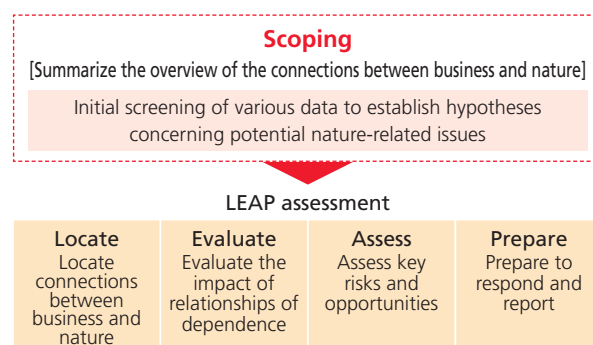
Respond to TNFD Recommendations

The Kunming-Montreal Global Biodiversity Framework, featuring new global targets by 2030, was adopted at the fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity (COP15) held in December 2022. The framework clearly indicated a “nature-positive” direction for stopping and reversing the loss of biodiversity. The issue of biodiversity was also ranked third, after risks such as extreme weather events, in the list of severe risks for the next decade published in the Global Risks Report 2024 by the World Economic Forum.

The Taskforce on Nature-related Financial Disclosures (TNFD) released its final recommendations in September 2023. With organizations around the world beginning to disclose information in line with the TNFD recommendations, Sumitomo Life was also registered as a TNFD Adopter in January 2024.

In fiscal 2023, we undertook scoping of the connections between life insurance and nature and

between investment and nature. Based on this scoping study, we will progressively enhance our information disclosure in line with the TNFD recommendations, including further analytical assessment based on the LEAP approach.



● Connections between insurance business and nature

We have followed the steps presented below to summarize the relationship between insurance business and nature. Given the characteristics of life insurance products, we focused on the relationships between human health, life and death and nature. The results demonstrate the high impact of infectious diseases and climate on the life insurance business.

1 Confirm the relationships between ecosystem services and human health

- Ecosystem services (the benefits provided to humans by ecosystems to support economic and human activities) are the foundation of good health and welfare, supporting the needs of humans and society, but their decline poses a serious risk to human health
→ Vital for human happiness and health everywhere...Water, food, genetic material, infectious disease control, recreation

2 Summarize the dependence of life insurance products on nature based on each ecosystem service (according to the TNFD categories)

- Example: Water supply services are vital for raising livestock and crops, manufacturing food and beverages, manufacturing, purifying, cooling, and cleaning products and materials, etc.
→ Water shortages reduce crop yield, affect the nutritional value of livestock, crops and foods, and impact human health

3 Summarize the nature-related risks and nature-related opportunities associated with life insurance products

- As there is insufficient statistical data and scientific data concerning nature and human health, we implement a qualitative impact assessment of nature-related risks and opportunities (summarized into high, medium and low levels by external experts)

| Classification of risks/ opportunities | | Impact on life insurance products | Related ecosystem services | Impact assessment |
|---|---|--|---|----------------------|
| Risks | Physical risk: chronic | Negative impact on health from a decline in the climate regulation function (hot weather and rise in average temperatures) | Climate regulation | High |
| | | Spread of unknown diseases due to causes such as the destruction of the natural habitat of pathogens | Disease control | |
| | Physical risk: acute | Increase in damage from natural disasters such as flooding, landslides and forest fires | Climate regulation Mitigation of flooding and storms | Medium/ low |
| | Physical risk: chronic | Damage to human health from changes in the patterns of spread of infectious diseases, such as changes in the distribution of vector-borne diseases, due to ecosystem destruction and the decline in the pest control function and disease control function | Disease control | |
| Opportunities | Transition risk and reputation | Criticism and deterioration in reputation among customers, employees and other stakeholders due to our failure to respond to nature-related risks as a company | — | Medium/ low |
| | Products and services | Rise in health consciousness, changes in demand for products and services, rising need for insurance among consumers | All | |
| | Business performance and reputation capital | Acclaim and improvement in reputation among customers, employees and other stakeholders due to our efforts to respond to nature-related risks as a company | All | |

● Connections between investment and nature

We used analytical tools such as ENCORE, which is recommended by the TNFD, to understand the relationship between our investees and natural capital. We assessed the impact and dependence of each industry on nature. The items where we found a high impact or dependence are shown below. We found that water-related issues (water usage and water supply) rated especially high in terms of impact and dependence.

We will continue to examine the use of ENCORE for engagement activities, etc. while engaging in even more sophisticated scoping.

Scoping method

We divided our investees into 11 sectors and 139 sub-industries based on the Global Industry Classification Standard (GICS) and analyzed their degree of dependence on natural capital and their degree of impact on natural capital. We ranked each sector's dependence and impact on each type of natural capital into five levels.

Five-level evaluation using ENCORE, etc.

| | |
|----------------------|-----------|
| Impact on nature | Very High |
| | High |
| | Middle |
| | Low |
| | Very Low |
| Dependence on nature | Very High |
| | High |
| | Middle |
| | Low |
| | Very Low |

Investment heat map by sector (impact on nature and dependence on nature)*

| GICS 11 sectors | Impact on nature | | | | Dependence on nature | | | |
|------------------------|---|------------------------------|----------------|---------------------------|----------------------|-------------------------------------|--------------------------|------------------------|
| | | | | | Supply services | Regulation and maintenance services | | |
| | Changes in the use of land and freshwater | | Climate change | Resource use and recovery | Water supply | Mitigation of flooding and storms | | |
| | Use of land ecosystems | Use of freshwater ecosystems | GHG emissions | Water usage | Groundwater | Climate regulation | Protection from flooding | Protection from storms |
| Consumer discretionary | | | | | | | | |
| Consumer staples | | | | | | | | |
| Energy | | | | | | | | |
| Financial | — | — | — | — | — | — | — | — |
| Health care | — | — | | | | | | |
| Industrials | | | | | | | | |
| Information technology | — | — | | | | | | |
| Materials | | | | | | | | |
| Real estate | | — | | — | | — | | |
| Communication services | | | — | — | — | | | |
| Utilities | | | | | | | | |

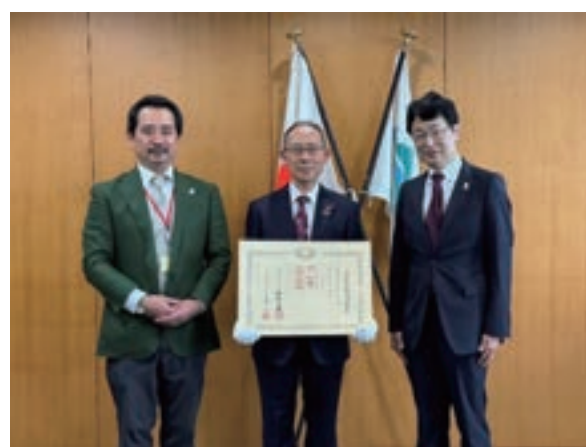
*Only impacts and dependencies judged of special importance are shown

Initiatives to promote the conservation of biodiversity

Sumitomo Life has been engaged for many years in initiatives to conserve biodiversity. Under the Sumisei "Humany" activities, launched in 1992, many of our employees have actively undertaken activities such as coastal clean-up and the conservation of community forests. We will continue our efforts to contribute to the well-being of the global environment, as set forth in Sumitomo Life Group Vision 2030.

● Support for marine conservation activities

We contribute to activities to keep the oceans rich for the future through efforts including the coral conservation project undertaken by World Wide Fund for Nature Japan (WWF Japan), which we have supported since 2008, and WWF Japan's marine conservation activities, which we have supported since 2022. This support resulted in us receiving a Medal with Dark Blue Ribbon in June 2023.



Naohisa Okuda, Director General, Nature Conservation Bureau, Ministry of the Environment (at the time of the award; right)
Sadayoshi Tobai, Chief Executive Officer of WWF Japan (left)
Hideyuki Sumi, Deputy President, Sumitomo Life (center)

Initiatives for Future Generations (Future Generations Relations)

Today, active dialogue between companies and future generations has become increasingly important in the assessment by investors, who require that companies improve the well-being of customers, employees, and all of society, as well as to achieve both sustainable business growth and coexistence with society. Sumitomo Life cooperates with like-minded companies, perceiving the “future generations” who will define the future as important stakeholders and pursuing continuing dialogue with them in the form of Future Generations Relations (FR).

Sumitomo Life has pursued initiatives to create forums for the generations who will define the future to grow in health and prosperity. We will continue to implement a diverse range of initiatives to foster an attitude of challenging endeavor, hoping for the prosperous growth of the children who will lead the future, as we aim to achieve a society of well-being.



[The Nikkei, December 2023]

Supporting education for future generations

Financial literacy education is becoming increasingly necessary due to factors such as the underlying historical shift from savings to investment and the revision of the Japanese government's school curriculum guidelines. However, schools face a lack of experience and financial literacy among teaching staff, as well as teachers' work style reforms, and there have been many voices advocating the need for external assistance (from private-sector companies). By the end of fiscal 2023, Sumitomo Life provided visiting classes on themes frequently requested by schools, including financial education, career training, communication, SDGs, sexual education, and problem-solving, to a cumulative total of over 100 schools. (Our partner companies provide classes on the SDGs and sexual education.)



(A visiting class)

In fiscal 2023, we held classes based on our endorsement of “Global Money Week,” an international awareness-raising campaign to promote financial education and financial inclusion for children and young people, hosted by the International Network on Financial Education (INFE) of OECD.

[Prefectures where we have provided visiting classes (103 schools in total)]

Hokkaido, Akita, Yamagata, Fukushima, Saitama, Kanagawa, Tokyo, Shizuoka, Ishikawa, and Osaka

Promoting social contribution activities through child raising support and support for future generations

● Children's drawing contests

Launched in 1977 in the hope of prosperous growth for children, we held the 47th children's drawing contest in fiscal 2024. The scale of the competition has grown, with a total of 11.72 million entries since its inception (75,650 entries in 2023).

Since fiscal 2000, we have received the backing of the Louvre Museum of France, and 105 outstanding entries in our competition are displayed at the national museum in spring each year. We also make donations to UNICEF Japan based on the number of sheets of drawing paper presented and the number of entries.



● Child Raising Project to Empower the Future

Since 2007, we have welcomed applications for our “Awards in Support of Child Raising,” presented to individuals and groups that engage in creating local environments for raising children, and our “support for researchers” who balance child-rearing with research activities in the fields of humanities and social sciences.



● Sumisei After School Project

The Sumisei After School Project is aimed at making after-school living and care facilities such as “after-school children's clubs” and “after-school children's classrooms” more fun and making them places where children can grow.



● Sumisei Vitality Action

In 2017, we launched “Sumisei Vitality Action” as a new social contribution program to mark the 110th anniversary of the founding of Sumitomo Life. This project is based on the theme of “let's get active together with your loved ones” and embodies our hope for the health and happiness of participants.

We hold family sporting events featuring various top athletes across Japan.



● Initiatives together with professional golfers Yuna Nishimura and Taiga Semikawa

We have sponsorship agreements with professional golfers Yuna Nishimura and Taiga Semikawa, and we accumulate points each time they win a tournament or score a birdie, eagle, or hole-in-one. We then make donations to groups engaged in supporting many children who will lead Japan in the future or contributing to the conservation of the global environment, based on the accumulated number of points.

Through this project, we aim to support children who will define the future as we support these two professional golfers from future generations in their endeavors on the world stage.



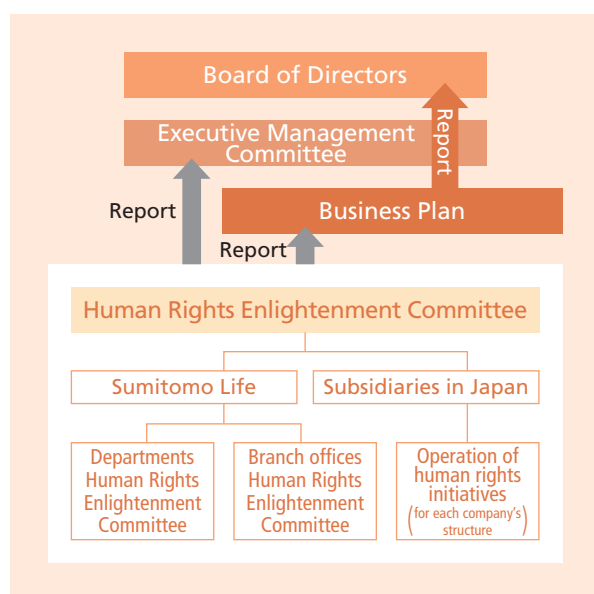
Human Rights Initiatives

We have established the “Sumitomo Life Group Human Rights Policy” in line with the ideals of international standards such as the UN Guiding Principles on Business and Human Rights, as action-level guidelines, in order to ensure that executives and employees will put the operating policy into practice through their actions. Through our efforts to respect the human rights of all the stakeholders related to our business activities, we aim to contribute to creating a healthy and fulfilling society.

In addition, we will promote human rights initiatives as part of our efforts to address our Key Items of Sustainability (materialities), contributing to the realization of a sustainable society by playing an active role in solving social and environmental issues as a socially responsible corporate group. Under our basic philosophy “not to engage in, allow, or tolerate discrimination,” we will continue to promote initiatives to “build a workplace culture that respects human rights,” emphasizing efforts to encourage each executive and employee to understand the significance and importance of respect for human rights and link this to their behavior with a full awareness of human rights. In this way, we hope to realize a society without discrimination or bias, where human rights are truly respected.

Promotion system

The Human Rights Enlightenment Committee, determines an engagement plan for human rights management based on the “Sumitomo Life Group Human Rights Policy,” and Sumitomo Life promotes initiatives for the respect of human rights at the Company and its subsidiaries.



Scheme of the promotion system

Human rights due diligence initiatives

We implement human rights due diligence initiatives based on the “Sumitomo Life Group Human Rights Policy.” We evaluate the probability and seriousness of the human rights risks related to all areas of our businesses, including supply chains. From among these, we identify the key issues that we should address as a priority, and implement measures to prevent or mitigate these risks. We also promote activities to confirm the status of initiatives on human rights and other issues in our supply chains.

Human rights awareness and education initiatives

We provide various education and enlightenment programs ranging from new hire training, training of human rights enlightenment leaders to manager training that are finetuned to each target, besides regularly offering human rights trainings designed for all employees, holding the monthly Human Rights Awareness Day, running a program inviting employees to create and send in their own human rights awareness slogans, and promoting other initiatives to improve each person's awareness of human rights.

*See our official website for details of the Sumitomo Life Group Human Rights Policy, human rights due diligence initiatives, etc.
<https://www.sumitomolife.co.jp/english/philosophy/philosophy.html>

Human Capital Management (Human Capital Development Initiatives)

In order to provide value to all stakeholders in a sustainable manner, Sumitomo Life regards its “employees” as “capital” and is committed to human capital management linked to our management strategies—human capital development. We have established “improving productivity through work style reform and resource optimization” and “hiring and developing flexible, diverse human capital” as Key Items of Sustainability (materialities) to achieve sustainable and stable growth.

Together with “digital & data,” we have identified human capital development as “engines” to accelerate our initiatives in each domain under “Sumitomo Life Medium-Term Business Plan 2025.” We pursue these initiatives based on our strong ideal of “enhancing the value of our employees (human capital) to achieve the well-being of all of our stakeholders and the well-being of our executives and employees.” Upon the appointment of the President, we established the “Human Capital Development Headquarter,” and the President himself leads the Company's human capital management as Chief of the “Human Capital Development Headquarter.” Details of specific initiatives are provided on p. 70–73.

Sumitomo Life Medium-Term Business Plan 2025

Given that “Sumitomo Life Medium-Term Business Plan 2025” is the first three years of the “Sumitomo Life Group Vision 2030,” we will steadily implement measures to realize the plan, including investments for the future, even in the midst of an expected severe business environment, and establish a path to success in 2030.

Overview

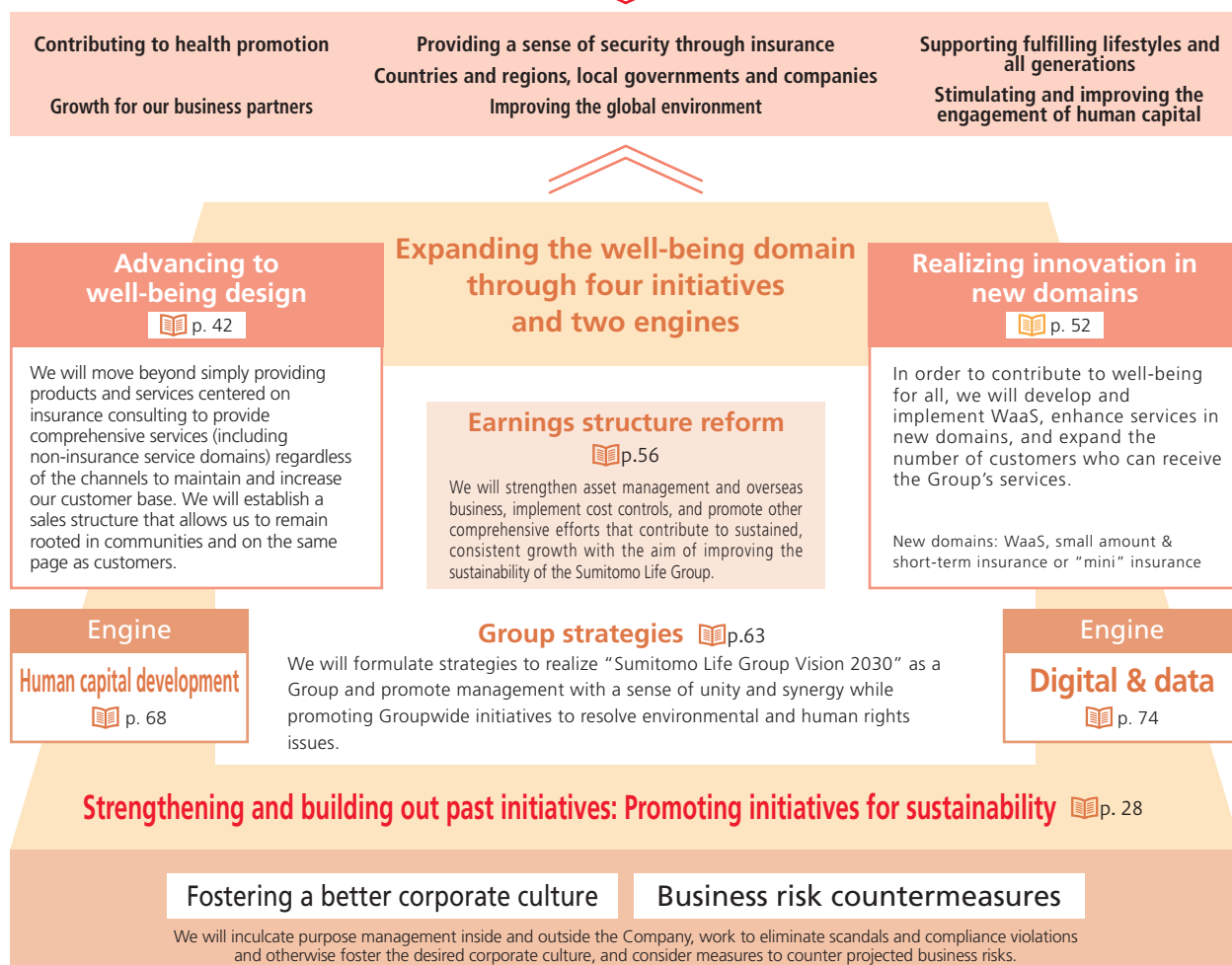
Because it will be important to strengthen and build out past initiatives, we will continue to engage in the Key Items of Sustainability and will also expand the well-being domain through four initiatives: “advancing to well-being design,” “realizing innovation in new domains,” “earnings structure reform,” and “Group strategies.” As the engine for ensuring our realization of these initiatives, we will increase productivity by enhancing “human value,” digitize insurance administration procedures, create and supply content that maximizes the value of

data, and more to enhance our provision of services that “fuse human value and digital technology.”

In addition, we will inculcate purpose management—the foundation of these initiatives—inside and outside the Company, work to eliminate scandals and compliance violations and otherwise foster the desired corporate culture, and consider measures to counter projected business risks, all in an effort to enhance the sustainability of our businesses.

—Becoming an “indispensable insurance group” that contributes to well-being—

Establishing the path toward achieving Vision 2030



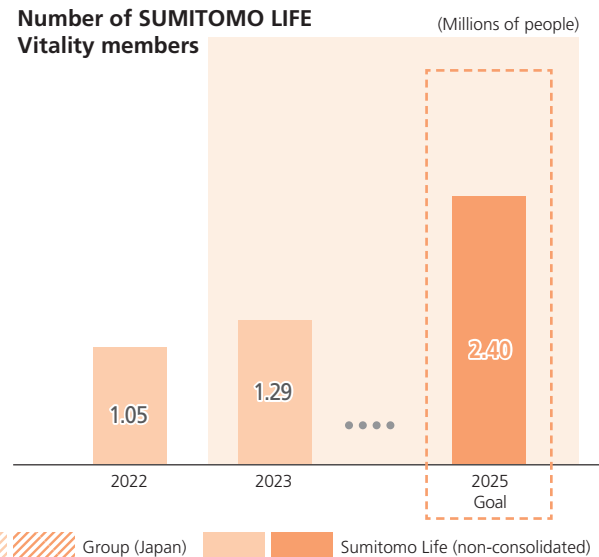
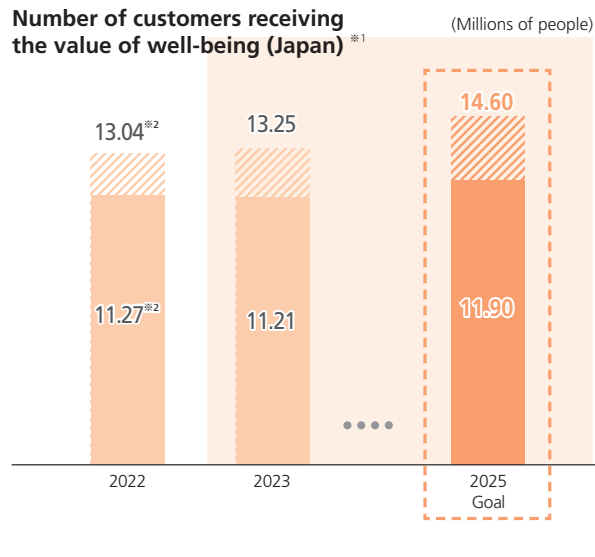
Key goal indicators (KGIs)

As the key goal indicators (KGIs) of “Sumitomo Life Medium-Term Business Plan 2025,” we have set the following targets and will work to fully achieve them.

● Providing the value of well-being

We have established interim targets for March 31, 2026 on our way to achieve our goals for 2030, set forth in “Sumitomo Life Group Vision 2030”, of 20 million customers receiving the value of well-being and 5 million SUMITOMO LIFE Vitality members.

In fiscal year 2023, the first fiscal year of the Medium-Term Business Plan, we provided the value of well-being to customers through a wide variety of contact points, not limited to the insurance domain, and all indicators rose steadily.



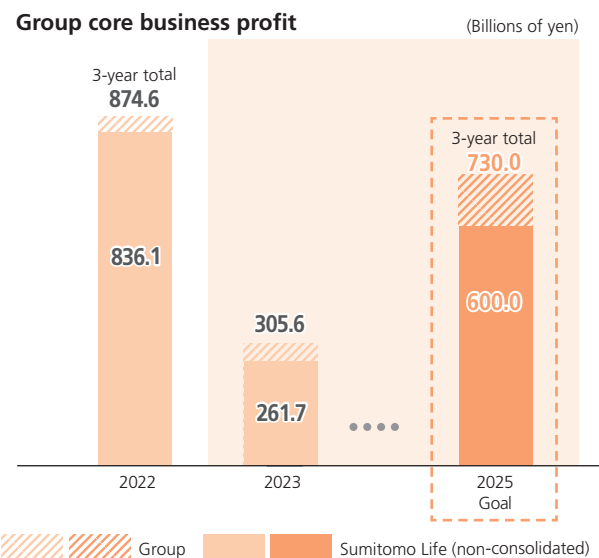
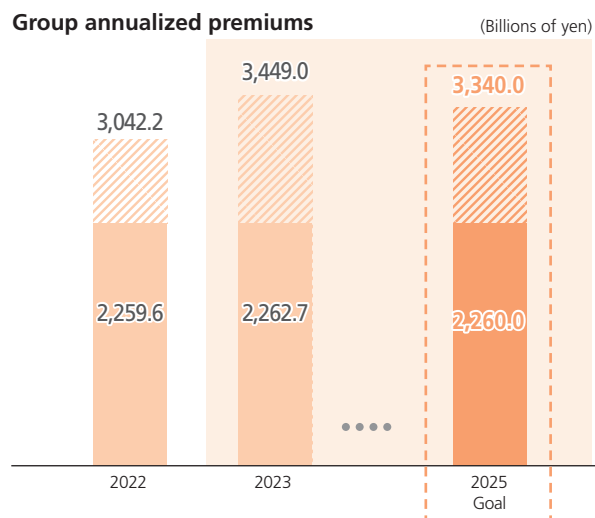
*1 Number of people insured by Sumitomo Life (number of people enrolled in corporate insurance and group pensions), number of policyholders of associated products, number of Vitality Smart members, number of people insured by Medicare Life, annual number of users in a given year of WaaS, annual number of policies in a given year of small amount & short-term insurance or “mini” insurance, and number of shop subsidiary policyholders. Of these, the number of customers of Sumitomo Life (non-consolidated) includes the number of people insured by Sumitomo Life (number of people enrolled in corporate insurance and group pensions), number of policyholders of associated products, number of Vitality Smart members, and number of policies in a given year of “mini” insurance.

*2 Some of the customer numbers shown have been counted after careful examination.

● Sustainable and stable growth

We have established indicators to achieve sustainable and stable growth. These include group annualized premiums for top-line indicators and group core business profit for bottom-line indicators. As of March 31, 2024, we have already secured group annualized premiums exceeding the level targeted under the Medium-Term Business Plan,

partly due to an increase in the number of policies in force at Symetra and the effect of foreign exchange rates, in addition to our acquisition of Singlife as a subsidiary. We are making good progress toward our target for group core business profit, thanks to the effect of foreign exchange rates and steady earnings from policies in force.



Sumitomo Life Medium-Term Business Plan 2025 Four Initiatives

Advancing to Well-being Design



We will move beyond simply providing products and services centered on insurance consulting to offer “well-being design,” providing comprehensive services including non-insurance domains. In this way, we will not only strive to keep and increase our customer numbers but also be a company even more firmly rooted in communities, able to continue to stay close to our customers.

Providing a sense of security through insurance and contributing to health promotion

We have worked to enhance the rewards offered in SUMITOMO LIFE Vitality to further boost the attractiveness of the Vitality Wellness Program. We have also focused on providing “Vitality Smart,” which allows customers to use a portion of the Vitality Wellness Program independently, in order to contribute to the health enhancement activities of a wider range of customers as we endeavor to expand our range of non-insurance services.

Meanwhile, as an initiative to enhance our insurance products, we have raised the assumed interest rates for some of our savings products to address our customers’

asset formation needs. We have also engaged in further expanding our product lineup to address increasingly diverse customer needs, launching new products through financial institutions and other agency channels and revising the mainstay products at Medicare Life.

In terms of services, we promoted our service offerings that fuse the human and the digital, such as our launch of the smartphone app “Sumisei Digital Concierge,” which enables users to submit policy applications and complete maintenance procedures, make payment claims, etc. online.

Creating a group of highly competitive human capital who provide well-being

We are expanding the scope of our activities, aiming for all our sales representatives to develop into “well-being designers.” In addition to the life planning domain centered on SUMITOMO LIFE Vitality, we are engaged in providing comprehensive non-insurance services and further boosting our contribution to local communities.

We have also engaged in enhancing the education we provide to new sales representatives and instructors by developing activities and consulting support using technologies such as AI.

Supporting fulfilling lifestyles and providing well-being services rooted in communities

We provide support for local corporations’ health and well-being management and local government initiatives.

In cooperation with local governments, we implement initiatives aimed at addressing the health enhancement of local residents and other issues faced by local governments. As of March 31, 2024, we have signed agreements or engaged in collaborative projects with 44 prefectures and many municipalities across Japan. These include the implementation of “Vitality Walk,” which offers a portion of the Vitality Wellness Program free of charge for a certain period of time, through over 20 local governments.

Through these efforts, we will maintain and increase the number of insurance customers, and expand the numbers of customers receiving the value of well-being and SUMITOMO LIFE Vitality members by providing Vitality that is close to customers and rooted in the community.

| | | Fiscal year 2023 results | 2025 medium-term plan goal |
|---|---|--------------------------|----------------------------|
| Number of customers receiving the value of well-being (Japan) | | 13.25 million | 14.60 million |
| Group annualized premiums | | ¥3,449.0 billion | ¥3,340.0 billion |
| Sumitomo Life (non-consolidated) | Number of customers receiving the value of well-being | 11.21 million | 11.90 million |
| | Number of SUMITOMO LIFE Vitality members | 1.29 million | 2.40 million |
| | Annualized premiums | ¥2,262.7 billion | ¥2,260.0 billion |



SUMITOMO LIFE Vitality

Traditionally, life insurance has provided customers with “sense of security” through financial assurance. As you look to the future, the field of the “sense of security” will continue to expand.

We are going to realize lasting value unique to Sumitomo Life, through developing services centered on “SUMITOMO LIFE Vitality” that will contribute to “well-being for all” in alliance with various partner companies as an ecosystem.

Extending healthy life expectancy - CSV Project -

“Management Policy,” which is our corporate philosophy, tells the importance of gaining an insight into the true nature of things in changing times and situations in order to achieve the goal of contributing to society. As exemplified by the SDGs, social issues in modern society are diversified and complicated. We believe that it is important to assess the impact of these issues, enhance our resilience and proceed with our efforts to solve the issues.

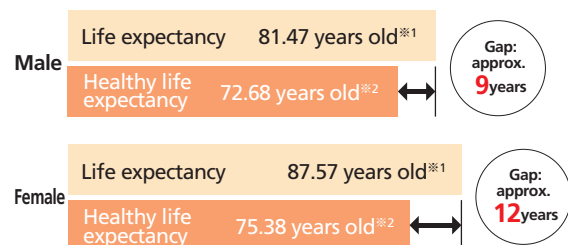
Japan is one of the world's leading countries in terms of life expectancy. However, there is a significant gap between its life expectancy and its healthy life expectancy, and closing the gap has become a social challenge.

Contributing to the extension of healthy life expectancy is a field in which we should naturally be working, as it is closely connected with our business of life insurance, that intrinsically allows us to have long-term relationships with our customers.

Sumitomo Life is endeavoring to solve the social challenge of extending healthy life expectancy through its efforts to encourage the entire society to enhance health and promote

health-focused management, centering around SUMITOMO LIFE Vitality Shared-Value Insurance. We regard these initiatives as our “CSV Project” and aim to “extend healthy life expectancy in Japan” by creating a new shared value of health enhancement among “customers,” “society,” and “the Company and its employees.”

Gap between life expectancy and healthy life expectancy



^{*1} Prepared by the Company based on the Ministry of Health, Labour and Welfare “Abridged Life Tables for Japan 2021”

^{*2} Prepared by the Company based on 2019 data from the Ministry of Health, Labour and Welfare “Materials for the 16th Health Sciences Council Japan 21 (the Second Term) Promotion Expert Committee,” December 2021

About “SUMITOMO LIFE Vitality”

Launched in July 2018, SUMITOMO LIFE Vitality Shared-Value Insurance is a product that incorporates into life insurance the Vitality Wellness Program^{*1}, which supports continuous engagement in health enhancement activities. Besides the coverage that an insurance is originally expected to provide, SUMITOMO LIFE Vitality comprehensively evaluates daily health enhancement activities of policyholders, and the policyholders may receive a discount^{*2} in their insurance premiums depending on their status which is determined based on the annual history of their efforts. Furthermore, SUMITOMO LIFE Vitality supports policyholders in their health enhancement efforts with various rewards such as a discount in the monthly fees of a gym membership and travel discounts.

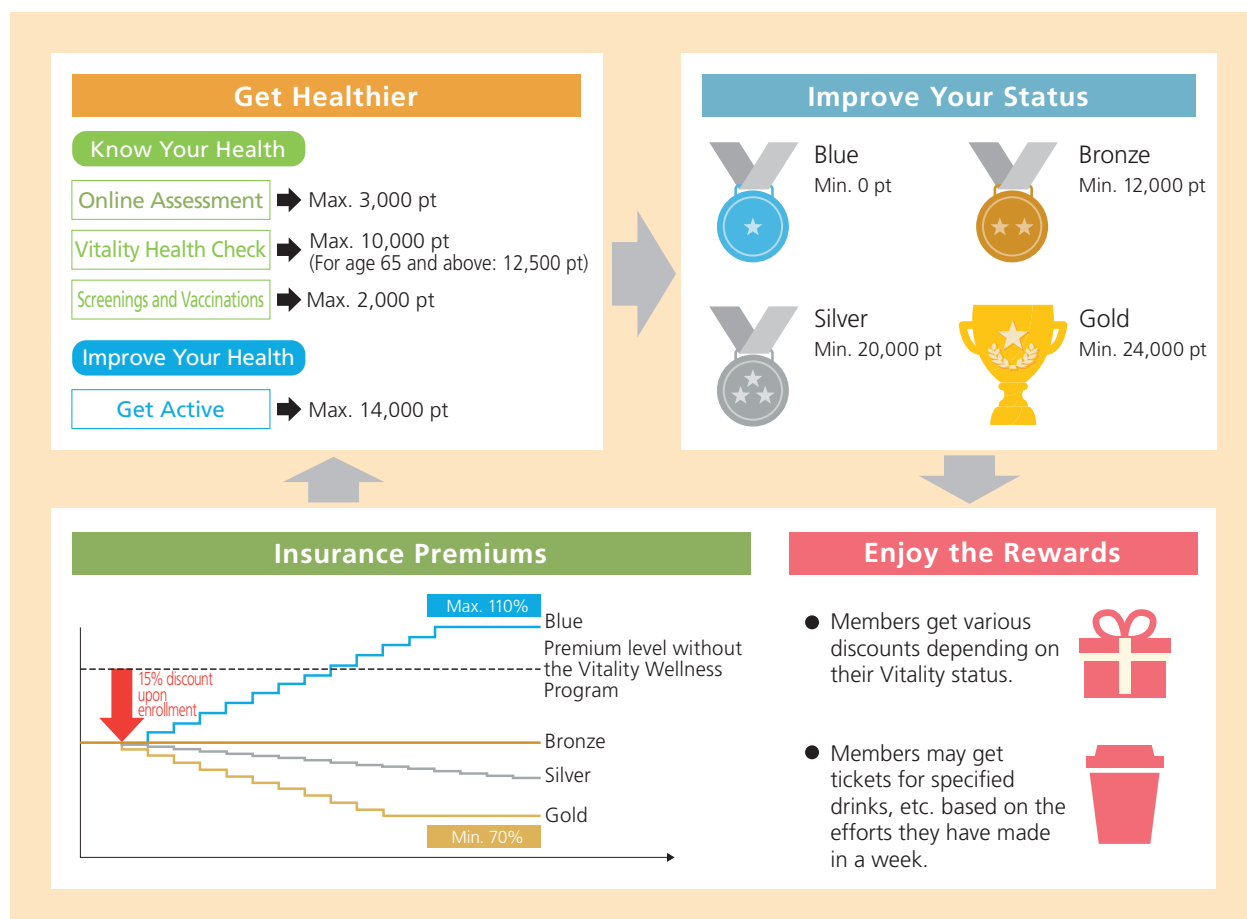
“Vitality” was developed by a South African financial services company, Discovery Ltd., and has been offered in South Africa for more than 20 years since 1997. In addition to South Africa, the program is offered in 40 countries and regions, including the UK, the US, China, Singapore, Australia, Germany and Japan, and has approximately 36 million members^{*3} (as of December 31, 2023). Sumitomo Life has entered into an exclusive agreement to provide the program in Japan.

^{*1} To use the Vitality Wellness Program, a Vitality fee is required in addition to insurance premiums.

^{*2} Depending on the policyholder's status, insurance premiums may also be increased.

^{*3} The type of “Vitality” offered in other countries may vary depending on the countries where Vitality is introduced (such as non-life insurance or health insurance)

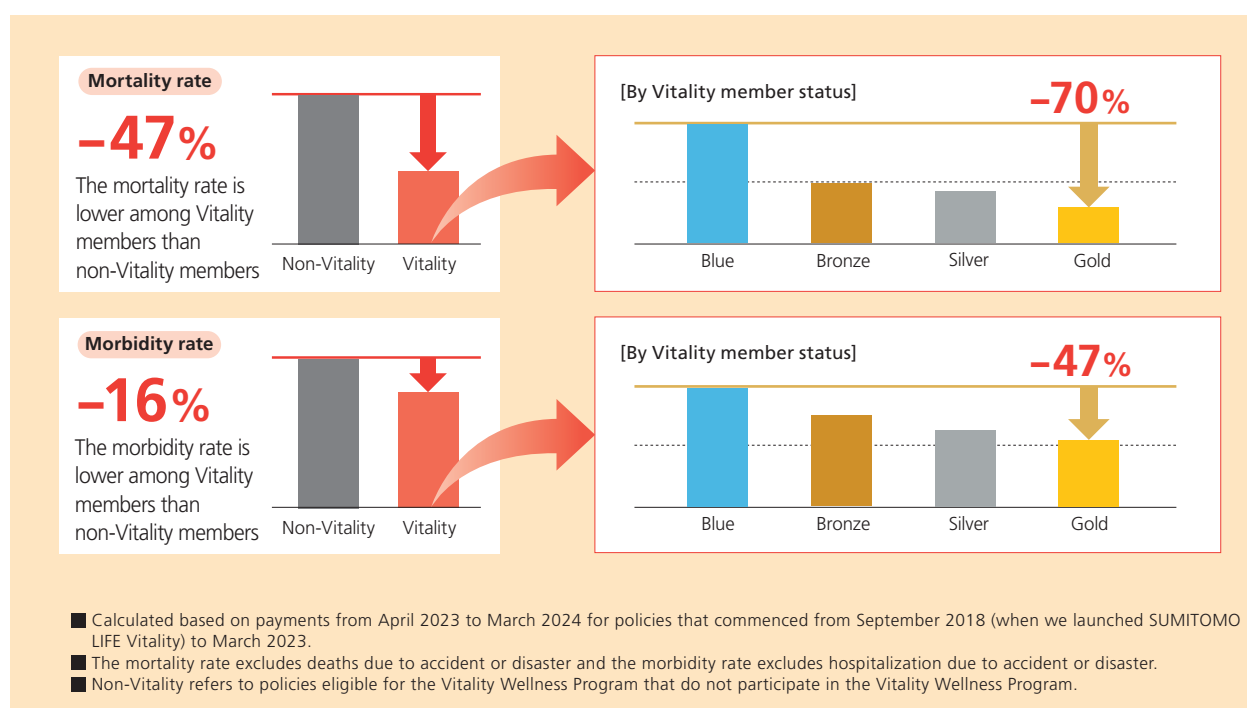
“SUMITOMO LIFE Vitality” - How It Works -



Comparison of mortality and morbidity rates by Vitality membership status

The mortality rate and morbidity rate are 47% lower and 16% lower, respectively, among Vitality members than non-Vitality members.

Moreover, the mortality rate and morbidity rate are 70% lower and 47% lower, respectively, among Gold Vitality Status members than Blue Vitality Status members.



Vitality Smart

To support customers' efforts to improve their health, we offer SUMITOMO LIFE Vitality Shared-Value Insurance (hereafter, "insurance-type"), with the Vitality Wellness Program added to life insurance, and "Vitality trial version" (hereafter, "trial version"), which allows customers to experience part of the program for up to four weeks for free. In response, we have received many comments from customers who have used the trial version that they would like to continue using the Vitality Wellness Program after the trial. In order to contribute to the health enhancement activities of a wider range of customers, we launched "Vitality Smart," which allows customers to use a portion of the Vitality Wellness Program independently, in April 2023.

"Vitality Smart" is available for a monthly fee of JPY 330 (tax included) for up to two years, and like the insurance-type program, it provides a system that allows

users to engage in activities for getting healthier with the goal of earning points and improving their status, as well as rewards that encourage getting healthier, such as discounts on fitness gym membership fees and wearable device purchases.

In October 2023, we launched the dedicated "Vitality Smart for V Point" for Sumitomo Mitsui Card members, enabling users to earn extra "V Points." We also launched "Vitality Employee Benefit Type" for companies in June 2024, responding to the wishes of companies to provide their employees with "Vitality Smart" as part of their corporate welfare programs. (See p. 48.)

Through this expansion of our product lineup, we aim to encourage even more people to join, further broadening SUMITOMO LIFE Vitality's health enhancement value.

Comparison among types of the Vitality Wellness Program

| | Insurance-type (standard plan) | Vitality Smart | Vitality Smart for V Point | Vitality Employee Benefit Type | Trial version |
|---------------------|---|---|---|---|--------------------------|
| Period provided for | Same as insurance terms | 2 years | No limit | 1 year (automatic renewal) | 4 weeks |
| Point menu | Exercise Online check Providing the results of health checks, etc. Prevention | Same as on the left | Same as on the left | Same as on the left | Exercise Online check |
| Eligible benefits | All rewards | Active Challenge, etc. and some other rewards | Active Challenge Apple Watch in addition to the benefits on the left | Active Challenge, etc. and some other rewards | Active Challenge |

*As of May 2024

Partnering with Sumitomo Mitsui Card Company, Limited to launch "Vitality Smart for V Point"

We have begun a business alliance combining the financial services provided by Sumitomo Mitsui Card Company, Limited with the health care program know-how provided by Sumitomo Life to offer a digitally based customer experience in the health care field and social value through the realization of a healthy and long-living society. As our first initiative in this alliance, we launched the dedicated "Vitality Smart for V Point" for Sumitomo Mitsui Card members in October 2023, enabling users to earn extra "V Points."

This product offers users the reward of "V Points" in addition to the normal "Vitality Smart" rewards. It is also eligible for the "V Point up program" offered by Sumitomo Mitsui Card Company, Limited, and users can earn up to 2% more "V Points" on their card use at eligible convenience stores and restaurants, based on their Vitality status.

We will continue to explore the provision of services in the insurance, presymptomatic disease, prevention, and diagnosis domains, in addition to areas related to health enhancement, by combining Sumitomo Mitsui Company, Limited's payment services with Sumitomo Life's health care know-how.



Our official website (in Japanese):

Vitality Smart for V Point

検索

https://vitality.sumitomolife.co.jp/special/vitality_smart_smcc

Initiatives in Business Channels

Sales Representatives (life designers)

Environmental awareness

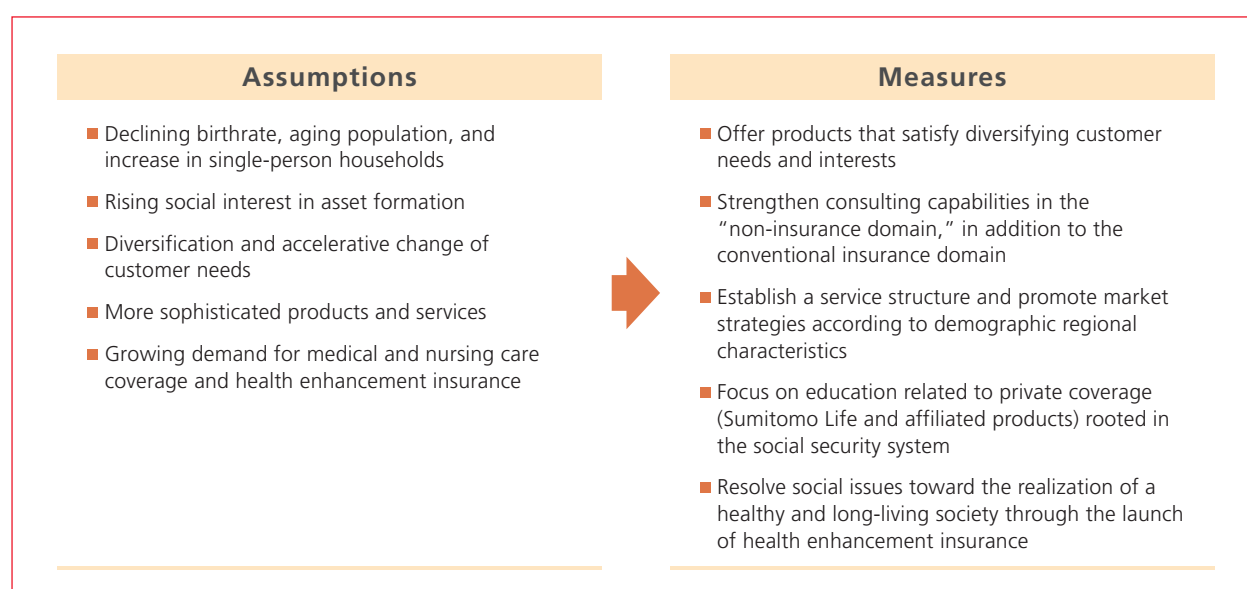
With regard to the domestic market, with the living insurance market, which includes situations such as “inability to work and nursing care” and “healthcare,” continuing to expand amid the declining birthrate and aging population, customer needs are diversifying across a wide range of age groups. This includes an apparent rise in consciousness of asset formation among younger people.

We expect to enter an era when the future becomes even more uncertain and unpredictable, partly due to more diverse and higher quality products and services

resulting from the progress in digitalization and the shift, to a certain degree, towards non-contact interactions following the COVID-19 pandemic.

In this environment, Sumitomo Life has redefined its sales representatives as “well-being designers.” Not only do they sell life insurance but also deliver well-being services optimized for individual customers.

We are pursuing “human capital development” initiatives to boost “human value,” so that each of our employees can support better lives for our customers and contribute to their well-being.



Review of fiscal year 2023

In fiscal year 2023, the first year of “Sumitomo Life Medium-Term Business Plan 2025,” our three-year plan to establish a path for the realization of “Sumitomo Life Group Vision 2030,” we engaged in steadily evolving into a “well-being designer” by improving the level of our sales representatives and the quality of our customer service.

The plan sets forth our ideal for employee evolution to contribute to customers’ well-being, by providing services in the non-insurance domain together with the insurance consulting services we already offer.

In this context, we believe that we have been able to contribute to the well-being of many customers and stakeholders in the health enhancement domain, which transcends the conventional concept of insurance, through the sale of SUMITOMO LIFE Vitality.

In fiscal year 2023, we also launched “Vitality Smart,” which separates the Vitality Wellness Program from the insurance policy and provides access to some of the programs, such as Active Challenge. We believe that this enabled us to further expand our connections with customers in the non-insurance domain.

Future initiatives

Providing comprehensive services that include the non-insurance domain

In fiscal year 2024, we will evolve into a “well-being designer” by further expanding our range of services and boosting the quality of our customer service, over and above the insurance domain that we have served so far, as we strive to realize “Sumitomo Life Group Vision 2030.”

Through “Vitality trial version” and “Vitality Smart,” we hope to contribute to enhancing the health of our customers by offering them a way to come to terms with their own health and experience first-hand the enjoyment of exercise and the merit of rewards.

We have also launched “Sumisei Simple Declaration Whole Life Insurance 90,” which only requires customers to disclose their occupation when applying, to respond to the increasingly diverse product needs of our customers. Amid rising social interest in asset formation, we will endeavor to provide high-quality products and services that match the needs of a larger number of customers.

We will go beyond the insurance consulting services we already offer as we strive to evolve into “well-being designers,” providing comprehensive consulting services that incorporate the non-insurance domain.

Providing well-being services rooted in communities

As an approach for local governments and companies, we will strengthen our community-based well-being service offerings and support their well-being management (CSR, welfare programs, etc.) through ongoing contact.

Specifically, we aim to support all of our customers to enhance their health, realizing a healthy and long-living society through initiatives such as the organization of “Vitality Walk,” a collaborative project with local governments that uses part of the Vitality Wellness Program.

We have also launched “Vitality Employee Benefit Type” as a service for companies, enabling them to provide their

employees with “Vitality Smart” as part of their corporate welfare programs. By offering the Vitality Wellness Program to a broader range of company employees and providing them with the value of well-being, we will further our support for corporate well-being management.

Through initiatives such as these, we hope to contribute to addressing the social issue of extending the healthy life expectancy of all local residents while developing our health enhancement activities rooted in local communities.

Human capital development and the fusion of human and digital

In addition to “unique human value” of our sales representatives, we will contribute to well-being by providing services that “fuse human and digital” through the use of “digital” and other means in accordance with customer preferences.

In fiscal year 2024, we plan to introduce a new human capital development tool for sales representatives utilizing digital technology. This AI tool, trained using a wide variety of data, navigates future activities and indicates the key points on which to guide sales representatives. We are also considering the use of AI to boost our customer consulting capabilities and we are in the process of developing a

training system that uses generative AI technology to simulate real interaction with customers. Under these initiatives, we will advance the activities and development of our sales representatives to provide consistent, high-quality services to our customers.

In addition, through the creation of contact points and the evolution of services using “digital & data,” we will provide high-quality, highly satisfactory consulting and services through a combination of face-to-face and non-face-to-face communication using “digital” in addition to the “unique human value” of face-to-face communication by our sales representatives.

<Well-being Contribution Areas>

Contributing to health promotion

Health support centered on
SUMITOMO LIFE Vitality

—Physical prosperities—

Providing a sense of security through insurance

Continuing to be on the same page
as customers to provide them with
optimal assurances and services
tailored to their individual needs

—Economic preparedness—

Supporting fulfilling lifestyles and all generations

Providing comprehensive
services that address
generational needs

—Social connections—

Realization of provision of comprehensive services Evolution to well-being designer

Our vision

Creating a group of highly competitive human capital that will stay
close to customers and continue to provide well-being

Wholesale (products and services for corporate customers)

Environmental awareness

The environment surrounding companies and other organizations is changing significantly. In May 2023, COVID-19 was reclassified to a category 5 infectious disease under the Infectious Diseases Act and the broad-reaching restrictions that had been in place for approximately three years were lifted, leading to the progressive normalization of economic activities throughout society. Meanwhile, in order to secure precious human resources amid serious labor shortages and the need for higher personnel expenditure spurred by continually changing market conditions, natural disasters, the declining birthrate and aging population, it has become essential for companies to create working environments that are both safe and comfortable for their employees.

In this context, corporate welfare programs have become subject to ever greater levels of expectation and interest. The number of companies engaging in “health-focused management”^{*} and “support for balancing work and medical treatment” for their employees is increasing every year. Companies and corporate managers are required to combine social security, corporate welfare, and self-help in a well-balanced way to support each employee. Sumitomo Life supports the achievement of comprehensive corporate welfare programs by meeting various needs ranging from program administration to asset management and services for employees.

^{*}The term health-focused management (“Kenko-Keiei”) is a registered trademark of the nonprofit organization Kenko-Keiei.

Review of fiscal year 2023

Since its launch in 2018, group insurance for three major diseases has been introduced by over 4,000 companies (as of March 31, 2024) and is helping to support companies balance medical treatment and work for their employees. We have also received a good reception for the various supplementary services we provide as a wide range of support from early detection of the three major diseases to treatment and return-to-work support. We will continue to strive to develop corporate-oriented products and supplementary services to meet the needs of our customers.

In addition to providing various seminars for employees, including life planning seminars, and corporate-oriented consulting such as health-focused management consulting aimed at corporate certification under the Certified Health & Productivity Management

Outstanding Organizations Recognition Program, we are engaged in enhancing our lineup of business matching and other corporate-oriented support services.

In terms of procedures, we are promoting the digitalization of a host of written procedures for corporate clients.

For defined benefit corporate pension plans, specifically, since January 2024, we have enabled the company’s administrative staff to proceed online for entering and leaving the company, as well as claim procedures for retirement benefits, pensions, and other benefits.

We are also working to improve our services in ways such as expanding the range of web-based procedures for group term life insurance and group insurance for three major diseases.

Future initiatives

In June 2024, we launched “Vitality Employee Benefit Type” (the “Service”), a service for companies.

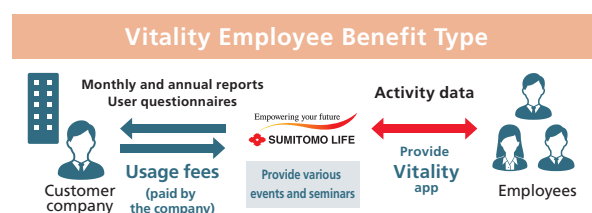
The Service enables companies to introduce “Vitality Smart” for individuals, which allows customers to use a portion of the Vitality Wellness Program independently without the need to enroll in life insurance, as part of their corporate welfare programs. Companies pay usage fees to allow their employees to use the Vitality Wellness Program.

We also assist companies in encouraging their employees’ autonomous and persistent efforts and the promotion of the PDCA cycle by providing companies with monthly and annual reports and user questionnaires regarding the status of their employees’ efforts in the Vitality Wellness Program. This helps companies understand how their employees are engaging in health enhancement activities.

In addition, we provide companies with our lineup of support services for health enhancement initiatives, such as health enhancement seminars, health check events, and support for certification under the Certified Health

& Productivity Management Outstanding Organizations Recognition Program. This helps companies to enhance productivity by improving their employees’ mental and physical health, as well as stimulating communication through internal walking events, etc. and improving their human resources recruitment and retention rates by enhancing corporate brand image.

We will continue to provide the Vitality Wellness Program to more people through the Service. Moreover, by offering our extensive lineup of corporate-oriented products and support and working to make our corporate-oriented procedures more convenient, we will provide the value of well-being to our customers and contribute to generating new corporate value.



Bancassurance Banks, Financial institutions, etc. and Insurance Outlets

Environmental awareness

Due to the increase in longevity, we are seeing the arrival of a super-aging society, also known as the “era of the 100-year lifespan.” Amidst such conditions, in addition to the need for “inheritance” to bequeath assets to the next generation, “asset formation” to supplement public pensions as a self-help measure to ensure a secure retirement is becoming increasingly important. In the interest of accurately meeting the needs of such customers, we are working to expand and enhance our lineup of products. Meanwhile, there are foreign exchange risks and other considerations associated with foreign currency-denominated products, and there are cases where elderly customers subscribe to these products through financial institutions and other agencies.

To this end, we provide information that helps customers clearly understand the characteristics and considerations of foreign currency-denominated products. Measures include the provision of product introduction videos that convey features in an easy-to-understand and visual manner. Moreover, it is expected that customer needs will continue to diversify further in the future. Together with its subsidiaries, Medicare Life and AIARU Small Amount & Short Term Insurance, the Sumitomo Life Group will realize flexible product development that meets customers’ needs and continue to expand its product lineup to provide customers with peace of mind and satisfaction through financial institutions and other agencies and insurance outlets.

Review of fiscal year 2023

Since the launch of over-the-counter sales at financial institutions in October 2002, we have offered annuities, life insurance, and various other products to a host of customers through financial institutions nationwide.

In fiscal year 2023, we continued to promote the sales of whole life insurance and savings products to satisfy customer needs related to inheritance and asset management. As a result, cumulative over-the-counter sales through financial institutions reached approximately 2.59 million policies.

Sumitomo Life offers a variety of training programs for agents on topics such as products and compliance through national wholesalers responsible for financial institutions. We have also set up a dedicated telephone inquiry desk for financial institutions to promptly provide them with assistance.

For Japan Post Group companies, too, the national wholesalers responsible are implementing detailed support and training through both face-to-face and remote activities. Moreover, the dedicated support desk for Japan Post handles inquiries from each company and promotes insurance sales and appropriate compliance.

At insurance outlets, too, we strive to provide optimal coverage and further improve customer service by accurately identifying customer trends and product needs.

Cumulative over-the-counter sales at financial institutions (as of March 31, 2024)

Since launch **2,593,405** policies

*Sumitomo Life's over-the-counter sales at financial institutions, including those from securities companies and Japan Post Bank

Future initiatives

Based on Sumitomo Life Group Vision 2030 and the Sumitomo Life Medium-Term Business Plan 2025, we will continue to work with Medicare Life and AIARU Small Amount & Short Term Insurance to provide products and services that precisely meet the diverse needs of our customers and deliver greater peace of mind and satisfaction to even more customers.

From the perspective of providing information that customers can easily grasp, we have asked our CS Enhancement Advisors for their opinions on our recruitment materials, and aim to create materials that are easier to understand. We will continue this effort in the future.

In terms of agency support, we have deployed wholesalers responsible for respective agencies nationwide and established a system to support agencies through various training programs, including inheritance and gift during life, while also employing new training styles that utilize the Internet and video. We will continue to remind agency staff to comply with laws and

regulations by regularly providing compliance materials and dispatching trainers.

And we will continue to further enhance our education and training system in order to appropriately respond to the diversifying needs of our customers.

Agency training system

| | | |
|-----------------------|-----------------------------------|---|
| Introductory training | Outsourcing briefing | <ul style="list-style-type: none"> Overview of agency services Company profile of Sumitomo Life, etc. |
| | Pre- and post-enrollment training | <ul style="list-style-type: none"> Product overview Practical training related to sales contracts Compliance training, etc. |
| Upskilling training | Life insurance training | <ul style="list-style-type: none"> Product training Case studies Upskilling training for sales Grief care training Compliance training, etc. |

Medicare Life

Wholly owned subsidiary Medicare Life Insurance Co., Ltd. launched operations in April 2010. Through insurance outlets, insurance websites, financial institutions, and other sales agencies, we flexibly provide simple, easy-to-understand insurance products to customers who want to proactively select products that suit them. In April 2022, we revised Medicare Life's mainstay products, such as "New MEDIFIT A," a whole life medical insurance policy, to enhance its benefits, which has been well received by customers. Since the launch of Medicare Life, we have been striving to provide our customers with optimal products and services. As a result of the high praise we have received from many customers, the number of policies in force has reached approximately 1.86 million as of March 31, 2024.

We will continue to leverage our strength as a member of the Sumitomo Life Group to provide the insurance products and services preferred by our customers.



Official website
<https://www.medicarelife.com/>

AIARU Small Amount & Short Term Insurance

AIARU Small Amount & Short Term Insurance Co., Ltd., a wholly owned subsidiary, has developed insurance products for familiar risks and needs, leveraging the product development agility unique to a small amount and short-term insurance provider. In addition to "AIARU Home Contents Insurance," representative products include "Dear Baby," a medical insurance policy for expectant and nursing mothers, and "Muen Shakai no Omamori," a solitary death insurance for landlords of rental housing. In terms of digital insurance, from fiscal year 2022, we offer "Heatstroke Insurance" and "Influenza Sympathy Payment Insurance," which cover the risks of everyday life, as dedicated products for "PayPay Insurance" within the "PayPay" app, a cashless payment service.

AIARU Small Amount & Short Term Insurance will continue to contribute to the Sumitomo Life Group's marketing strategy through new product development to cultivate niche markets, while delivering enhanced products and services to its customers.



Official website
<https://www.air-ins.co.jp/>

Insurance outlet business initiatives

Izumi Life Designers Co., Ltd., a wholly owned subsidiary, operates "Hoken Hyakka" insurance outlets. The company operates 81 outlets (as of March 31, 2024) primarily in the three major metropolitan areas of Tokyo, Keihanshin, and Nagoya. It aims to open stores mainly in shopping centers and shopping streets close to train stations, where customers can casually drop in. As an independent agent, Izumi Life Designers is able to meet a wide range of diversifying customer needs by offering not only Sumitomo Life Group products, but also a lineup of products offered by 32 life, non-life, and small-amount short-term insurance companies (as of March 31, 2024), as well as precise consulting and high-quality services.

INSURANCE DESIGN, which became a subsidiary in July 2017, operates "Hoken Design" insurance outlets in the Kansai area, with 28 outlets in operation as of March 31, 2024.

We will continue to provide optimal coverage to more customers and their families through its insurance outlet sales business, and will strive to further improve customer service by accurately identifying customer trends and product needs.



Official website
<https://www.hokenhyakka.com/>



Official website
<https://www.hokendesign.co.jp/x>

Key products offered by Sumitomo Life Group

| Sumitomo Life | | Medicare Life/AIARU Small Amount & Short Term Insurance | |
|--|--|--|--|
| Whole life insurance Yen-denominated products Foreign currency-denominated products | Individual annuities Yen-denominated products Foreign currency-denominated products | Medical insurance, etc. | Income protection: Term insurance <AIARU Small Amount & Short Term Insurance> |

*Tanoshimi Global III is available in either Japanese yen or foreign currencies (U.S. dollars or Australian dollars)

Products • Services

Launch of “Sumisei Simple Declaration Whole Life Insurance 90”

We have added “Sumisei Simple Declaration Whole Life Insurance 90” to our product lineup in the sales representative channel to meet our customers’ succession and asset formation needs. This new product enables us to provide previously ineligible customers over the age of 80 with yen-denominated single premium whole life insurance.

In addition to fulfilling the three functions of succession, growth, and expenditure, “Sumisei Simple Declaration Whole Life Insurance 90” features a limited level of mortality coverage during the initial policy period, enabling a broad range of customers up to 90 years of age to enroll by disclosing only their occupation.

Launch of “Tanoshimi Global III,” etc.

Through financial institutions, insurance outlets and other agencies, we have launched “Tanoshimi Global III,” which enhances the product appeal of the foreign currency-denominated single premium individual annuity “Tanoshimi Global II” by adding a yen-denominated option. We also launched the yen-denominated single premium whole life insurance “Full Heart J Road III” and the foreign currency-denominated single premium whole life insurance “Full Heart J Road Global III,” which enhance the product appeal of the yen-denominated single premium whole life insurance “Full Heart J Road Plus” and the foreign currency-denominated single premium whole life insurance “Full Heart J Road Global II,” including through the optional addition of three health disclosure plans that are available after the policy commences.

Product development through business alliances

Sumitomo Life responds to a broad range of customer needs by forming business alliances as a means of responding flexibly to changing times.

● Enhancing corporate-oriented products

After having reached an agreement in principle on a business alliance with NN Life Insurance in October 2016, we began handling its corporate term-life insurance in Sumitomo Life’s sales representative channel in April 2017.

● Sales of U.S. dollar-denominated insurance

In order to better meet diversifying customer needs amid the prolonged low interest rate environment in Japan, we have entered into a business alliance with Sony Life Insurance and began offering Sony Life’s U.S. dollar-denominated insurance policies through Sumitomo Life’s sales representative channel in January 2019.

● Non-life insurance business initiatives

In September 2008, we entered into a basic agreement with Mitsui Sumitomo Insurance Co., Ltd. to strengthen our business alliance. Since 2009, we have been selling its non-life insurance products totally through Sumitomo Life’s sales representative channel.

We will continue to provide “comprehensive coverage” that integrates life and non-life insurance to cover all risks in the lives of our customers and their families.

Services

● Sumisei Digital Concierge

In April 2023, we released the smartphone app “Sumisei Digital Concierge” (see p. 75) in order to meet the increasingly diverse needs of our customers and further raise convenience.

The app allows for easy login using the biometric authentication function of smartphones, including access to the Sumisei Direct Service, an online service for Sumitomo Life’s existing policyholders. Users can complete various procedures through the app, from insurance enrolment to post-enrolment processes.



● TREE PAYMENT*

We offer the TREE PAYMENT service, enabling customers to make payments using their preferred timing and method (including payment using PayPay Money and various paperless settlement services).

TREE PAYMENT was previously only available for a limited number of products. However, in view of factors such as the rising demand for cashless payments, since March 2024, we have made it available for all life insurance products and non-life insurance products handled by our sales representatives.



*TREE PAYMENT is a registered trademark of our subsidiary CSS Co., Ltd. and Densan System Co., Ltd. (trademark registration number 6561080).

Sumitomo Life Medium-Term Business Plan 2025 Four Initiatives

Realizing Innovation in New Domains



In order to contribute to well-being for all, we will develop and implement WaaS (Well-being as a Service), enhance services in new domains, and expand the number of customers who can receive the Sumitomo Life Group's services.

Contribution to "well-being for all" including health enhancement

To promote health enhancement through SUMITOMO LIFE Vitality, the core of WaaS, we formed a business alliance in the health care field with Sumitomo Mitsui Card Company, Limited in October 2023. Together, we have launched "Vitality Smart for V Point" (see p. 45), which features additional V Point rewards to "Vitality Smart."

Moreover, we launched Vitality Employee Benefit Type (see p. 48) for companies, enabling them to pay for their employees to use "Vitality Smart", and we will engage in supporting companies in their health-focused management and well-being management efforts.

Creating innovation and frameworks for connecting with customers

We are promoting investment in startup companies through the "SUMISEI INNOVATION FUND," a CVC fund, to achieve business co-creation through open innovation.

We have invested in 16 startups (as of June 30, 2024) one of which went public through an IPO (initial public offering).

Development of small amount and short-term insurance or "mini" insurance and WaaS implementation

We are progressively developing a range of services based on the concept of happiness in spite of illness and aging. In October 2023, we launched our "support solution for balancing infertility treatment and work" as a service for companies in the preconception care domain, and we are steadily implementing new services.

In December 2023, we acquired PREVENT Inc. as part of the Group (wholly owned subsidiary) with the aim of further expanding our health care business. We had previously partnered with PREVENT in the aggravation prevention domain, jointly developing services for local governments and providing supplementary services for group insurance.

Through these efforts, we will increase the number of WaaS users and the number of policyholders of small amount and short-term insurance and "mini" insurance. We will also expand the number of customers receiving the value of well-being and the number of SUMITOMO LIFE Vitality members by providing Vitality Smart programs in various forms.

| | | Fiscal year 2023 results | 2025 medium-term plan goal |
|---|---|--------------------------|----------------------------|
| Number of customers receiving the value of well-being (Japan) | | 13.25 million | 14.60 million |
| Sumitomo Life (non-consolidated) | Number of customers receiving the value of well-being | 11.21 million | 11.90 million |
| | Number of SUMITOMO LIFE Vitality members | 1.29 million | 2.40 million |



Well-being as a Service (WaaS) initiatives

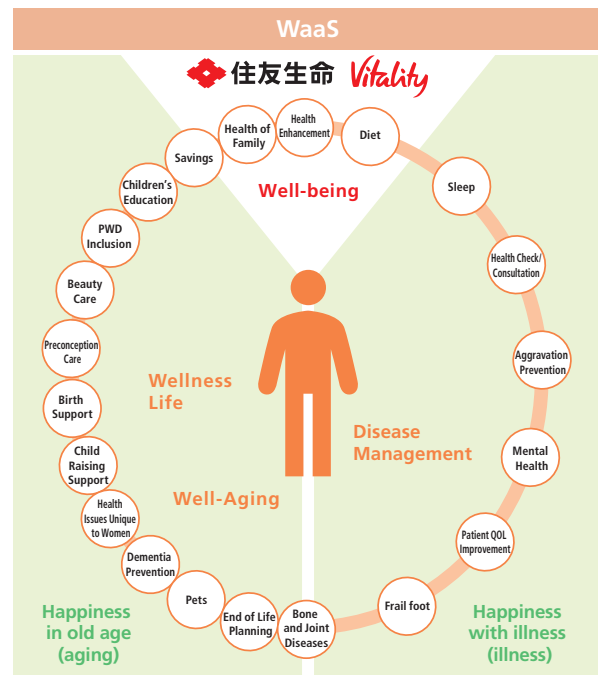
Sumitomo Life aims to realize Sumitomo Life's unique value that will continue into the future by developing Well-being as a Service (WaaS) as an ecosystem that supports "well-being for all" with physical, spiritual, social, and financial satisfaction.

Specifically, in addition to the promotion of our core SUMITOMO LIFE Vitality, we promote open innovation from the perspectives of "Disease Management," seeking happiness despite illness, and "Wellness Life" and "Well-Aging," seeking happiness despite aging.

As part of our "Disease Management" initiatives, we have started a social implementation project for a service to prevent the aggravation of lifestyle-related diseases and launched a service to help prevent mental breakdown among employees.

As part of our "Wellness Life" initiatives, we have launched the "Whodo Seiba" service to support the creation of a workplace culture that makes it easier to engage in infertility treatment.

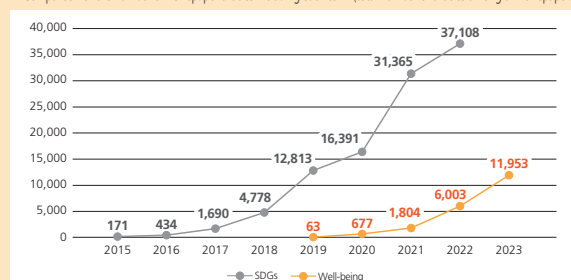
Going forward, we will expand the scope of our value provision, including "Well-Aging," to boost the number of customers to whom we deliver well-being value.



Towards a society of well-being

A survey has been undertaken of the number of times that the term "well-being" appears in newspaper articles. "Well-being" appeared in approximately 12,000 articles in fiscal year 2023, which is approximately 190 times as many articles as in fiscal year 2019. However, it still lags far behind the expression "SDGs," which was used in 37,108 articles in fiscal year 2022. Today, it is said that recognition of the SDGs has spread to over 80% of the Japanese population. Likewise, to achieve a society of well-being, it will be necessary to further expand the recognition and understanding of this concept.

<Comparison of the number of newspaper articles including each term (total number of articles among all newspapers)>



(Prepared by Sumitomo Life from Well-being Initiative materials.)

To this end, Sumitomo Life is engaged in initiatives in collaboration with like-minded companies, media outlets, and academic institutions.

The Well-being Initiative, which we joined in 2022, promotes efforts such as the development of metrics and corporate management aimed at enhancing stakeholder well-being, as well as initiatives for future generations.

Since 2023, we have participated in the WELLBEING AWARDS, which judges and recognizes well-being services and actions.

The awards are judged by Professor Takashi Maeno, President of the Society of Well-being, and Professor Hiroaki Miyata.

In 2024, we established the "WE AT" institute jointly with The University of Tokyo and others to engage in building ecosystems by discovering and supporting startups.



*The "WE AT" logo is trademarked by The University of Tokyo as a brand logo embodying the "WE AT" initiative (trademark 2023-111782).

Promotion of open innovation (CVC)

As part of corporate transformation efforts (investment in future) from a long-term perspective, we are working to create new business and services that will contribute to the “well-being for all” customers and the solution of social issues through open innovation.

In order to accelerate the creation of new value through open innovation with startup companies, we have invested in 16 startups (as of June 30, 2024) through CVC (Corporate Venture Capital), one of which went public through an IPO (initial public offering).

We are also working to expand our services and generate synergies through initiatives such as the inclusion of our investee PREVENT in the Group as a wholly owned subsidiary.

● SUMISEI INNOVATION FUND

Benefiting from the operational assistance of SBI Investment Co., Ltd., which has extensive experience in investing in and supporting startups, the SUMISEI INNOVATION FUND is a CVC fund for business co-creation with investees.

Through business co-creation through the SUMISEI INNOVATION FUND, we will achieve such things as evolution of “SUMITOMO LIFE Vitality,” provision of services that will contribute to “well-being for all,” which aims not only for physical health but also for physical, mental, social, and economic health, and creation of “new contact points between customers and insurance companies” using new technologies and services.



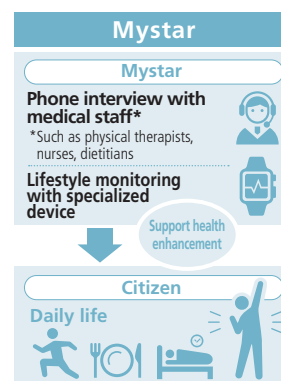
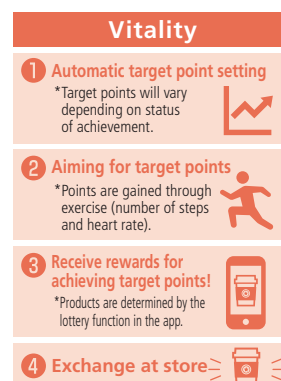
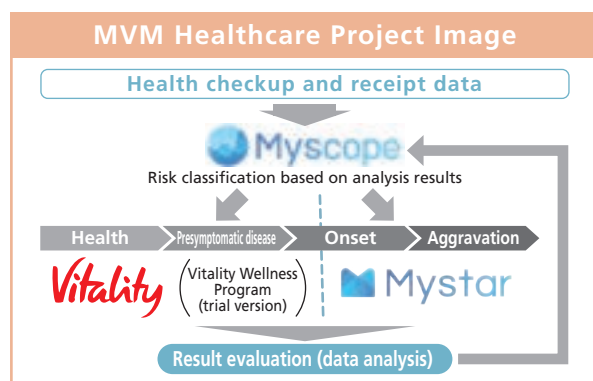
Initiatives for aggravation prevention

We are accelerating our initiatives in the aggravation prevention domain through the inclusion of PREVENT in the Group in December 2023. PREVENT has a strong medical data analysis and lifestyle-related disease aggravation prevention support business.

Under the tripartite comprehensive partnership agreement between Kashima City in Ibaraki Prefecture, PREVENT, and Sumitomo Life, we have offered the “Kashima City MVM Healthcare Project” to Kashima

citizens since fiscal year 2023, aiming to “supplement the lack of medical care and realize health that citizens can control themselves” as stated by the city of Kashima.

We will continue to actively leverage the strengths of both Sumitomo Life and PREVENT to develop services tailored to the issues faced by local governments and companies in order to support “well-being for all.”



PREVENT Inc.
President Hagiwara
Representative Director

Realizing well-being for even more people through participation in Sumitomo Life Group

Ever since it was founded in 2016, PREVENT has striven to implement social systems to support “healthy longevity with disease,” helping people to live better and healthier lives with illness. Through these initiatives, I have been able to gain a new appreciation of the social significance of using digital technology to support aggravation prevention and chronic disease management.

At the same time, I have been keenly aware of the limited scope of services that we can provide, as a single startup company, to meet the demands of society. By joining the Sumitomo Life Group, we will be able to offer even better health to even more people. I firmly believe that this will lead to the fulfillment of our business mission to provide society with our “healthy longevity with disease” health support model.

We have been involved in business co-creation with Sumitomo Life for some time, including the “MVM Healthcare Project” through cooperation between SUMITOMO LIFE Vitality and Myscope and Mystar, offered by PREVENT. Looking ahead, we will further strengthen our collaboration and work to achieve health enhancement and well-being for even more people.

Preconception care

Preconception care is a series of efforts to assist women and couples in dealing with their lives and health and increasing their chances of having babies, and help women and their future families live healthier lives.

Recently, the number of people who are suffering from infertility is increasing as more people get married and have children later in their life. While the number of people who take infertility treatment while working is also likely to be increasing, many people reportedly quit their jobs or give up infertility treatment because of the difficulties in balancing work and treatment. The importance of preconception care is thus increasing.

We have launched services as part of our “Wellness Life” initiative in WaaS in order to realize “the plan of ideal life” that each person wants. Through these services, we aim to solve the major social challenge of balancing infertility treatment and work, and to curtail the social issue itself by offering support at an early stage to those who wish to have children someday.

This is the first business from the Sumisei Innovation Challenge that we have commercialized. We have performed numerous demonstration experiments aimed at commercialization since fiscal year 2021, and in fiscal year 2023, we succeeded in commercializing the “Whodo Seiba” solution to support people to balance infertility treatment with work.

Sumitomo Life's support solution for balancing infertility treatment and work



Our approach, not only supporting employees to balance infertility treatment and work but also creating a corporate culture that makes it easier for them to undertake infertility treatment, was recognized by experts in the field, and we were awarded the business category grand prix at the “Women’s Healthcare Council Awards 2024,” which were announced at the “10th NIPPON Women’s Healthcare Council 2024” organized by Think Pearl Association.



Sumisei Innovation Challenge

We started the Sumisei Innovation Challenge in fiscal 2020 with the goals of creating businesses that will earn profit in future, developing innovative human capital with flexible and diverse perspectives and fostering a corporate culture that continues to understand and respond to changes in social needs.

We encourage all our employees to submit business ideas that will serve as seeds for new businesses. After being brushed up for the final screening, business ideas that have passed the final screening will be considered for commercialization. This is a project in which the entire Company endeavors to create new value (commercialize).

Since the start of the project in fiscal 2020, more than 450 business ideas have been submitted in four years, and eight are currently being considered for commercialization.



Final screening held in December 2023

VOICE



**Assistant Manager
Akama**
Next Business Planning Dept.

Improving the well-being of the future customers who will support us Grand Prize Winner of the 2023 Sumisei Innovation Challenge <Transferred to the Next Business Planning Dept. from fiscal year 2024>

I entered the Sumisei Innovation Challenge because I hoped to find some way of resolving the social issues faced by myself and my family members. It was the first time for me to interview strangers in detail about personal matters, and it left a deep impression on me. As I was conducting these interviews, one of the interviewees commented “if you released this service, I would join for sure.” At that moment, I realized that there were people in the world who really needed my idea. I was elated. I will work towards realizing this idea through commercialization, so that it can help improve the well-being of all the people who support me.

Sumitomo Life Medium-Term Business Plan 2025 Four Initiatives

Earnings Structure Reform Group Strategies



We will strengthen asset management and overseas operations, implement cost controls, and promote other comprehensive efforts that contribute to sustained, consistent growth with the aim of improving the sustainability of the Sumitomo Life Group. In addition, we have formulated strategies to realize “Sumitomo Life Group Vision 2030” as a Group and are promoting management aimed at achieving a sense of Group unity and generating synergies. At the same time, we are promoting Groupwide initiatives to resolve environmental and human rights issues.

Strengthening asset management

As a responsible institutional investor, we are pursuing initiatives aimed at both securing stable investment returns over the medium to long term and contributing to the realization of a sustainable society. We have made efforts to realize a sustainable society, such as dialogue with investee companies through our stewardship activities and ESG thematic investments.

The Policy Plan for Promoting Japan as a Leading Asset Management Center was established and announced in January 2024, and we have commenced initiatives to provide attractive products that contribute to customers' asset formation.

Expanding overseas business

In our overseas operations, we are centering our life insurance business expansion on North America and Asia. In addition to achieving sustainable growth for Symetra and boosting the corporate value of our investees in Asia, we have focused on the continuing improvement of governance in our pursuit of overseas operations, the development of global human capital, and the consideration of new M&A projects.

Specifically, in March 2024, we acquired Singlife, one of our investees in Asia, as a wholly owned subsidiary. This acquisition was based on Singlife's record of business expansion in Asia and future growth prospects. The following month, we went on to establish a representative office in Singapore, aimed at strengthening our relationship with Singlife and engaging in market research in Asia.

Improving productivity through resource optimization and cost controls

We are continuing to drastically revise our existing operations, striving to optimize resources, and promoting a shift to highly creative operations. We are also undertaking comprehensive consideration aimed at earnings structure reform, such as cost reduction and cost control through measures including more selective investments from the perspective of overall optimization.

Group strategies

We are progressively formulating Group operating policies and Group business plans to promote initiatives to enhance the sustainability of the entire Sumitomo Life Group. In addition, we are considering the further enhancement of Group management control and the upgrade of the internal control system from the perspective of strengthening governance on a Groupwide basis. We are also promoting human capital exchange and knowledge-sharing across the Group, as well as a range of other new initiatives in each area, to generate Group synergies. The Sumitomo Life Group will work as one to provide society with value so that we can deliver the value of well-being to our customers.

Through these initiatives, we will realize sustained, consistent growth in top- and bottom-line indicators, develop various initiatives on a Group basis and move forward with measures that integrate Sumitomo Life and its subsidiaries.

| | | Fiscal year 2023 results | 2025 medium-term plan goal |
|----------------------------------|----------------------|--------------------------|------------------------------|
| Group core business profit | | 305.6 billion | 3-year total: ¥730.0 billion |
| Sumitomo Life (non-consolidated) | Core business profit | 261.7 billion | 3-year total: ¥600.0 billion |

Asset Management

Basic policy and direction of initiatives

We invest mainly in long-term public and corporate bonds, loans and other safer assets, under the basic policy of Asset and Liability Management (ALM) considering the long-term characteristics of life insurance liabilities, in order to secure stable earnings and ensure that we pay insurance claims and benefit payments. Furthermore, we invest in stocks and foreign bonds to gain more earnings within the limits of acceptable risk.

Under this policy, we have divided our asset management portfolio into two categories, the "ALM Investment Portfolio," whose purpose is to contribute to the secure payment of insurance claims, etc., and the "Balanced Investment Portfolio," which is for the sustainable enhancement of corporate value, and in line with their respective investment objectives, we promote the "enhancement of asset management profitability" and "strengthening of risk control." In addition, as a responsible institutional investor, we aim to both secure stable investment returns over the medium to long term and contribute to the realization of a sustainable society. (See p. 32 "Responsible Investment Initiatives.")

"Enhance profitability" and "strengthen risk control"

Divide asset management portfolio into two categories and further promote to manage them in line with their respective objectives

| Two portfolios | ALM Investment Portfolio | Balanced Investment Portfolio |
|------------------------------|---|---|
| Operational objective | To contribute to the secure payment of insurance claims, etc. | To contribute to sustainable enhancement of corporate value (embedded value, or "EV") |
| Operational methods | Investment based on the premise of long-term holding | Flexible management in response to market outlook |
| Main target assets | Japanese Government Bonds Credit assets real estate | Domestic and foreign stocks Unhedged foreign bonds Foreign bonds hedged against currency risk |

Review of fiscal year 2023

● Operational environment

In fiscal year 2023, the Japanese grew moderately, supported by a recovery in automobile production thanks to the alleviation of supply constraints for semiconductors, as well as stronger inbound demand. This was despite weak personal consumption and other domestic demand.

On financial markets, interest rates rose, partly due to speculation over a possible revision in monetary policy by the Bank of Japan. Stocks rose substantially with the expectation of corporate management reforms based on the urging of the Tokyo Stock Exchange. The Nikkei Stock Average set a new record high for the first time in 34 years.

| | March 31, 2023 | | March 31, 2024 |
|-------------------------------|----------------|---|----------------|
| Japan 10-Year Government Bond | 0.35% | ↑ | 0.73% |
| Nikkei Stock Average | 28,041 yen | ↑ | 40,369 yen |
| U.S. 10-Year Treasury Note | 3.47% | ↑ | 4.20% |
| USD/JPY | 132.9 yen | ↑ | 151.4 yen |

● Initiatives

With domestic interest rates rising, we invested in domestic bonds such as ultra-long-term JGBs and high-profitability credit assets (bonds, etc.) to enhance profitability. For foreign securities, we significantly reduced our holdings of foreign bonds hedged against currency risk, which had become less profitable amid persistently high foreign exchange hedging costs. We increased our holdings of foreign currency-denominated credit assets hedged against foreign exchange risk with medium-term investment potential and unhedged foreign bonds, which are exposed to foreign exchange risk. We added to our balance of domestic and foreign stocks to enhance medium-term profitability.

From the perspective of responsible investment, we promoted dialogue with our investee companies and pursued ESG thematic investments such as investments in infrastructure funds, green bonds, and green-certified offices to proactively respond to the demand for financing to achieve a decarbonized society.

Future initiatives

In fiscal year 2024, we expect the Bank of Japan to raise interest rates against a backdrop of rising wages and consumer prices. By contrast, the U.S. is forecast to enter a period of interest rate cuts as consumer prices moderate. No dramatic acceleration in the pace of change in monetary policy is expected in either country. Only a limited increase in interest rates is forecast in Japan, while U.S. rate cuts will be gradual. The interest rate gap between the two countries will therefore persist, and we anticipate foreign exchange rates to move moderately towards a stronger yen.

In this environment, we will strive to enhance profitability, promote responsible investment, and strengthen risk control.


● Enhancing profitability

In anticipation of the new capital controls based on economic value, scheduled for implementation in fiscal year 2025, we will focus on investing in assets with good risk/return profiles.

In our ALM Investment Portfolio, we will consider investing in ultra-long-term JGBs and other securities with yield levels that exceed the cost of debt. We will also pursue investments in foreign currency-denominated credit assets, primarily those with variable interest rates, to control the impact of changing foreign exchange hedging costs on earnings.

In our Balanced Investment Portfolio, we will consider investing in securities such as unhedged foreign bonds and foreign stocks based on the levels of interest rates, foreign exchange rates, and stock prices, to enhance medium-term profitability.

● Promoting responsible investment

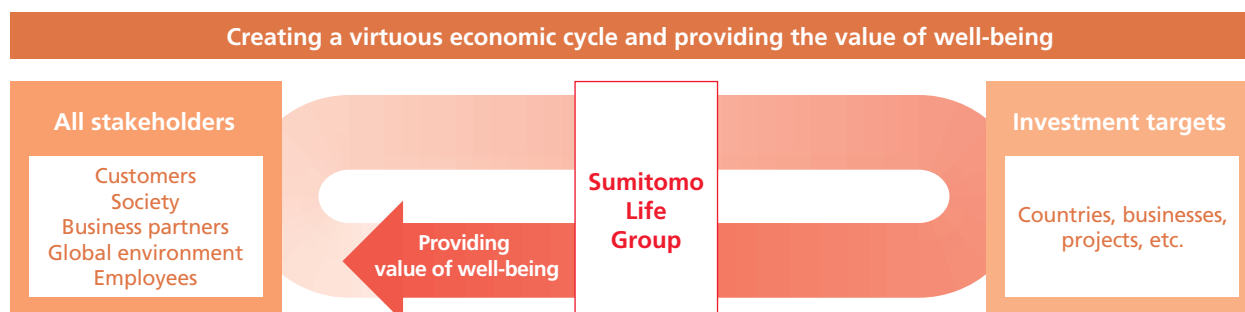
To contribute to solving social and environmental issues as a responsible institutional investor, we are engaged in generating positive impact and controlling negative impact through our asset management, as well as visualizing this impact.  See p. 34 for details.



● Risk control

In addition to the solvency margin ratio, which indicates our ability to pay insurance claims, etc., we will further strengthen our monitoring of the economic value-based solvency ratio (ESR), an indicator under the new capital controls, to strengthen our control of the risks associated with investment behavior.

Initiatives under “Policy Plan for Promoting Japan as a Leading Asset Management Center”

We play an important role in the investment chain through our initiatives to enhance asset management capabilities and provide attractive products that contribute to asset formation for our customers. In this way, we will contribute to creating a virtuous economic cycle and provide the value of well-being to all our stakeholders.



| | |
|---|--|
| Providing products and services | We will continue to expand our product lineup from the perspective of meeting our customers' wide-ranging asset-formation needs. Further, we will implement consulting on life plans and other products and deliver the most suitable insurance to our customers.  P.51 |
| Initiatives for enhancing asset management capabilities | <p>We will continue with the following initiatives in order to provide attractive products that contribute to our customers' asset formation.</p> <ul style="list-style-type: none"> ■ Expanding investments into diverse assets such as foreign assets and private assets that can be expected to improve profitability while also treating funding demands for realization of a sustainable society as investment opportunities and promoting more responsible investment. ■ We aim to further enhance dialogue with companies (stewardship activities) with the goal of improving the medium- to long-term corporate value of investee companies. ■ We will actively develop human capital from a strategic point of view. ■ We will engage in utilizing excellent emerging asset managers, focusing on investment fields that contribute to solving social issues. |
| Contributing to raising financial literacy | We will offer various financial literacy promotion seminars to working members of society (employees of businesses), the generation that will lead the future, and many other people, to support our customers' long-term asset formation.  P.38 |

Overseas Operations

Environmental awareness

Japan's life insurance market is undergoing change due to the declining birthrate, aging and declining population, and increasing volatility in the financial markets. Amidst such change, we must achieve long-term business stability to fulfill our mission as a life insurance company. Therefore, in addition to our efforts in Japan, we believe it is important to expand our earnings base and strengthen the sustainability of our domestic life insurance business by incorporating the profitability

and growth potential of overseas life insurance markets into our Group and to contribute to well-being rooted in each country and region—providing a “sense of security through insurance”—through collaboration with overseas investees and other partners.

Moreover, as technology is increasingly used in various businesses, we recognize that there is an increasing need for us to collect information on advanced technologies abroad.



Review of fiscal year 2023

Based on this environmental awareness, we have made the overseas life insurance markets of North America and Asia our business focus in terms of scale and growth potential as we pursue our overseas operations.

In our North American operations, we have benefited from the tailwind of rising interest rates amid the highly volatile U.S. economic environment. All three insurance business divisions (individual annuities, corporate insurance, and individual life insurance) recorded strong new policy sales, with the highest-ever sales of Symetra's individual annuities products. Ever since it became a wholly owned subsidiary of the Company in 2016, Symetra has steadily contributed to expanding the Group's revenue base. In addition to strong growth in its balance of policies in force, Symetra has implemented various measures to improve areas such as capital efficiency in consultation with the Company.

We are also continuing to engage in sharing know-how through meetings between specialist divisions at each company, as well as implementing appropriate governance.

In Asia, we acquired full ownership of Singlife in Singapore, which we have designated a core market. Singlife has leveraged the strength of its business model, using digital technology, to steadily grow its business scale. Today, it has grown into one of the major life insurance companies in Singapore. We decided to acquire it as a wholly owned subsidiary based on these results and growth potential, as well as the excellent relationship already built up between our two companies.

We have worked to enhance the corporate value of our investees Baoviet Holdings, BNI Life, and PICC Life through the implementation of personnel exchanges and training by inviting local senior managers and others to Japan, as well as providing information and technical assistance through the dispatch of directors from the Company.

We engage in the management control of our investees through global cooperation. This includes the utilization of information gained from surveys of trends in financial markets, the insurance industry, etc. by our representative offices overseas.



President Takada (center)
Margaret Meister CEO (Symetra; left)
Pearlyn Phau CEO (Singlife; right)

Future initiatives in overseas operations

Through our overseas operations, we will continue to engage in strengthening our earnings base, dispersing risks, capturing growth potential in overseas markets, and gathering information on the use of advanced technologies overseas.

As far as Symetra is concerned, we will pursue initiatives aimed at sustainable growth and closely monitor the situation, implementing measures as necessary, based on the market environment and economic conditions, including stock prices and interest rates. We will also continue our efforts to generate synergies, including our cooperation in the area of asset management through Symetra's investment advisory subsidiary, Symetra Investment Management Company.

In Singapore, we have established a representative office partly to strengthen our relationship with Singlife, and we will leverage the functions of this office as we strive to expand Singlife's business scale. At the same time, we will work to realize and maximize Group synergies, including the application of Singlife's business model and other know-how to improve customer

convenience and management efficiency across the Sumitomo Life Group.

Likewise, for BaoViet Holdings, BNI Life, and PICC Life, we will continue to promote initiatives such as management participation, technical assistance, and personnel exchange as we endeavor to enhance corporate value.

At our overseas representative offices and other offices, we will continue to engage in the management control of our investees and the enhancement of the Group's corporate value through initiatives such as surveys and information gathering on trends in overseas financial markets and the insurance industry, as well as technological applications.

In addition to these efforts to enhance the corporate value of our existing investees, we will continue to consider new M&A projects.

We will also engage in the ongoing improvement of governance needed to promote overseas operations and the development of global human capital to support our overseas operations.

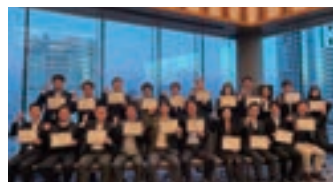
Efforts in global human capital development

Global human capital have wide-ranging opportunities to be actively involved in the Company's overseas operations, including communication with investee management teams and employees and initiatives for management and synergy-generation at investees in Japan.

These roles and jobs require not only language skills but an international outlook, communication ability, and leadership, so we need to systematically cultivate human capital who possess these skills and experience from a long-term perspective.

We therefore provide international study opportunities and dispatching to investees (employees and trainees) based on the employee's chosen career path and also conduct training in Japan.

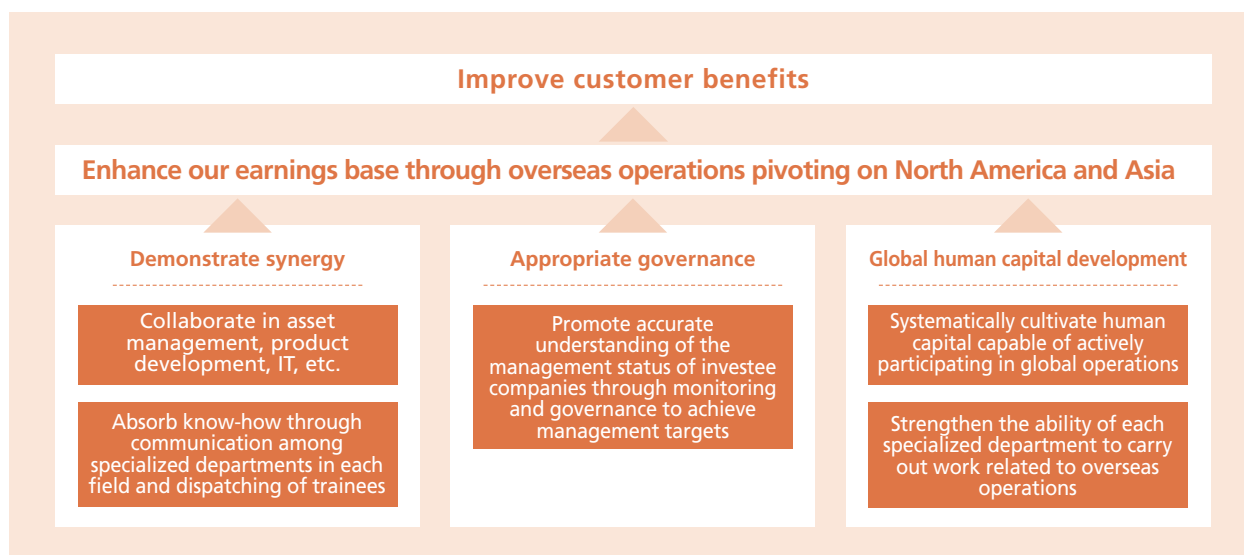
Moreover, we will endeavor to expand the human capital that forms the foundation for our overseas operations by actively incorporating knowledge and experience from outside the Group. This includes the recruitment of experienced personnel familiar with overseas business operations.



Training in Japan for global human capital development



Presentation by a participant on the final day of training



Introduction of investee companies

U.S.



Symetra, founded in 1957, is a U.S. life insurance group with a highly sound financial position based on stable profitability from a balanced business portfolio through three insurance business divisions—individual annuities, corporate insurance, and individual life insurance—and a conservative asset management policy. We actively participate in Symetra's management by dispatching executives and employees, including directors, to the company to confirm the status of business execution in each department and to periodically discuss key management issues.



Singapore



Singlife's strength has been the use of digital technology in its business model, ever since its establishment in 2017. In 2020, it acquired the Singapore business of the U.K. company Aviva, and it has now grown into one of the major life insurance companies in Singapore, boasting a diverse range of products and sales channels.

In addition to dispatching directors to Singlife, we will promote its growth through local communication with our representative office in Singapore as we work to realize and maximize Group synergies.

Vietnam



Baoviet Holdings, Vietnam's largest insurance and financial group, owns life and non-life insurance companies, as well as a securities company, asset management company, and other businesses. In 2023, Baoviet ranked first in life insurance premium income. We dispatch directors to the company and provide technical support, primarily related to the life insurance business.

Ownership ratio: 22.08%



Indonesia



BNI Life, a life insurance subsidiary of PT Bank Negara Indonesia (Persero), Tbk, one of Indonesia's major state-owned commercial banks, provides insurance to individuals and groups through over-the-counter sales at banks utilizing a network of about 2,000 branches of Bank Negara Indonesia, as well as through sales representatives, employee benefits, and Sharia distribution channels (the sale of insurance products under Islamic law). We dispatch executives and staff members, among them directors and auditors, to the company to provide technical support in areas including bank teller sales, group insurance, and risk management.



Ownership ratio: 39.99%

China

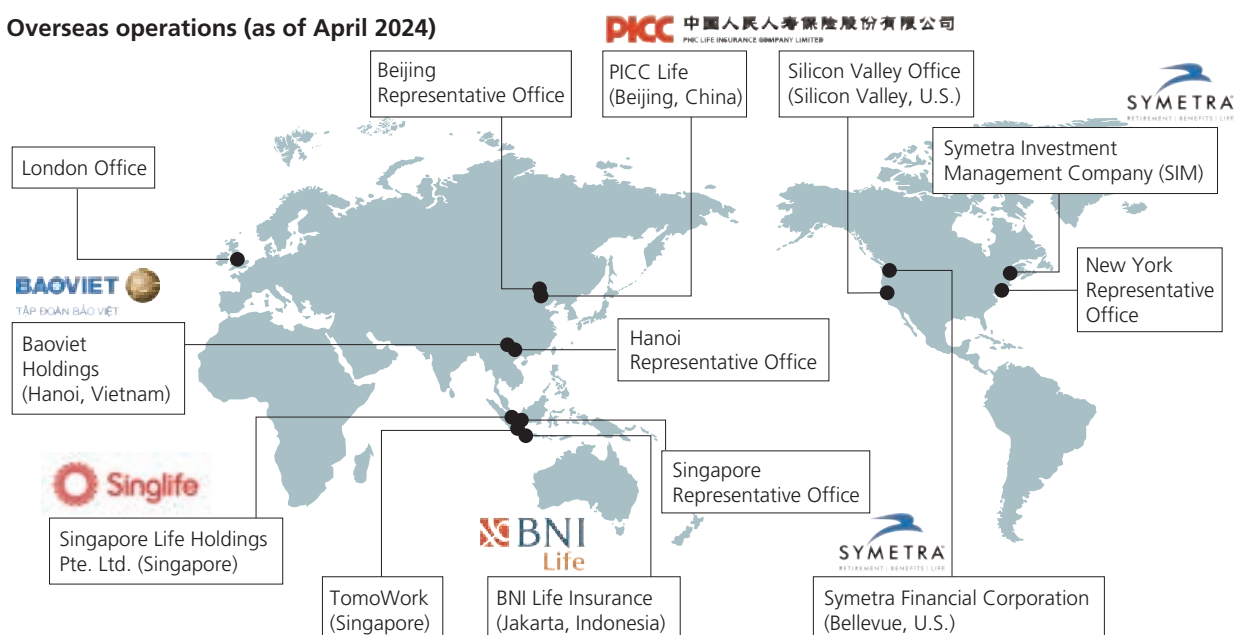


PICC Life is steadily expanding its operations by promoting a multi-channel strategy with around 80,000 insurance agents (sales representatives) and over-the-counter sales through banks. It ranks eighth among the 93 life insurance companies in the country in terms of premium income in 2023. We participate in the company's management through measures such as the dispatch of directors.

Ownership ratio: 10.00%



Overseas operations (as of April 2024)



Comment from the CEO of an Overseas Subsidiary



Margaret Meister
(President and
Chief Executive Officer)

Symetra has been a member of Sumitomo Life Insurance Group since 2016 and we have achieved steady growth during that time. We are grateful for the strong partnership and support from Sumitomo Life Insurance.

Symetra introduced our “Symetra Empowers” strategic vision in 2019, in which we committed to “Creating a world where more people have access to financial freedom.” Under this vision, we are working to provide value to our customers and improve their experience by expanding our product lineup, growing our distributor network, and improving our services with technology. Through these efforts, we will collaborate with Sumitomo Life Insurance through dialogue to achieve growth.

Symetra also considers our employees to be extremely important to our success and is committed to fostering a healthy corporate culture in which every employee can maximize his or her potential, including the promotion of diversity.

We have so much in common with “Sumitomo Life Group Vision 2030” in our approaches to business, customers and employees. We hope to contribute to Sumitomo Life Group by working toward the realization of our vision and continuing our growth.



Pearlyn Phau
(Executive Director &
Group Chief Executive
Officer)

Looking ahead, we are confident that joining the Sumitomo Life Group will further position us to build a stronger future together. We will continue to build and grow our business and market share in Singapore and help drive Sumitomo Life’s regional growth.

We believe our purpose is to be a better way to financial freedom. Singlife built its business strategy on five pillars; Customer Centricity, Next-Gen Products and Services, Digital Enablement, Future-Ready Talent and Sustainability.

Digitalization is an area of strength, and Singlife has innovated with the Singlife App. We are using the latest AI breakthroughs to drive innovation in all areas - from product development to customer service, marketing and content creation.

Regarding sustainability, we are aiming to achieve NET ZERO before the target set by Singapore. We are the FIRST insurer in Southeast Asia to become a signatory to the United Nations-supported Principles for Responsible Investment. As a member of the Singapore Sustainable Finance Association, we steer sustainability in the finance ecosystem in Singapore.

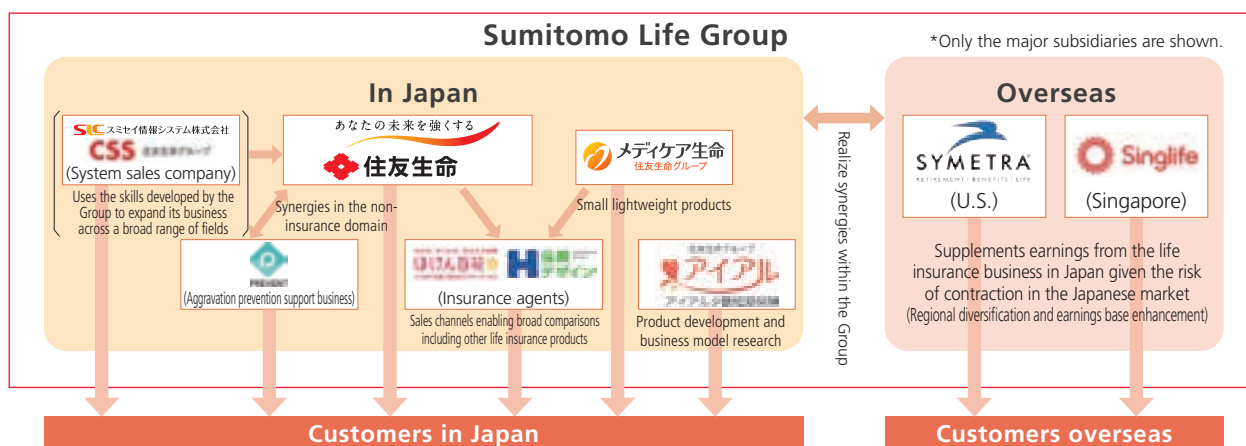
Our purpose and initiatives are aligned with Sumitomo Life Group Vision 2030 in various ways. We would like to contribute to Sumitomo Life Group Vision 2030 through collaborating in areas of our strength.

Group Strategies

Given the special features of the life insurance business, which demands long-term business stability, we believe it is vital to continue to provide society with value by responding to the changing needs of our customers and working to solve social issues through business. The Sumitomo Life Group will work as one to provide society with value across a broad range of fields, including the non-insurance domain as well as conventional insurance, to address increasingly complex and diverse customer needs and social issues.

Composition of the Sumitomo Life Group

The Sumitomo Life Group is made up of subsidiaries and associates in Japan and overseas involved in life insurance, small amount and short-term insurance, insurance-related operations, asset management-related operations, and other businesses.



Group management control structure

Sumitomo Life has formulated the “Group Management Basic Policy.” As the management company of the Group, we work to enhance the management control structure for the Group as a whole based on our operating policy and Internal Control Basic Policy by providing appropriate support for the construction of autonomous management control structures for subsidiaries, etc. based on their local legal systems, market environments, and business activities and by conducting efficient management. (See p. 91 “Internal Control” for details.)

With the acquisition of Singlife as a wholly owned subsidiary in fiscal year 2023, we have become the first mutual company in Japan to be designated as an Internationally Active Insurance Group (IAIG). We are considering the upgrade of the internal control system from the perspective of strengthening governance on a Groupwide basis and we will pursue the further enhancement of Group management control.

Initiatives for generating Group synergies

We are promoting human capital exchange and knowledge-sharing across the Group, as well as a range of other new initiatives in each area, to generate Group synergies.

Our domestic life insurance subsidiary Medicare Life is expected to see a major increase in the volume of policy servicing and payment procedures in the future as the number of policies in force increases. Based on this, a new Task Force Manager* position was established in April 2023 from the perspective of Sumitomo Life and its subsidiaries working jointly to increase the efficiency of administrative procedures and of considering the optimal allocation of human resources within the Group.

PREVENT, which newly joined the Group in Japan in the non-insurance field, is engaged in the business of aggravation prevention. We are promoting operations

that actively leverage both our strengths, such as the MVM Healthcare Project through collaboration with SUMITOMO LIFE Vitality (see p. 54).

In our overseas operations, we have fully outsourced the management of overseas corporate bonds to Symetra Investment Management Company (SIM) since 2022. Going forward, we will also endeavor to realize synergies between Symetra and Singlife.

We will continue to pursue synergies through a range of initiatives with each company in the Sumitomo Life Group in Japan and overseas, so that we can deliver the value of well-being to our customers.

*Task Force Manager is a managerial position established in July 2021 without a fixed organizational affiliation. Task Force Managers are appointed as team leaders for strategic tasks.

Even in this golden age of digital technology,
 “people” are of ultimate importance.
 In pursuit of our vision, we will promote the development of
 human capital that contributes to well-being.



Sumitomo Life has designated “human capital development” as one engine of the “Sumitomo Life Medium-Term Business Plan 2025.” The Human Capital Development Headquarter, headed by the President himself, plays a central part in these human capital development efforts. We asked Chief Takada, together with Senior Executive Officer Hiromi Yamamoto and Executive Officer Yukiko Chiba, who serve as the Deputy Chiefs, about the significance of Sumitomo Life’s human capital development efforts and the vision that motivates them.

Q “What concepts do you regard as important for human capital development?”

Takada When I became President in 2021, I thought about the source of the qualities that make Sumitomo Life unique and will enable us to maintain our competitive advantages as we look ahead to 2030 and 2050. I came to the conclusion that ultimately it is our people who supply these qualities. Life insurance is a business that stays close to people throughout their lives. No matter how much digital technologies develop, in the end, we will only continue to be chosen by customers if our employees are furnished with the necessary skills and abilities.

As we set our sights on becoming an “indispensable insurance group” that contributes to well-being, our vision for 2030, it is human abilities that will be of ultimate importance. I often refer to “the integration of human capital strategies and management strategies,” and I believe that raising employee diversity and simul-

taneously creating environments where they can demonstrate autonomy, thus enabling them to make even greater use of their abilities across all fields, will lead us to achieve our vision. If we can achieve this, I believe our employees will be able to find even more satisfaction in their work and fulfillment in their lives.

Chiba I agree that human abilities are crucial to contributing to the well-being of our various stakeholders. I feel there is a great need for employees to be able to provide value as they grow autonomously. The roles of the Human Capital Development Headquarter include supporting this growth and creating environments to encourage it.

If our employees are able to experience the provision of value to stakeholders first-hand, it will help them to grow and lead them to provide further value. At the Human Capital Development Headquarter, we hope to support the creation of this virtuous cycle.

Yamamoto Thinking daily over the well-being of our employees has led me to contemplate what well-being means to me, too. Looking back on my career so far, I experienced well-being most strongly when I was involved in the establishment of a district office. When, together with my colleagues, I managed to overcome various struggles and succeed in setting up the office, achieving our priority of being useful for customers in the area, I felt a strong sense of fulfillment and happiness.

Recently, the mention of “the well-being of employees” often implies a focus on workplace comfort. Of course, it is important to establish programs to ensure comfortable workplaces. However, I believe it is more important for the well-being of employees that they are able to experience the feeling of “doing a satisfying and rewarding job.” At the Human Capital Development Headquarter, we hope to support employees to attain this feeling.

Q “Tell us about your vision for human capital and your initiatives so far.”

Takada For each of our employees to implement their own vision of “TO BE” (who they aim to be), they need to think in concrete terms, combining “WILL” (what they want to do) with “CAN” (what they can do). To enable us to support employees to do this, we have established “competencies (who employees aim to be)” and “career planning” as the themes of our human capital development.

For competencies, we have created a range of very detailed patterns for each occupation and level, as well as each section at the head office. We fully disclose this information to all employees and communicate “our hope that they acquire the relevant abilities.” By understanding competencies, we expect it will be easier for employees to gain a clear image of how they can acquire the abilities they need. Based on this, we hope that they will develop a clear career plan for themselves: what jobs and roles they wish to undertake at Sumitomo Life to utilize the abilities they acquire.

I ask Ms. Yamamoto and Ms. Chiba to act as evangelists or missionaries to spread this idea in their respective areas of responsibility.

Yamamoto I am responsible for sales representatives and general sales representatives. In this area, our most important role is to stay close to customers throughout their lives, providing better services based on the circumstances of each customer.

One of my main duties is “to visit our branch offices across Japan and engage in dialogue with the local management, including the general

managers of branch offices and district offices.” These people form the core human capital of Sumitomo Life, and I endeavor to communicate clearly to them the significance of promoting competencies and career planning, as well as the expectations that the Company has of each of them.

Takada Sales representatives make up around 30 thousand of the 40 thousand employees of Sumitomo Life. They are responsible for our customer contact points on the front line, looking after over 10 million policies in force and over 7 million customers, as well as spreading our products and services to new customers. Customer attitudes and behavior change on a daily basis, and I think that being a sales representative is a very challenging occupation. I hope they think clearly about their own WILL, CAN, and TO BE, and pursue a wide variety of challenges.

Chiba I am responsible for the general business track. General business track employees are found in a wide range of positions. They are responsible for various duties, such as handling customers and employees as well as administrative tasks. I began my career on the general business track, where I was responsible for administrative duties for existing insurance policies and supporting sales representatives.

I have always felt that the power of general business track employees is vital for the sustainability of Sumitomo Life’s business operations. Therefore, I believe that it is very valuable for the Company to clarify the abilities that general business track employees should acquire and our vision for them.

Takada General business track employees undertake very important roles and contribute greatly to improving our service quality and customer satisfaction.

We have also established competencies for managerial track employees. Managerial track employees are required to raise the levels of profitability and governance companywide. They need to have a diverse range of abilities and attributes including specialist knowledge and skills, as well as the management skills to drive and motivate an organization. We need experts in various fields, so we expect managerial track employees to clarify their own career plans and expand our businesses into new domains as front-runners.

Q “Tell us about the current situation and future policy regarding the diversification of human capital.”

Takada As I have explained, there are many different occupations for employees at Sumitomo Life. I would like each employee to consider, from his or her own standpoint, how to contribute to customers and society.

Yamamoto Diversity, Equity & Inclusion (DE&I) is indispensable for us to increase the value of each employee Group-wide. My particular focus is on equity: in other words, fairness. I believe it is important that we create environments so that all employees have equal access to challenging opportunities.



(Senior Executive Officer Yamamoto, Deputy Chief of Human Capital Development Headquarter)

Chiba Ms. Yamamoto and I are the officers in charge of DE&I promotion. DE&I is the source of innovation. Utilizing diversity also increases resilience and leads to greater sustainability.

Historically, Sumitomo Life's structural environment has made it difficult for women to play active roles. For example, the male employees who occupy most of the positions in the managerial track have had many opportunities to acquire knowledge and personal networks through regular relocation and transfer. The male social culture that became established in this context has made it very difficult for women to gain access to similar

opportunities. To resolve this problem, for the last few years, we have implemented initiatives focused on promoting the active involvement of women. We plan to accelerate these initiatives in the future.

In addition to initiatives to promote the active involvement of women, we are progressively establishing systems and creating environments where diverse employees can make the maximum use of their abilities. This includes encouraging male employees to take childcare leave and supporting an understanding of persons with disabilities. I believe that initiatives such as these will enable us to achieve our vision and provide further value to our customers.



(Executive Officer Chiba, Deputy Chief of Human Capital Development Headquarter)

Takada Two companies joined the Group as subsidiaries in fiscal year 2023. In addition to other aspects, I think their addition to the Group is highly significant in terms of diversifying our human capital. If we can strengthen communication between our subsidiaries and encourage the interaction between employees with diverse backgrounds, we should be able to enhance the level of our human capital and the Group's combined strength as a result.

One of the subsidiaries that joined the Group is PREVENT. PREVENT's strength lies in medical data analysis, and it boasts a large number of data scientists among its employees. We expect that

engaging in business together with PREVENT, with its large body of highly specialized human capital, will give rise to a range of synergies.

Overseas, we acquired Singlife as a wholly owned subsidiary in Singapore. Singlife has a large number of young employees and a corporate culture that encourages them to take on a variety of challenges. We hope that they will not only be an important part of the Group's business growth but also provide us with the additional power to generate innovations.

The diversification of human capital is also progressing through other initiatives, in addition to the acquisition of subsidiaries and business integration. For example, at our insurance subsidiary Medicare Life, the number of employees who have remained with the company throughout their careers is increasing significantly. Medicare Life has quite a different culture from Sumitomo Life, so deepening communication with Medicare Life's human capital should be a very effective way for Sumitomo Life to generate new value.

Q “Tell us about your expectations for the employees of the Sumitomo Life Group.”

Chiba Sumitomo Life's strength lies in our ability to “protect tradition and pursue innovation.” Our tradition draws on a history spanning 117 years, during which each generation has inherited many things from those who came before, including the feeling for our customers. We must continue to pass these down to future generations.

In terms of innovation, we have provided our customers with innovative products. In recent years, these include “SUMITOMO LIFE Vitality” Shared-Value Insurance. Today, in this so-called “era of the 100-year lifespan,” social value perceptions are undergoing significant changes. The range of areas where insurance companies can make a contribution is growing rapidly. We will boldly rise to the challenge of engaging in these new areas.

For us to further enhance the strength of our ability to “protect tradition and pursue innovation,” it is crucial that our employees work autonomously and proactively. If employees adopt this attitude, it will strengthen organizational unity and enable them to work with a greater sense of job satisfaction, leading to higher corporate value and realizing well-being for the employees themselves.

Yamamoto I often tell the employees on the front line that “Sumitomo Life has been in business for 117 years, so we need to do the best jobs we can, envisaging that it will still be in business 100 years from now.” In an increasing number of cases,

the changing nature of history means that the solutions that used to be correct are no longer applicable. That doesn't mean that we should throw away the past; rather, we must keep what is important even as we create new solutions.

I think there is a huge diversity of visions and value perceptions among our employees, but by focusing on our purpose—to “contribute to the advancement of social and public welfare”—we should be able to generate value with a sense of unity. I hope that all of our employees realize their vision by steadfastly considering “the areas where they can each make a genuine contribution.”

Takada For Sumitomo Life to become an “indispensable insurance group” that contributes to well-being, it is vital that all of the Group's employees fulfill their respective roles with their sights set on the keyword “well-being.” The definition of well-being varies from person to person, and it is also important to consider how to summarize and condense their various ideas.

Our mission is to continue to provide customers with a sense of security and preparedness for the future and, over and beyond this, to contribute to their well-being. At the same time, we hope to ensure that our employees also achieve well-being and that we become a better corporate group as a result. For myself, I hope to strive ahead together with our employees, with a firm awareness of this important role.

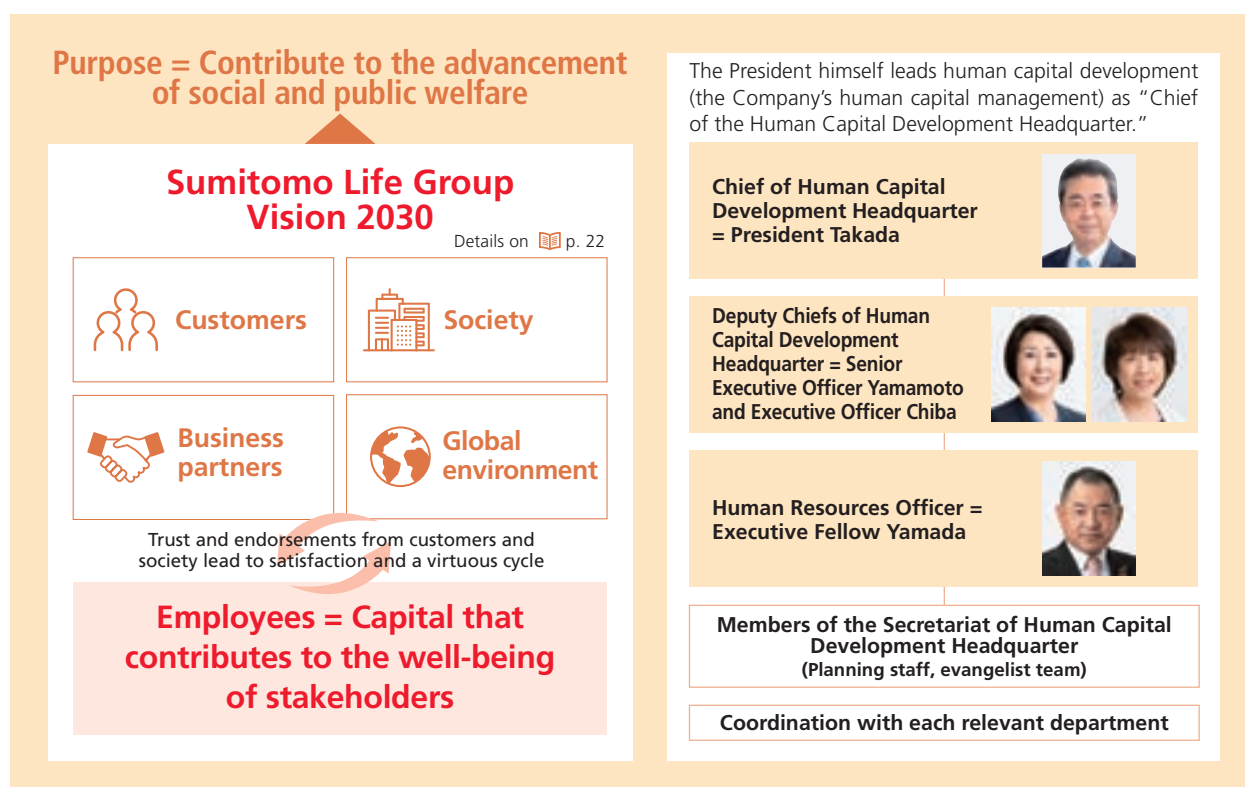


(President Takada,
Chief of Human Capital Development Headquarter)

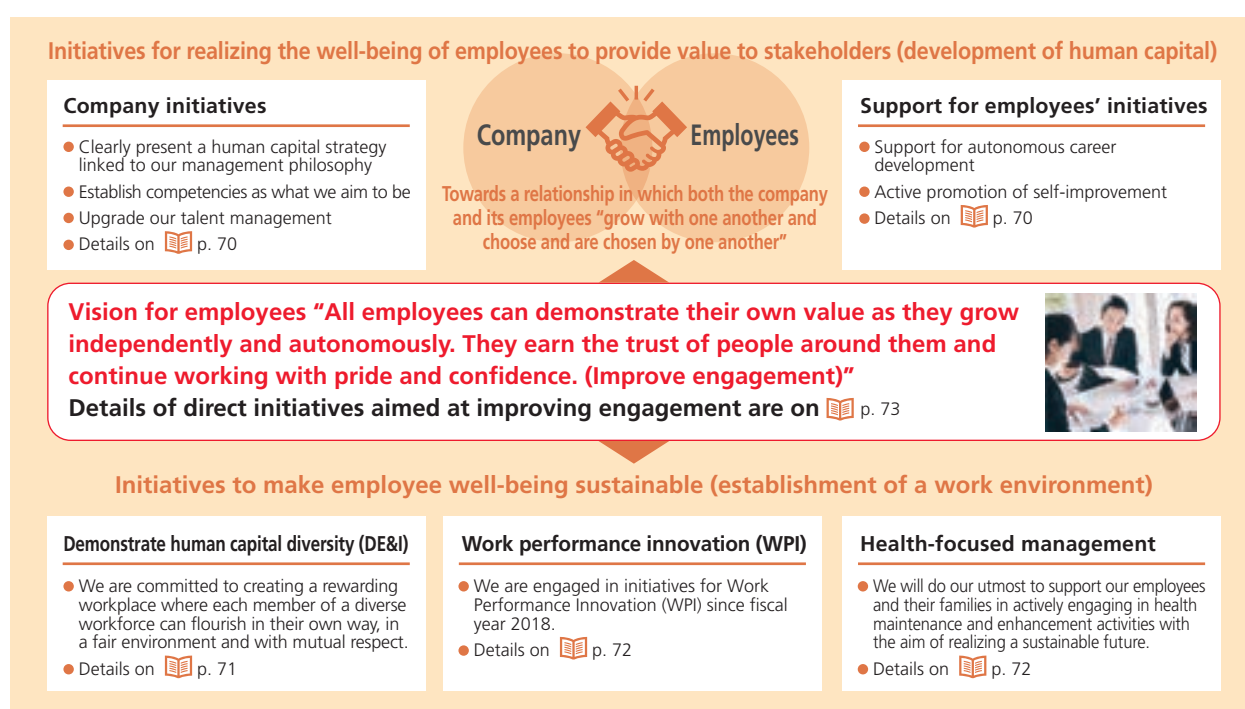
Human Capital and Human Capital Development

We perceive “our employees” as “our capital.” To achieve our purpose to “contribute to the advancement of social and public welfare,” upheld throughout our history, realize the “Sumitomo Life Group Vision 2030,” and provide sustainable value to all our stakeholders, we engage in human capital management = “human capital development” linked to our management strategies.

We pursue these initiatives based on our strong ideal of “enhancing the value of our employees (human capital) to achieve the well-being of our stakeholders and the well-being of our executives and employees.” Upon the appointment of the President, we established “the Human Capital Development Headquarter,” with the President himself leading the Company’s human capital management as “Chief of the Human Capital Development Headquarter.”



Our specific initiatives based on this philosophy and structure are outlined below.




Monitoring Related to Human Capital

Sumitomo Life's initiatives for human capital and human capital development are deeply connected to our purpose and other aspects of our management philosophy and management strategies. By realizing well-being for our customers, society, and all our stakeholders, as well as the well-being of employees themselves, we aim to achieve our purpose and management strategies.

Our human capital development initiatives are broad-ranging, and initiatives with especially high priority and importance are positioned as "monitoring items." The value provided by these initiatives are rendered visually.

Key monitoring items are shown in the following table. Specific initiatives are provided on  p. 70-73 and  p. 115.

Key Monitoring Items

| Perspective of human capital development | Items | | Fiscal year 2022 results | Fiscal year 2023 results |
|--|--|--|---|---|
| Initiatives for realizing the well-being of employees to provide value to stakeholders | Linking management strategies and human capital strategies | Specify competencies (vision) based on management strategies | Occupations covered: Managerial track | Occupations covered: Managerial track General business track |
| | | Number of employees certified as human capital for digital utilization | — | 2,746 people (Note) This represents the number of employees who have finished the e-learning classes and completion test based on the Digital Skill Standards for DX literacy (DSS-L) established by the Ministry of Economy, Trade and Industry. |
| | Support for autonomous career development | Number of people utilizing support for self-development expenses (Started in FY2021) | 2,116 people (+1,443 people compared to FY2021) | 1,474 people (+801 people compared to FY2021) |
| Initiatives to make the well-being of employees sustainable | Diversity, Equity & Inclusion | Ratio of female managers | 48.3% | 48.4% |
| | | Ratio of male employees who took childcare leave (Of which, ratio who took at least 30 days) | 100% (3.0%) | 100% (13.7%) |
| | | Wage differentials between men and women (ratio of women's wages to men's wages) Top: Employees (11,808) Bottom: Sales representatives (28,976) | 52.5% 93.4% | 53.2% 86.8% (Note) Details are provided on  p. 115 |
| | | Ratio of employment of persons with disabilities | 2.4% | 2.5% |
| | Work style reform | Reduction in total working hours (compared to 2016) | -10.3% | -11.0% |
| | | Ratio of employees who took paid leave of at least one day per month | 81.8% | 84.3% |
| | Health-focused management | Ratio of employees eligible for secondary health checkups | 27.2% | 27.1% |
| | | Number of participants in walking campaign | 22,075 people | 19,743 people |
| | | Ratio of employees who took stress check | 82.0% | 85.4% |
| Measurement of employee "satisfaction," etc. from the above initiatives | Engagement | Employee engagement score | 61% | 61% |
| | | Environment for active employee participation | 72% | 72% |
| | | Collaboration Communication (Indicators related to cooperation and collaboration within organizational sections) | 74% 67% | 75% 68% |

Initiatives for Realizing the Well-Being of Employees to Provide Value to Stakeholders (Development of Human Capital)

Company initiatives (specifying our vision and managing talent)

● Specifying our vision (competencies)

We have established competencies common to all departments as the human capital attributes required to contribute to realizing our management philosophy and management strategies. We launched this program for managerial track employees in fiscal year 2023, and expanded it to include general business track employees in fiscal year 2024.

Competencies comprise three categories: “Sumisei competencies,” which are required of all employees, “occupational competencies,” which are required for each occupation, and “specialized competencies,” which are required by individual departments.

By acquiring these competencies, we aim to enable employees themselves to achieve well-being by improving their productivity and experiencing growth, and thus contribute to providing the value of well-being to society and our customers.

● Competency-based talent management

In fiscal year 2024, we partially revised our personnel management and personnel system to enable employees to acquire competencies soon after joining Sumitomo Life and achieve well-being for themselves, society, and our customers. We aim to further expand the work opportunities available to employees based on their acquisition of competencies, achieving talent management that encourages growth.

Vision of human capital needed to achieve our management philosophy and strategies = Competencies

Occupational competencies



Specialized competencies (by department)

Sumisei competencies (for all employees)

Reflect in personnel management and personnel system

We aim to encourage the participation and swift promotion of human capital capable of independently and autonomously enhancing their competencies and demonstrating these competencies at an advanced level.

Support for employees' initiatives (support for autonomous career development)

● Promoting career planning

We promote “career planning” for each of our employees to enable them to work with vigor and achieve well-being. In pursuit of our vision, we are implementing a wide range of programs and measures.

Self-career management program

We run the “Self-career management program” for young employees, where they select and register the career area they would like to pursue. Their supervisors and the Human Resources Department allocate them duties and roles and conduct personnel management taking these wishes into account. In this way, we aim to enable employees to actively pursue careers in each area in the future.

Measures to assist in career planning

We provide a diverse range of programs to assist employees in career planning.

Examples of the main career support measures

| Understanding career areas | Thinking about careers |
|--|--|
| (Job fares) These events introduce employees to approaches to career development, the work of various different departments, necessary skills, etc. (Job Try program) This program enables employees from branch offices to experience work at a head office department of their choice for a set period of time. | (Career support interviews) These contact points enable employees to arrange individual interviews with our (qualified) internal career consultants, as opportunities to deepen their consideration of their own careers. This service is always available, allowing for interviews at any time. |

● Active promotion of self-improvement

We actively promote initiatives for employees' self-improvement to enable them to learn the skills and knowledge necessary to develop their careers and acquire competencies.

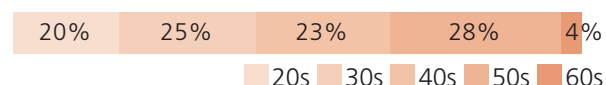
Support for self-development expenses

We provide employees with subsidies of up to ¥200,000 per person per year to offset the cost of correspondence and commuter courses, business schools, and outside seminars, selected and taken by the employees themselves. Employees in a wide range of age groups are continuing their learning.

Number of users

| FY2021 | FY2022 | FY2023 |
|--------|--------|--------|
| 673 | 2,116 | 1,474 |

Ratio of users by age group (FY2023)



e-Learning

We have a system in place that allows employees to choose from 15 themes to readily learn the skills they need for their business at any time and from their personal smartphones, tablets, or computers during their free time.

Initiatives to make employee well-being sustainable (establishment of a work environment)

Demonstrate human capital diversity (DE&I)

Sumitomo Life promotes Diversity, Equity & Inclusion (DE&I)

Sumitomo Life is committed to creating a rewarding workplace where each member of a diverse workforce can flourish in their own way, in a fair environment and with mutual respect.

We will create new value and contribute to the “well-being for customers and society” by having our diverse human capital maximize their capabilities, grow together, and continue to evolve.

● Creating an environment where diverse human resources can work actively and productively

Every year, we hold a seminar on diversity for managers and are continuously undertaking other efforts to raise awareness and foster a culture of diversity. In addition to enhancing systems for balancing work with childcare, nursing care, and other family responsibilities, we are also promoting diverse ways of working, such as teleworking and flextime systems. We have also implemented a personnel system whereby work styles can be chosen based on the scope of relocation and introduced a vacation and leave system that can be used for infertility treatment. Furthermore, we encourage the autonomous career development of our diverse staff through such measures as the use of our existing post-employment systems: the changes to the occupation system and the system for supporting career progression.

| Changes to the occupation system | System for supporting career progression |
|--|---|
| It is possible to change occupation from the General business track to the Managerial track, and vice versa. Approximately 380 people have changed from the general business track to the managerial track so far, and many are also active in managerial roles. | This is a system that enables the operations of a different organization to be experienced for a limited time. It supports career development through the broadening of employee knowledge and intellectual horizons. (Eligible roles are those in which transfers do not involve relocation) |

● Initiatives to promote the active involvement of women

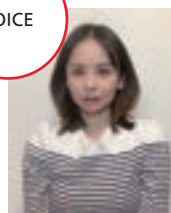
In April 2021, we formulated an action plan based on Japan's Act on Promotion of Women's Participation and Advancement in the Workplace, which covers the period until the end of fiscal year 2025, and we have been promoting initiatives based on this plan. As for the ratio of female managers, we are implementing systematic development and level-specific training programs. And, in support of male employees taking childcare leave, we are implementing a combination of individual encouragement to the relevant employees and their supervisors, and seminars to promote understanding among all employees. We have also launched a new program titled “Challenge Childcare Leave 30 Days” to encourage employees to try to take longer childcare leave.

Action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace

- Target for female employees in managerial positions by the end of fiscal 2025: 50%
- Creating a comfortable workplace environment for all employees by targeting 100% take-up of paternity leave by employees

| Ratio of female managers (As of April 2024) | Ratio of male employees who took childcare leave (Fiscal year 2023 results) |
|--|--|
| 48.4% | 100% |

VOICE



Saga Branch Office
Noriko Fujita
Employee

User of the system for supporting career progression

<Transferred to the Accounting Sect., Accounting Dept. in April 2022 for two years>

In the Accounting Section, I was given the opportunity to participate in a broad range of work, from everyday operations to project planning. Every day, I felt a little overwhelmed by how much broader and more specialized accounting duties are than I had previously imagined, but being able to work in that environment was a rewarding experience and became a valuable asset for me. Since returning to my original branch office, I am utilizing the knowledge and approaches I learned from this practical experience to improve the efficiency and accuracy of work there.

VOICE



Corporate Planning Dept. (at the time, District Manager of Shibuya No. 1 District Office, Shibuya Branch Office)
Yusuke Sato
Assistant General Manager

User of the childcare leave system

<Took 31 days of childcare leave in fiscal year 2023>

I feel that every day during that first month after my child was born was irreplaceable. I am filled with gratitude to my supervisors and colleagues, who encouraged me to feel comfortable about taking childcare leave, saying they would do their utmost to fill in for me while I was away from work. Since taking the leave, I have become even more aware of my own work-life balance and the work-life balance of the people I work with.

● Promote employment of persons with disabilities

As a pillar of DE&I, we are actively working to employ persons with disabilities. As of April 2024, the employment ratio exceeds the legally required rate (2.5%). SUMISEI Harmony K.K., a special subsidiary, is also working to create new employment opportunities, including the further development of satellite offices and fully remote work. TomoWork, a non-profit organization we established in Singapore, has provided an employment support program to around 300 persons since the project was launched in 2019 to create employment opportunities.



● Initiatives related to LGBTQ+

As well as implementing human rights training that includes LG-BTQ+ issues for all employees, we provide handbooks featuring basic knowledge, distribute “ally stickers” to those who want them, and have also set up advice hotlines, partly in order to promote understanding among employees. We have also revised our leave programs, company housing leasing and other corporate welfare programs to treat same-sex partners as spouses, in principle, based on objective documentation, etc.



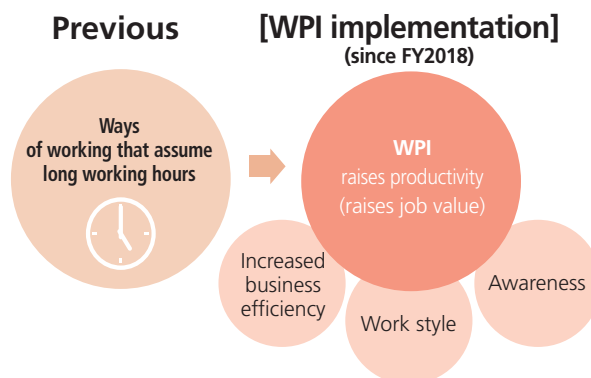
Initiatives to make employee well-being sustainable (establishment of a work environment)

Work style reform (WPI)

Sumitomo Life has engaged in initiatives for Work Performance Innovation (WPI) since fiscal year 2018

● Initiatives for work style reform: WPI implementation

We aim to allow each employee to focus on “customer-oriented work” using the time created through streamlining operations by introducing new systems and through reviewing existing operations. Moreover, we aim to further improve the productivity (performance) of the Company as a whole by creating a workplace where employees can “work in good health and with enthusiasm” through such measures as restricting long working hours, promoting the use of leave, and introducing a system that allows flexible working styles.



Each employee works to increase overall company productivity by thinking of others and the future and mutually deepening dialogue

Work from anywhere and at any time

Employees select work styles that raise the productivity of their department by intentionally choosing where and when they work, utilizing teleworking, staggered work shift, and flextime systems. They carry out operations smoothly and quickly by sharing information and communicating closely regardless of where and when they are working.

Proactive, continuous review of operations

We will establish a cycle in which all employees maintain an awareness of issues in daily work and continually review operations.

An environment for working in good health and with enthusiasm

Employees will perform their duties independently and systematically and will systematically take paid annual leave at a pace of at least one day per month, leading to life enrichment and personal growth. In addition, with the relocation of the Tokyo Head Office, we will implement a style of work that supports the further creation of value and disseminate it throughout the Company.

Health-focused management

Sumitomo Life promotes health-focused management initiatives

Under the “Sumitomo Life Group Health-focused Management Declaration” formulated in April 2017 (revised in July 2021), we believe that in order for each and every employee to enthusiastically maximize their individual abilities, above all, employees and their families must value their mental and physical health and achieve “well-being.”

The Sumitomo Life Group aims to become an “indispensable insurance group” that contributes to well-being. Underpinning the foundation of this are the “awareness” and “actions” of each and every employee regarding health. We will do our utmost to support our employees and their families in actively engaging in health maintenance and enhancement activities with the aim of realizing a sustainable future by contributing to the “well-being” of as many people as possible.

Our initiatives in fiscal year 2023 included working towards a target for employee health checkups of “proportion of persons eligible for secondary health checkups fewer than 30%,” and as a result of our efforts we achieved a figure of 27.1% to meet the target.

The Company was recognized for its efforts, and for the seventh consecutive year was certified as a “White 500” company of the 2024 Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large Enterprise Category) under the certification system for corporations with excellent health-focused management, organized by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.



| | Key initiatives of health-focused management | Indicators | Assessment items | Results (fiscal year 2023) |
|--|---|---------------------------|--------------------------------------|----------------------------|
| Health management | <ul style="list-style-type: none"> ● Improve the uptake rate of regular and secondary health checkups, and provide specified health guidance and lifestyle improvement guidance. ● Implementation of projects to prevent severe diabetes. ● Initiatives toward improving the health checkup uptake rate for family members. ● Promotion of the use of the Health Screening and Breast Cancer Examination Cost Subsidy Program. ● Promote the use of telephone health counseling. ● Prevent mental health issues ● Recommend and utilize stress checks. | Regular health checkups | Primary health checkup uptake rate | 100% |
| | | | Secondary health checkup uptake rate | 67.5% |
| | | Special health checkups | Uptake rate | 80.3% (Fiscal year 2022) |
| | | Specified health guidance | Guidance completion rate | 45.6% (Fiscal year 2022) |
| Reduction of health risks | <ul style="list-style-type: none"> ● Promote cessation of smoking. ● Refraining from long working hours and initiatives for flexible work styles. ● Promote communication. | Number of smokers | Proportion of smokers | 23.5% |
| Encouraging health maintenance and enhancement | <ul style="list-style-type: none"> ● Utilize the Vitality Wellness Program ● Hold the “internal walking campaign” biannually in spring and fall. ● Leverage ICT to provide health information (lifestyle-related diseases, diet, smoking, etc.). ● Encourage wearing of sports shoes during commute. | Walking campaign | Number of participants | 19,743 |

Engagement

We conduct the “engagement survey” as an indicator that measures the well-being of employees. In addition, through the “well-being monitoring survey,” we measure the degree to which employees endorse the Company on an ongoing basis. “Employee voices” collected from various perspectives through this survey and the engagement survey are utilized in a variety of initiatives. Going forward, we will engage in the analysis of correlation and cause for indicators such as the “net promoter score (NPS),” which measures engagement and the degrees to which employees and customers recommend the Company, to consider implementing more effective measures.

The entire Company will work as one to promote initiatives that contribute to achieving well-being for all our stakeholders, by achieving well-being for employees and raising the value of our human capital.

● About engagement

In order to realize well-being of customers and increase corporate value, each and every employee must work with a sense of fulfillment and vigor, and make maximum use of their individual abilities. We therefore prioritize employee “engagement*” and are fortifying our efforts to further improve it.

* Engagement in the context of human capital development initiatives expresses “the trust and affection employees have for the Company” and “their satisfaction with working at the Company.”



● Promotion of initiatives by each organization

The results of the engagement survey are shared with managers in each organization, and an environment is maintained that allows the issues and strengths and weaknesses of each organization to be identified and analyzed.

The engagement survey specifically measures the following items linked to each initiative, and PDCA cycles are implemented for the respective issues. We also implement individual support through the Human Capital Development Headquarter and the evangelist team based on the issues faced by each section.

● Implementation of engagement survey

In fiscal year 2022, we introduced the “engagement survey” to understand the engagement status of employees at the Company and in each organization and to use it in a PDCA cycle to improve engagement.

The results of the FY2023 survey* are shown in the table below. Efforts are being made to address issues identified based on the results. Specific initiatives are shown at the bottom of the page.

* Proportion of respondents who chose a “favorable answer (‘strongly agree’ or ‘agree’)” out of 5 levels.

| | |
|---|--|
| Employee engagement score | 61% (±0 pt year on year) |
| Environment for active employee participation | 72% (±0 pt year on year) |
| Collaboration Communication | 75% (+1 pt year on year) 68% (+1 pt year on year) |

● Company-wide initiatives

To convey the importance of engagement and support actions that help raise it, we have executives provide support for branch offices around the country.

Through dialogue that includes everyone from the management team to junior employees, we are working for a broad understanding of our management philosophy, our purpose (reason for existence), and the principles of human capital development and are carrying out efforts on a united, Company-wide basis to improve engagement while utilizing feedback from employees in various considerations.

Overview of engagement survey items

Initiatives for realizing the well-being of employees to provide value to stakeholders (development of human capital)

- Employee engagement
- Collaboration and communication
- Executive management, performance evaluations, and evaluation of strategic consistency
- Growth opportunities and environment for active employee participation
- Degree of customer orientation

Initiatives to make employee well-being sustainable (establishing a work environment)

- Work-life balance
- Promotion of Diversity, Equity & Inclusion (DE&I)
- Corporate social responsibility and ethics
- Pay and benefits, regular interviews, performance reviews

Digital & Data

● Definition and roles of “digital & data”

In contemporary society, new products, services, and business models emerge from the use of digital technologies and data, and this leads to further societal development and corporate growth. Sumitomo Life has positioned this “digital & data” as an engine for initiatives aimed at the realization of “Sumitomo Life Group Vision 2030.”

“Digital & data” refers to using digital technology and data to help do what can’t be done by the power of human alone in order to provide new value that fuses the human and the digital. Through drawing out the potential of digital and data to the maximum extent, we will work to create new products and services and maximize the value of the customer experience to contribute to the well-being of customers.

In addition, the Digital & Data Headquarter, which was established to realize the value of “digital & data,” designs and leads the overall plan for digitalization and data utilization for the entire Sumitomo Life Group and also has the role of supporting digitalization and data utilization by departments and optimizing the whole. We will pursue various initiatives aimed at being an “indispensable insurance group” that contributes to well-being as stated in “Sumitomo Life Group Vision 2030.”

We have been recognized as a “DX-certified operator” for the series of DX promotion-related initiatives we have implemented. The DX certification program recognizes companies that meet the basic requirements specified in the “Digital Governance Code,” based on the “Act on Facilitation of Information Processing.”



● Digital & data strategy

At Sumitomo Life, we designate services that contribute to customer well-being as “Well-being as a Service (WaaS).” We aim to build an ecosystem centering on “SUMITOMO LIFE Vitality” by joining with partner companies to create new WaaS services that transcend existing demarcations in the life insurance business. We will not only provide optimal insurance but also offer multiple services personalized for each individual and thereby contribute to the “well-being” of customers.

(1) Expanding products and services

By harnessing the power of digital and data, we will work not only to provide conventional insurance products but further evolve Vitality services and create well-being services in non-insurance areas. Through this we will offer products and services aligned with the diversifying needs and lifestyles of customers.

(3) Providing personalized value

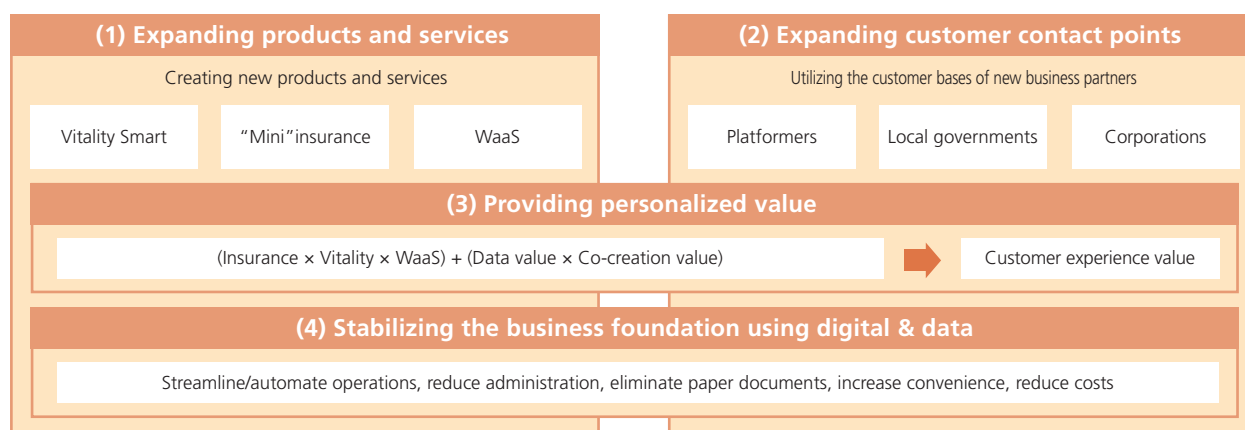
We aim to create customer experience value that is optimized to each individual customer by accumulating and utilizing customer contact point data and health data that is unique to Sumitomo Life and combining multiple products and services.

(2) Expanding customer contact points

To create well-being services, it will be necessary to collaborate and co-create with new business partners, including local governments, corporations, and platformers. We will work to expand customer contact points by utilizing the customer bases of business partners and deliver well-being value to as many customers as possible.

(4) Stabilizing the business foundation using digital & data

We will streamline and automate operations by utilizing the latest digital technologies, generative AI included, in order to further increase the value of the customer experience and will stabilize our business foundation in order to ensure the continuation of operations under an environment of continued contraction in the working population.



Promoting digitalization and utilization of information and communication technology

● Efforts to maximize customer experience value

We have formulated the “Sumisei Medium-Term Systemization Plan 2025” to realize “Sumitomo Life Group Vision 2030” and achieve Sumitomo Life Medium-Term Business Plan 2025 and its numerical targets through the fusion of management strategies and IT/digital strategies and are constantly utilizing advanced ICT (information and communication technology) to further sophisticate our services.

We have built the Sumisei Data Platform (environment for data analysis) with functions that include accumulation, maintenance, and automatic analysis of big data and have been performing various analyses to provide new products and WaaS to contribute to the well-being of customers, including the use of exercise data obtained from wearable devices in the development of the “Personalized Health Enhancement Service & Personalized Disease Risk Report” service for “SUMITOMO LIFE Vitality” Shared-Value Insurance.

In addition, we provide “Sumisei Digital Concierge,” a mobile app for customers, in order to meet diversifying customer needs and further raise convenience. The app allows for easy login, including to the existing Sumisei Direct Service, through the biometric authentication function on smartphones. It enables procedures to be completed on a one-stop basis, from requests for documents on insurance products and the creation of insurance plans to policy applications. Customers can even complete procedures such as policy maintenance and payment claims through the app. Since April 2024, we also offer an additional range of the supplementary services provided to insured persons and other policyholders and their family members, such as online health consultation and second opinion bookings, through the app. Going forward, we will continue to expand the app functions and information services offered, to provide services closely aligned to customer needs.

● Initiatives to improve productivity through the use of generative AI

In July 2023, we began the operation of the “Sumisei AI Chat Assistant,” a generative AI chat system. This dedicated system built for Sumitomo Life is based on ChatGPT, and uses the functions of the Microsoft Azure “Azure OpenAI Service.” Similarly to ChatGPT, it enables users to type in questions and receive answers in a natural, human-like, conversational format. We will progressively utilize it to improve productivity in our everyday operations.

We have also established rules and guidelines for the use of the system, based on the matters concerning AI users set forth in the AI Guidelines for Business compiled

by the Ministry of Internal Affairs and Communications (MIC) and the Ministry of Economy, Trade and Industry (METI), to prevent the learning or reuse of information input by users. In addition to security considerations, these relate to precautions regarding the input of confidential information and copyright considerations, as well as the risk that some information input may be false. As we continue to promote the use of generative AI, we will also strive to maintain a safe and secure operating environment, including by improving the knowledge and skills of our employees.

● Structure of systems departments and the development of human capital with expertise in digital technology

Our systems departments are responsible for planning, developing, and operating all the systems that support Sumitomo Life’s management and business operations, including the safe and secure administration of insurance policy information.

Other important roles of the systems departments include supporting our efforts for the continuing evolution of Sumitomo Life by cooperating with other departments to promote digitalization through the use of leading-edge technologies for initiatives such as creating new customer contact points, developing and providing valuable products and services, and generating new business models.

In order to promote digitalization, it is essential that we utilize digital technology and information and ICT, as well as developing human capital with diverse skills.

We have established a “Digital/System” course for new graduate recruits and we are striving to train and retain employees who have an interest in advanced technology and possess specialized knowledge. In addition, we have clarified the definition of “human capital with expertise in digital technology” for existing employees as we endeavor to raise the level of digital skills and literacy required not only from employees in the systems departments but also in each department in the head office and branch offices.

Each department

Cooperation

Systems departments

Empowering your future
SUMITOMO LIFE
 Information Systems Dept.
 Planning, coordination and promotion related to information systems
 Promotion and management of systems development
 Matters related to the management of systems risk
 Formulation and management of system architecture plans

Outsourcing

SIC
Sumitomo Life
Information
Systems

Applications development
 System infrastructure development
 System operation

Outsourcing

Outsourcing

Outsourcing
partners

Definition of human capital with expertise in digital technology

Human capital for digital planning

Human capital capable of using digital technologies, IT, and data to create new businesses and transform existing operations

Human capital for digital utilization

Human capital capable of understanding and using (mastering the use of) digital technologies and IT

Human capital for digital development

Human capital possessing an advanced level of specialized knowledge and skills regarding digital technologies, who are capable of promoting systems development and digitalization



Roundtable Discussion with Data Scientists

Takuya Toda

Data Scientist,
PREVENT Inc.

Profile

Became interested in the aggravation prevention business while studying physiotherapy at university, and joined PREVENT in 2018.
Engaged in developing and expanding the functions of the "Myscope" medical data analysis service and the "Mystar" lifestyle improvement support program. Doctor (Science).



Yosuke Fujisawa

AI Officer,
Sumitomo Life Insurance Company

Profile

Specializes in statistics and actuarial science, especially the design of insurance products utilizing programming and data.
Joined Sumitomo Life in 2020 and appointed as AI Officer (AIO) in April 2021.
Engaged in the management of the data analysis team and education.



Naoki Onozato

Data Scientist,
Sumitomo Life Insurance Company

Profile

Joined Sumitomo Life in 2020 as a new graduate and became one of the first round of participants in the "Digital/Systems" course. Engaged in the development of new functions such as disease risk reporting for SUMITOMO LIFE Vitality. Also responsible for promoting the use of generative AI and organizing education and training for employees.

Cultivating the well-being domain through "digital & data" and developing the new dimension of WaaS through the participation of diverse people and companies

At Sumitomo Life, we have identified "digital & data" as one of the "engines" that drives "Sumitomo Life Medium-Term Business Plan 2025." In December 2023, the Sumitomo Life Group welcomed PREVENT, previously our partner in the aggravation prevention domain in our Well-being as a Service (WaaS) eco-system. Together, we aim to further promote the utilization of digital technologies and data and the co-creation of new value. In this section, we invited the AI Officer who manages Sumitomo Life's data analysis team, a data scientist at the forefront of development, and a data scientist from PREVENT, which newly joined the Group, to discuss issues such as the significance of data analysis and utilization and the outlook for the future.

Leveraging expertise to promote “digital & data”



Tell us about each of your current focus areas for the utilization of digital technologies and data.

Fujisawa: I believe that digital technologies and data are like the two wheels of a car. For Sumitomo Life, these two wheels are essential for providing more people with the SUMITOMO LIFE Vitality health enhancement service and enabling them to implement it. They are one of the engines that drive the Medium-Term Business Plan. In this context, I am responsible for the management and promotion of projects related to data analysis, a focus for Sumitomo Life, using my many years of experience as an actuary. I hold regular discussions with Discovery Ltd., the South African company that developed Vitality once per month, and I visited South Africa in February this year.

Onozato: In 2020, Sumitomo Life established a recruitment quota for the “Digital/Systems” course, and I was one of the first round of participants. Since joining Sumitomo Life, I have been involved in developing new functions such as disease risk reporting for SUMITOMO LIFE Vitality. Recently, I have participated in a wider range of areas: not just in development projects centered on data analysis but also in the management field. I have also been proactively involved in the use of generative AI. In July 2023, we began the operation of the “Sumisei AI Chat Assistant.” This system contributes significantly to improving the productivity of everyday operations, such as the preparation of proposals and reference documents, for approximately 17,000 employees, including the employees of Group companies. To maximize the effectiveness of the system, it is vital to raise the level of IT literacy among all employees, regardless of which department they belong to. As a result, I have an increasing number of opportunities to develop training programs for employees and undertake roles such as a training instructor.

Toda: PREVENT is a startup company specializing in aggravation prevention based on data analysis. We conduct research, primarily through our internal research body “Insight Lab,” aimed at acquiring health and medical data and utilizing this data in aggravation prevention and health maintenance and enhancement. Since joining PREVENT as a data scientist, I have been involved in setting up the medical data analysis service “Myscope.”

I have also led the creation of a variety of products such as data acquisition methods and automated reporting. I am currently working on improving the data infrastructure to make it easier for end users to access the programs they want to use and the data they want to view.

Collaboration between the two companies



How has the collaboration between Sumitomo Life and PREVENT progressed so far?

Fujisawa: At Sumitomo Life, we are currently focusing on “Vitality Smart,” which allows users not enrolled in insurance to enjoy some functions of SUMITOMO LIFE Vitality, and we are making rapid progress in accumulating data. As the next step, we hope to use the data accumulated to enable us to further increase the value of SUMITOMO LIFE Vitality. PREVENT specializes in data analytics and has extensive achievements in this area, so we decided to pursue this project together. I think the key going forward will be how we can analyze the huge quantity of data amassed through SUMITOMO LIFE Vitality, add value to it, and present it to our customers and society.

Toda: PREVENT’s know-how will be of service when it comes to demonstrating SUMITOMO LIFE Vitality’s effectiveness and value scientifically. In fact, we have already begun work on this. We plan to begin by jointly writing and publishing academic papers. By providing the know-how we have developed through our “Mystar” program to prevent aggravation through lifestyle improvement, I think we can also be of help in developing services.

Fujisawa: At the moment, we’re in the process of exploring whatkind of synergies we can realize through our mutual strengths.

Toda: Because PREVENT’s business differs from medical care and treatment, we can take on a broad range of challenges. I think that’s its most attractive aspect. We hope to actively take on challenges, face-to-face with the question of what people can do to be healthier.

Human capital development for digital utilization



Tell us about your initiatives so far for developing human capital with expertise in digital technology.

Fujisawa: PREVENT is also helping with Sumitomo Life's human capital development. Sumitomo Life has established a recruitment quota for the "Digital/ Systems" course and each year we recruit several aspiring data scientists. We've asked Mr. Toda to help supervise the content of training for them.

Toda: The training actually enables participants to experience simulated analysis using data owned by PREVENT. We think that they will be able to acquire more practical skills by handling raw data.

Fujisawa: Now, especially, Sumitomo Life is emphasizing the development of "human capital for digital planning." For data analysis, we have to begin by identifying the business issues we want to solve. Digital technology, data, and even AI are our tools for solving business issues. Therefore, our work analyzing data is premised on an understanding of business. Conversely, it is important that those engaged in promoting business are also closely familiar with digital technology and data. We refer to human capital possessing both a business mindset and IT literacy as "human capital for digital planning," and we are engaging in full-scale activities such as providing long-term training for employees recommended by each division.

Onozato: Back when I first joined Sumitomo Life, I did my best to learn the skills of data analysis, and I found that my involvement in various projects also deepened my understanding of business. The number of members of our data analysis team has grown year by year, and we now number several dozen. Given this increase in size, the focus is now shifting to how we can maximize our strength and results as a team and how we can contribute to business. In fact, I have an increasing number of opportunities to improve internal IT literacy and develop younger employees. This includes developing training programs for employees and undertaking roles such as a training instructor. It's also important for me to keep improving my own skills as a professional, so I work every day with a consciousness of the importance of striking a balance between my different roles.

Fujisawa: Mr. Onozato also takes on the role of participating in external training and bringing new skills and ideas into the company. We hope to actively create opportunities for our employees to gain knowledge and insight from outside Sumitomo Life, so I would like him to continue doing that.

Onozato: Yes, I agree. My younger colleagues are also actively participating in external training, while Sumitomo Life itself is collaborating with a diverse range of other companies based on the keyword "WaaS." By interacting with diverse people and groups across different companies and industries, we hope not only to gain new insights but also to broaden Sumitomo Life's businesses.

Future outlook



What will be your focus for collaboration between the two companies going forward?

Fujisawa: SUMITOMO LIFE Vitality's strength lies in the fact that it connects everyday exercise data with the results of health checkups, and even with data such as insurance claim payment status. In 2023, we were able to use this integrated data to add a disease risk reporting function for the five major lifestyle diseases. As we accumulate more data, we may be able to add disease risk reporting for other diseases as well. In the future, we hope to enable a more detailed visualization of customers' health condition and proceed to develop services and functions that encourage activities linked to health enhancement.

Onozato: Sumitomo Life is the only insurance company capable of acquiring data related to everyday exercise and health, such as the number of steps taken and heart rate. I think that's our greatest strength. I think that for us to further increase value, we need to integrate the data from SUMITOMO LIFE Vitality with other data such as insurance claim payments, and manage these data centrally. In addition to accumulating data, we must manage it in a way that makes it available for use across the entire Group.

Fujisawa: Yes, that's right. By progressively linking various data together, we hope to expand the range of services we offer.

Toda: I think PREVENT and Sumitomo Life will be able to maximize their synergies if we manage to link data across the two companies. However,

a substantial preparation period is needed to achieve this. I think we probably need to take it step by step, starting with what we can do now. For example, at PREVENT, we already run programs like “Mystar” to encourage behavioral changes that lead to lifestyle improvements. I think it may be possible to utilize these data as part of the research field in user reaction analysis, for instance. PREVENT also has other data, such as receipt and diagnosis data, that Sumitomo Life doesn’t possess, and I would like to explore various ways that we can collaborate.

Q I’d like to see how the utilization of data will transform the life insurance industry.

Fujisawa: Our greatest mission as a life insurance company is to constantly consider what we can do for society and pursue both business growth and the resolution of social issues. I think this is the purpose of our data analysis and utilization. In this context, by spreading and promoting SUMITOMO LIFE Vitality, Sumitomo Life is assisting customers in gaining better health while also helping to control social security expenses, which is a national issue. I want our data analysis team to work as a unit, focusing our efforts on the well-being domain with a passion for contributing to the happiness of the entire society.

Onozato: I feel much the same as Mr. Fujisawa. I’ve always been interested in life insurance and health, and this led to my involvement in our collaborative projects with PREVENT. As I build a deeper understanding of both data analysis and business, it has only strengthened my belief that the well-being domain will become the main focus of competition in the life insurance industry going forward. With conventional insurance, it is commonly considered that the insurance company only interacts with customers at specific time points: when the policy begins and when we pay insurance claims. I think it’s vital that we increase our contact with customers and provide them with health support on an everyday basis — in other words, we should make our interactions linear or planar rather than just at time points.

Toda: Yes, I used to have an image of insurance as a sort of “preparation,” just in case something happened. SUMITOMO LIFE Vitality revolutionizes that image of insurance. I think it would be great if our customers could discover that our insurance is actually making them healthier: if our insur-

ance could be a natural part of their lives that also keeps on improving their health. At PREVENT, we have designed our services so far based on the idea of suppressing disease aggravation. Now, as part of the Sumitomo Life Group, there is a growing expectation within the company that we can approach the next level of services, including addressing presymptomatic cases, based on the keyword “WaaS.”

Q Finally, what are your aspirations for the future?

Fujisawa: Until I heard about SUMITOMO LIFE Vitality, I myself was the kind of person who is not in the habit of exercising. I only joined the program out of curiosity, but I found that my state of health was undergoing an obvious change. Even at my age, I felt that I had become young again. By augmenting users’ own experiences with easily understandable results in the form of data, we are able to communicate the program’s usefulness more convincingly. I would like to actively create more opportunities like this.

Onozato: It is essential that we enhance the strength of the whole organization, not just individuals, to contribute to the well-being of customers. As I said at the start, going forward, I believe my own challenge is to improve my skills as a manager. Looking further ahead, I hope to increase the number of people and groups participating in Sumitomo Life’s “WaaS,” and work as an engine to promote the project and expand it into a larger circle of participants.

Toda: Like Mr. Onozato, I find myself undertaking an increasing management work. More often, I not only have to analyze data but also think about how to utilize it. From this perspective, I hope to boost the sharing of know-how and collaborative insight. PREVENT and Sumitomo Life will discuss each other’s thoughts freely and vigorously, and PREVENT will begin by trialing any interesting ideas that emerge. In other words, I would be happy if we became something like an internal laboratory for Sumitomo Life.

Fujisawa: We share the same values and direction as Mr. Toda, and our meetings produce a whole lot of new ideas. I feel that we are really good partners. I sometimes even forget that we are from different companies. Let’s further deepen our collaboration to achieve our vision of becoming an “indispensable insurance group” that contributes to well-being.



Message from an Outside Director

As a specialist in diversity and work style reform, I will contribute to enhancing diversity and achieving sustainability management.

Touko Shirakawa, Outside Director

● What kind of role do you believe you are expected to perform as an outside director?

I believe my role is to support the enhancement of diversity.

With the recent emphasis on raising the diversity of the Board of Directors—board diversity—and the diversity of core corporate personnel, I believe I need to assist in realizing these goals.

Of course, as an outside director, I have a role supervising the execution of duties. In addition to this, my areas of specialization include diversity, women's participation and advancement, work style reform, and declining birth rates. As a government committee member, I have participated in meetings and other discussions on issues such as gender equality, work style reform, and declining birth rates.

My particular focus is on "cognitive diversity"—the diversity of perspectives. The decision-makers at companies with long histories, like the Company, tend to be somewhat homogeneous. For this reason, I believe we must always remain sensitive to the potential risks inherent in the ways of thinking that employees take for granted.

The difficulty in achieving innovations is one example of the potential risks associated with the persistence of homogenization. If everyone is facing in the same direction, they will fail to notice the buds of innovation all around them. I value my role as an outside director in indicating new perspectives to prevent this from happening.

At the same time, I believe that people, even if they look the same on the outside, are really very diverse individuals inside, if they cast off the cloak of their affiliation to whatever company they work for. It is the job of human capital management to create environments where we can make the most of this diversity, and I think this is one point that I need to constantly supervise as an outside director. In this sense, I feel that Sumitomo Life is a company able to bring out the best of employees with unique and creative ideas—those with unusual and exceptional talents. The history of the development of the revolutionary insurance product "SUMITOMO LIFE Vitality" Shared-Value Insurance is symbolic of this ability. The launch of Vitality as a product was made possible by the foresighted employee who realized earlier than anyone the potential of this new insurance product, developed by a South African company, and the other team members who were willing to give this new idea a try. In other words, Sumitomo Life has always had an underlying culture that welcomes diverse perspectives and harnesses the power of diversity.

As an outside director, I hope to build on this wonderful culture to constantly assess the situation and contribute to further enhancing diversity.

● How do you view Sumitomo Life's labor environment and personnel evaluation system?

I am very impressed with its work style reform initiatives and its associated review of the evaluation system.

I feel that the work style reform initiatives are extremely progressive. There are many companies engaged in reducing working hours, but what is really important is to include the evaluation system in these reforms. There are few companies undertaking such far-reaching changes. In this context, Sumitomo Life has reformed its system to evaluate productivity per hour worked.

I also have high hopes for the autonomous career planning initiative launched in fiscal 2023. Until then employees entrusted the company with decisions on their own future and what paths they would take through their own careers. The idea of autonomous career plan-

ning is for employees to make these decisions themselves. I would like to see all of our employees confronting and earnestly considering their personal strengths and weaknesses.

If some of our employees decide to pursue various new career paths through autonomous career planning, this will contribute to enhancing diversity. It's difficult for employees to make time to think about their careers or go out and deepen their knowledge while they are overwhelmed with mountains of work at hand. In this sense, I think that our progress on improving per-hour productivity through work style reform will be a bonus. I hope to see Sumitomo Life continue to pursue these initiatives, and I hope to actively support them.

● What is your assessment of the operation of the Board of Directors and the various committees?

More time is being allotted to essential topics. For discussions with candidates at meetings of the Nominating Committee, I think it would be good if we discussed topics outside each candidate's area of responsibility. I also think it would be good if we could arrange a forum for the exchange of views between employees.

I used to feel that there were a few too many agenda items at meetings of the Board of Directors, but the matters reported and discussion topics have gradually become more focused. As a result, I feel that we are able to allocate more time to discussing the Group's essential direction. I also appreciate that there are the many forums for discussion and debate apart from the Board of Directors, such as the Outside Directors Council.

I always make sure to confirm in detail any doubts I have at meetings of the Board of Directors and other bodies. For example, the seeds of risk can often be found in the content of reports by whistleblowers, so I consciously pay attention to any such reports.

At meetings of the Nominating Committee, of which I am a member, we have established a forum for discus-

sion with the executive officers who will be candidates for Sumitomo Life's management succession plan. These discussions are good opportunities to meet people face to face who are not present at meetings of the Board of Directors. However, I think it would be even better if we were able to include "a broader range of issues" in these discussions.

Each officer presents a detailed report and numerous improvement proposals in the relevant area of responsibility and they are all fulfilling their roles, but I would like to see them engage in more extensive discussions among them from broad and diverse perspectives encompassing the whole company.

At the Nominating Committee this fiscal year, we have set questions aimed at encouraging executive officers to more actively participate in discussions that extend beyond their own areas of responsibility, with the idea that this will provide opportunities for them to notice things they would never be aware of while focused only on a single business domain. I anticipate that this will give rise to discussions that transcend vertical organizational divisions.

● What are your expectations for Sumitomo Life in the future?

I expect it will leverage its strengths as a mutual company to contribute to achieving sustainability management and solving social issues.

As a mutual company, the most important thing from a business perspective is for us to pay insurance claims and benefits to our customers and to practice sound management in order to achieve this. I think that another key contemporary issue is our proactive participation in the creation of ecosystems to solve social issues. I feel that society expects a lot from insurance companies, not only in terms of contributing to local communities; it is also important how we invest to create a positive impact on society.

In 2022, we formulated the "Sustainability Management Policy" with a stated mission of contributing to the realization of a long-living, sustainable society. To achieve these initiatives, it will be important to maintain a long-term, comprehensive balance, so I feel it will be possible for us to make the most of Sumitomo Life's strengths as a mutual company, as opposed to a share company. With these strengths behind it, I hope to see Sumitomo Life strive to achieve sustainability management and solve social issues.

Corporate Governance

Mutual Company Management

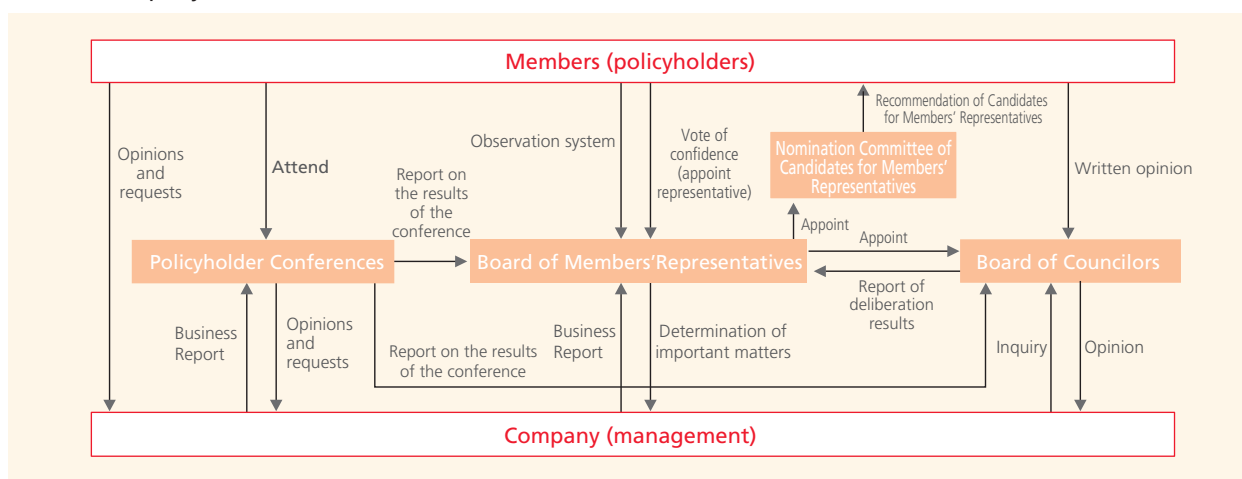
Life insurance is a business of a highly public nature based on a system of “cooperation” and “mutual aid.” Many people make contributions through premiums and receive insurance claims and benefits in the event of death or illness.

There are two types of insurance companies: “mutual companies” and “joint stock companies,” and Sumitomo Life is the former. (A mutual company is an organizational form recognized by the Insurance Business Act for insurance companies).

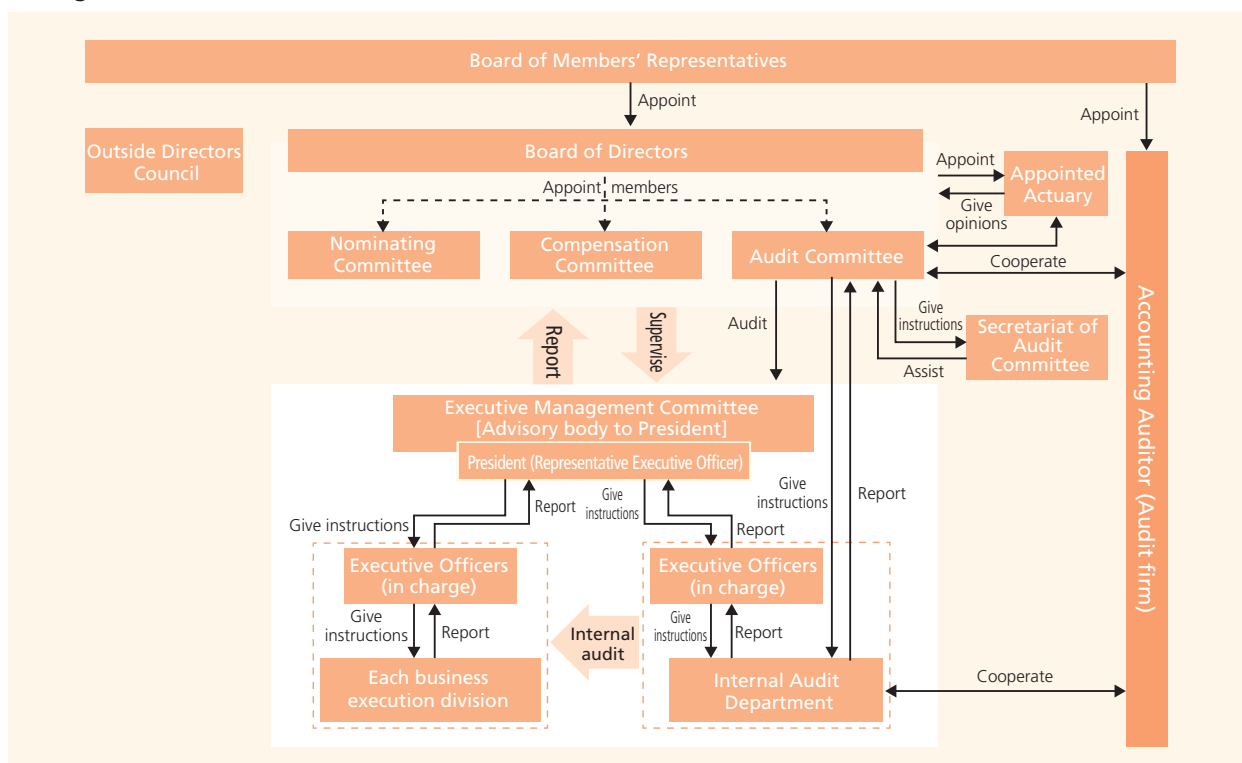
Unlike a joint stock company, a mutual company has no shareholders. Each policyholder is a member of the Company (however, policyholders who only purchase insurance with no distribution of surplus are not members in accordance with the provisions of Sumitomo Life’s Articles of Incorporation).

By building a highly transparent mutual company organization, Sumitomo Life aims to be a company that values the voices of its customers.

Mutual Company Scheme



Management Control Structure



About the Board of Members' Representatives

Pursuant to the provisions of the Articles of Incorporation, the Board of Members' Representatives is established as an alternative to the general meeting, and the Board of Members' Representatives makes resolutions on the appropriation of surplus, amendments to the Articles of Incorporation, election of directors, and other matters.

The Members' representatives elected from among the members are invited to attend the Board of Members' Representatives.

● Observation System for Board of Members' Representatives

In order to deepen members' understanding of the Company's management, we have established a system for observing the Board of Members' Representatives meeting, whereby members may apply in advance to observe a meeting.

Application procedures and related information will be posted on the website around May prior to the Board of Members' Representatives meeting.

*The number of Members' representatives and the method of appointment are listed on p.116

● Results of the 2024 Annual Board of Members' Representatives

The Annual Board of Members' Representatives was held on Tuesday, July 2, 2024, in Osaka City, Japan. The matters reported and matters of resolutions are as follows.

To revitalize discussions at meetings of the Board of Members' Representatives, we enhanced Board operations through measures such as fuller explanations concerning policyholder dividends and other matters and the sufficient allocation of time to question and answer sessions. We also continued to offer the opportunity to observe the meeting online so that Members' Representatives who were unable to attend the Board of Members' Representatives could view the proceedings.

[Matters reported and matters of resolutions at the Board of Members' Representatives]

| | |
|------------------------|--|
| Matters reported | 1. The Business Report, Balance Sheet, Statement of Income, Statements of Changes in Net Assets, and Consolidated Financial Statements for the fiscal year ended March 31, 2024, and the Reports of the Accounting Auditor and the Audit Committee on the results of their audits of the Consolidated Financial Statements |
| | 2. Items for deliberation by the Board of Councilors |
| Matters of resolutions | Proposal 1: Approval of the proposed appropriation of surplus earnings for fiscal year 2023 Proposal 2: Allocation of dividends to policyholders Proposal 3: Appointment of 11 directors |



2024 Annual Board of Members' Representatives

The minutes of the Board of Members' Representatives and a summary of the questions and answers are posted on our Japanese website.

About Policyholder Conferences

We hold the Policyholder Conferences annually at our branch offices and other locations nationwide to explain our business situation to policyholders, to secure their understanding, and to absorb their wide-ranging opinions and reflect them in the management of Sumitomo Life. The Policyholder Conferences is held between January and March prior to the Board of Members' Representatives in order to coordinate with the latter.

Moreover, from the viewpoint of diversifying the appointment method of Members' representatives, a certain number of Members' representatives are appointed from among the attendees to the Policyholder Conferences.

Information on how to apply for participation will be posted on the official website for a certain period of time prior to the meeting.



● 2024 Policyholder Conferences

In 2024, 89 meetings were held nationwide, which were attended by 1,708 policyholders.

We immediately incorporate into our management the opinions and requests from Policyholder Conferences that can be put into practice, and analyze the trends to help us promote management that most accurately reflects our policyholders' wishes.

[Number of times held and number of attendees]

| | 2023 | 2024 |
|---|--------------|--------------|
| Number of times held | 89 | 89 |
| Number of attendees (average per meeting) | 1,697 (19.1) | 1,708 (19.2) |

About the Board of Councilors

The Board of Councilors was established to deliberate on matters of consultation from the Company and important management matters, and is composed of members or academic experts who are elected by resolution of the Board of Members' Representatives. The Board of Councilors also discusses, as necessary, opinions concerning management submitted in writing by members.

The number of members of the Board of Councilors is limited to no more than 25 in accordance with the Articles of Incorporation.

The table below shows the status of the meetings held in fiscal year 2023.

[Fiscal year 2023 Board of Councilors]

| | Agenda |
|----------------------------|--|
| 1st meeting: May 2023 | <ul style="list-style-type: none"> •Proposed financial results and business overview for fiscal year 2022 •Medium-term business plan and "Sumitomo Life Group Vision 2030" •Amendments to the Articles of Incorporation |
| 2nd meeting: November 2023 | <ul style="list-style-type: none"> •Business overview for the first half of fiscal year 2023 •Next medium-term business plan and "Sumitomo Life Group Vision 2030" |

Management Control Structure

The Company chooses to be a Company with Committees in order to strengthen the supervisory function of the Board of Directors by systematically separating supervision and execution, and to speed up decision-making through significantly delegating authority to Executive Officers.

Moreover, the Company has established “Criteria for Independence of Outside Directors” by resolution of the Board of Directors, and confirms that the criteria for independence are met when selecting outside director candidates.

Certain matters of resolutions by the Board of Directors are referred to the Nominating Committee, the Audit Committee, or the Compensation Committee.

Furthermore, the “Outside Directors Council,” comprised of all outside directors, has been established to facilitate exchange of opinions among the outside directors and with top management, regarding important management matters such as those concerning medium- to long-term management strategies and business development.

Through these efforts, the Company is poised to proactively reflect external knowledge in its management.

As we recognize that effective corporate governance practices will contribute to the Company’s sustainable growth and medium- to long-term enhancement of corporate value, we will continue working to ensure the effectiveness of corporate governance.

Primary institutional roles

● Board of Directors

The Board of Directors’ main roles are to make decisions on matters such as basic management policies and matters concerning the development of internal control systems, which are legally designated as matters to be exclusively decided by the Board of Directors, and to oversee the execution of duties by Executive Officers and Directors.

In light of the need to proactively reflect external knowledge in the management of the Company and to ensure diversity on the Board of Directors, there are six outside directors out of eleven directors; thus outside directors have a majority.

● Nominating Committee

The Nominating Committee formulates the “Policy for appointment of candidates for Directors,” determines the content of proposals to the Board of Members’ Representatives concerning the appointment and dismissal of directors, and in consultation with the Board of Directors, deliberates on matters concerning the appointment and dismissal of executive officers, and reports to the Board of Directors.

The committee comprises five members—three outside directors and two directors—and is chaired by an outside director.

● Audit Committee

The Audit Committee audits the execution of duties by executive officers and directors and prepares an audit report. It also decides on the content of proposals to be submitted to the Board of Members’ Representatives

concerning the appointment, dismissal, or non-reappointment of accounting auditors. Furthermore, it receives consultation from the Board of Directors on matters related to the development of internal control systems, deliberates, and reports back to the Board.

The committee comprises four members—three outside directors and one director—and is chaired by an outside director. The Audit Committee member who is full-time director of Sumitomo Life is designated as “full-time Audit Committee members.”

● Compensation Committee

The Compensation Committee formulates “policies for determining the details of individual compensation for executive officers and directors,” determines individual compensation for executive officers and directors, receives consultation from the Board of Directors on matters related to the basic policy on compensation for employees, deliberates, and reports to the Board.

The committee comprises five members—three outside directors and two directors—and is chaired by an outside director.

● Outside Directors Council

Sumitomo Life has established the Outside Directors Council—comprising all outside directors—to promote free and vigorous exchange of opinions among outside directors and between outside directors and representative executive officers concerning medium- and long-term management strategies, business development, and other important management matters, and to ensure the knowledge of outside directors is reflected in the management of the Company.

● Executive Management Committee

The Executive Management Committee has been established as an advisory body to the president, who is responsible for the management and execution of the Company’s operations.

In principle, the Executive Management Committee is composed of the president and executive officers in charge, and is held once a week.

It deliberates on important matters related to business execution pursuant to the basic management policies determined by the Board of Directors.

Compliance with the Corporate Governance Code

As a mutual company, Sumitomo Life is not directly subject to the “Corporate Governance Code” set forth by the Tokyo Stock Exchange, but will voluntarily comply with the Code based on the recognition that corporate governance is common regardless of the type of company.

As part of the disclosure and explanation of the status of compliance with the “Corporate Governance Code,” a “Corporate Governance Report” is prepared on a voluntary basis, and “disclosure based on each principle in the Corporate Governance Code” is also made.

The “Corporate Governance Report” and other documents are available on the Company’s website.

Summary of the Results of the “Evaluation of the Effectiveness of the Board of Directors, etc.”

The Company evaluates the effectiveness of the Board of Directors and three statutory committees (Nominating Committee, Audit Committee, Compensation Committee) (hereinafter, collectively referred to as the “Board of Directors, etc.”) once a year, in order to enhance their functions.

In fiscal 2023, the Company conducted a questionnaire survey and individual interviews of all directors with the

assistance of a third-party organization to incorporate an objective perspective into its evaluation of the effectiveness of the Board of Directors. Moreover, the Outside Directors Council, which is composed of all outside directors, held discussions based on the results before the Board of Directors’ evaluation.

The following is a summary of the evaluation results.

Summary of the Results of the “Evaluation of the Effectiveness of the Board of Directors, etc.” for FY2023

1. Evaluation results

The Company determined that the Board of Directors, etc. are functioning effectively in terms of both decision-making and supervision functions. On the other hand, in recognition that there is room for further enhancement, the Company will take measures for their resolution and work to further increase effectiveness.

The majority of the responses to the survey questions were “approve” or “generally approve.”

Moreover, the Outside Directors Council made suggestions and offered opinions to further improve the effectiveness of the Board.

The following is a summary of the evaluation of each item.

Composition of Board of Directors

- The number of directors (11) is judged to be of an appropriate size for substantive discussions, and outside directors make up the majority of directors (5 inside directors and 6 outside directors), which contributes to ensuring a supervisory function.
- Furthermore, outside directors are well-balanced with specialists with diverse knowledge and backgrounds in corporate management, finance and accounting, legal affairs, finance and economics, consumer orientation, diversity, digital and IT, internationalism, etc., which is appropriate for conducting full deliberations, but the Company recognizes the importance of continuing to ensure diversity—including a review of the skills required of directors—in response to the business environment in which the Company finds itself.

Board of Directors operations and support

- The frequency and duration of Board of Directors meetings are judged to be generally of an appropriate level.
- Agenda items for meetings of the Board of Directors are appropriately filtered through continuing reviews. However, ongoing consideration is needed regarding whether it is possible to streamline regular reporting items such as the reports on operating status monitoring results, to enable more time to be allocated to deliberating on important themes such as medium- and long-term management strategy.
- Steady improvements have been made to the Board of Directors meeting materials and the explanations given on the day of the Board of Directors meeting based on the results of the evaluation of effectiveness from previous years.
- The Board of Directors must more consciously monitor whether the views and suggestions made by Directors during deliberations are utilized by management in their duties.

Enhancement of deliberations at Board of Directors’ meetings

- Efficient discussions are taking place thanks to accurate agenda management by the meeting chair.
- Efforts are being made to promote understanding of agenda items for Board of Directors meetings through measures such as advance briefings for outside directors, thus revitalizing discussions and enhancing deliberations at meetings.
- Even fuller and deeper deliberations are needed on important themes such as medium- and long-term management strategy and issues that have emerged from discussions at meetings of the Board of Directors.

Measures to be taken to demonstrate the function of a director/Board of Directors

- The function of the Board of Directors has been strengthened by identifying issues through effectiveness evaluations in previous years and engaging in improvements.
- A steadily increasing range of support is being provided to help outside directors understand the Company’s business operations, such as the provision of information and training sessions, in addition to advance briefings for meetings of the Board of Directors.
- The needs of a wide range of stakeholders are being appropriately addressed, but there is still room for further initiatives to deepen our understanding of diverse stakeholders, including employees, and secure opportunities to hear their thoughts and views.

Measures to ensure the adaptability of management to changes in the environment

- Although the Board of Directors has been discussing important management issues such as social issues, markets, and technology with an awareness of changes in the Group’s environment, the issues relating to sustainability are far-reaching, and further enhancement of discussions is needed.
- It is necessary to conduct discussions to follow up on the achievement of the Group’s vision and medium-term business plan, among other issues, and to appropriately reflect these in the execution of duties, with an understanding of changes in the environment.

Outside Directors Council and other cooperation with outside directors

- Progress was made in mutual understanding, including awareness of issues, through the establishment of new opportunities for free discussions between outside directors at meetings of the Outside Directors Council. At the same time, there needs to be a common understanding of the purpose and content of deliberations of the Outside Directors Council.
- The in-depth exchange of opinions was facilitated through measures such as interviews with executive officers and others at Committee meetings. It is

necessary to continue to enhance communication between outside directors and executive officers, taking time constraints into account and considering the optimal method of interaction.

Committees

- All committees are fulfilling their necessary functions based on their respective roles and responsibilities. The status of execution of duties and the content of deliberations by each committee is shared with the Board of Directors through measures such as reporting and the submission of meeting minutes for viewing at Board meetings.

Self-evaluation

- Some directors rated their own activities as satisfactory, while others acknowledged the need to deepen their understanding of issues such as the Company’s social responsibility and business, as well as the need to perform a more substantial role to strengthen the supervisory function of the Board of Directors.

2. Initiatives based on the results of the previous effectiveness evaluation

| Key issues for fiscal year 2022 | Status of response in fiscal year 2023 |
|--|---|
| Provision of timely and appropriate information to the Board of Directors and enhancement of discussions, taking into account changes in the social and business environment | <ul style="list-style-type: none"> • Free discussions between outside directors were held at meetings of the Outside Directors Council to facilitate the exchange of views, shared awareness of issues, and greater mutual understanding. • Opportunities for advance briefings for outside directors, email and other forms of communication, in addition to regular onsite inspections and training, were used to provide necessary and sufficient information. • A system for the coordination of information with outside directors was established through email and other communication methods. |
| Ongoing efforts to prepare and explain materials that contribute to the deliberations by the Board of Directors | <ul style="list-style-type: none"> • In order to enable the Board of Directors to focus on essential discussions during meetings, matters including the following items were continuously and thoroughly implemented for the executive divisions. <ul style="list-style-type: none"> • Board of Directors meeting materials: Clarify the matters to be resolved and provide necessary and sufficient information for the Board of Directors to deliberate on matters and oversee execution through the preparation of summary papers and the effective use of body materials and annexes (Appendix). Take care regarding the use of internal terminology and technical terminology. • Explanations at the Board of Directors meetings: Explanations should be focused on the main points of the agenda item described in the summary paper, especially matters such as the responsible executive officer’s assessment and understanding of the issues, the points discussed at meetings of the Executive Management Committee, and executive officers’ views on the questions asked in the preliminary explanation. |
| Enhancement of communication between outside directors and management | <ul style="list-style-type: none"> • Efforts were made to enhance communication by using opportunities sessions established for the exchange of opinions with executive officers and others at meetings of the Outside Directors Council, Audit Committee and Nominating Committee. |

3. Future initiatives

Based on the above evaluation results, the following items were identified as major issues.

- 1 Further realize the roles expected of the Board of Directors through discussions concerning medium- and long-term business strategy and the enhancement of exchange between individual directors and between directors, executive officers, and others
 - 2 Revise agenda items for submission to meetings of the Board of Directors and implement effective monitoring of the execution of business to ensure adequate time for agenda items concerning important themes
 - 3 Upgrade the function of the Board of Directors through the continuation of discussions aimed at further strengthening Group governance, etc., and in-depth discussions with a consciousness of policyholders and other stakeholders
- The Company will strive to further improve the effectiveness of the Board of Directors, etc. by taking steps to resolve these issues.

Activities of the Board of Directors

● Meeting frequency etc.

Our Board of Directors meet once a month in principle and as needed. In fiscal 2023, the Board met 13 times.

The average duration of the Board of Directors meetings was approximately 1 hour and 41 minutes, and the number of agenda items was 121 in fiscal 2023.

● Main issues examined and details

The Board of Directors makes decisions on important management matters, including matters concerning basic management policies and the development of internal control systems, and receives reports on the status of important business operations and supervises the execution of duties by executive officers and directors.

Main issues examined by the Board of Directors in fiscal 2023 and their details are as shown below:

① Acquisition of Singlife as a subsidiary

In December 2023, the Board resolved to acquire all the shares of Singlife, then an affiliate of the Company, from its other shareholders. In adopting this resolution, the Board received timely and appropriate reports from the executive divisions regarding the status of consideration and other matters and secured ample time for deliberations.

Based on the above resolution, the Company completed the acquisition of shares from all other existing shareholders and the necessary procedures, such as obtaining authorization from the relevant authorities in Japan and Singapore, on schedule, acquiring Singlife as a subsidiary effective March 18, 2024.

② Formulation of the Fiscal 2024 Business Plan

The Board received half-yearly reports on the implementation status of the business plan for fiscal year 2023, the first year of Sumitomo Life Medium-Term Business Plan 2025 launched in April 2023, conducted reviews, and held discussions on the issues to address and measures to address them. These formed the basis for its resolution on the Fiscal 2024 Business Plan in March 2024.

③ Monitoring of compliance, risk management, management status of subsidiaries, etc.

The Board received reports on the status of compliance with laws and regulations, risks, and the management of subsidiaries and affiliated companies, and reviewed the plan. It adopted a resolution on the Fiscal 2024 Business Plan mainly based on the results of these reviews.

Activities of the Nominating Committee

● Meeting frequency etc.

Our Nominating Committee meets as needed. In fiscal 2023, the Committee met 8 times.

The average duration of the Nominating Committee meetings was approximately 1 hour and 14 minutes, and the number of agenda items was 12 in fiscal 2023.

● Main issues examined and details

The Nominating Committee formulates the “policy for appointment of candidates for Directors,” determines the content of proposals to the Board of Members’ Representatives concerning the appointment and dismissal of directors, and in consultation with the Board of Directors, deliberates on matters concerning the appointment and dismissal of executive officers, and reports to the Board of Directors.

Main issues examined by the Nominating Committee in fiscal 2023 and their details are as shown below:

① Determination of the content of the proposal for the appointment of directors to be submitted to the Board of Members’ Representatives

After deliberations based on the “policy for appointment of candidates for Directors,” the Committee decided on 11 candidates for Directors, including two new candidates for Outside Director (Mr. Shigeru Ishii and Mr. Mitsuyoshi Kobayashi). Of the candidates for Directors, a majority of six are outside directors. In addition, in terms of the gender composition, there are nine men and two women.

② Appointment of executive officers, selection of representative executive officers, and selection of senior managing executive officers and managing executive officers

On receiving consultation from the Board of Directors, the Committee deliberated on each candidate and determined the report to be given the Board of Directors.

③ Consideration of matters relating to the election of directors and exchange of opinions regarding candidates for outside directors

The Committee deliberated on the number of directors, the ratio of internal to external directors in the number of directors, the term of office (maximum) for outside directors, diversity of outside directors, and the skills matrix for directors. In addition, based on the list of candidates for outside directors, opinions were exchanged regarding future candidates for outside directors.

④ President succession planning

The Committee deliberated on the president’s term of office, elements needed in a presidential successor, how to make contacts with potential successors as the Nominating Committee, and contingency plans. In addition, to help develop human capital and from the perspective of increasing contact between Nominating Committee members and potential successors, meetings were held to exchange opinions between Nominating Committee members, executive officers (as defined in our internal regulations) and others on the theme of management issues.

Activities of the Compensation Committee

● Meeting frequency etc.

Our Compensation Committee meets as needed. In fiscal 2023, the Compensation Committee met 4 times.

The average duration of the Compensation Committee meetings was approximately 43 minutes, and the number of agenda items was 15 in fiscal 2023.

● Main issues examined and details

The Compensation Committee formulates “policies for determining the details of individual compensation for executive officers and directors,” determines individual compensation for executive officers and directors, receives consultation from the Board of Directors on matters related to the policy on compensation for executive officers (as defined in our internal regulations), deliberates and reports to the Board of Directors.

Main issues examined by the Compensation Committee in fiscal 2023 and their details are as shown below:

① Resolution on individual compensation for executive officers and directors

After deliberations based on the “policies for determining the details of individual compensation for executive officers and directors,” the Committee resolved the compensation for retiring executive officers and the compensation for executive officers and directors for fiscal year 2023.

② Report on management compensation survey

Based on a report by Willis Towers Watson plc. on the results of a survey on compensation for management, it was confirmed that the level of executive officer compensation is reasonable. Based on this confirmation, the Board proceeded to consider the introduction of non-financial evaluation for performance-linked compensation.

③ Resolution on the introduction of non-financial evaluation for performance-linked compensation

The Company has decided to introduce new performance-linked compensation (non-financial) as an incentive to make further progress in sustainability management, with the aim of promoting initiatives to achieve well-being for all stakeholders under its Sustainability Management Policy. Evaluation will commence from the results for fiscal year 2023 and will be applied for compensation for fiscal year 2024 onward.

④ Resolution on individual compensation for executive officers who have been promoted or newly appointed in April 2024

After deliberations based on the “policies for determining the details of individual compensation for executive officers and directors,” the Committee resolved the individual compensation for promoted and newly elected executive officers.

[Number of times the Board of Directors and Committee meetings were held and attendance of each director and member]

(FY2023 results)

| Name | Position and responsibilities at the Company * As of March 31, 2024 | | Board of Directors | Nominating Committee | Compensation Committee | Audit Committee |
|----------------------|---|--|--------------------|----------------------|------------------------|-----------------|
| Masahiro Hashimoto | Chairman of the Board, Representative Executive Officer | Member of Nominating Committee and Compensation Committee | 13/13 times | 8/8 times | 4/4 times | — |
| Yukinori Takada | Director, President & Chief Executive Officer (Representative Executive Officer) | Member of Nominating Committee and Compensation Committee | 13/13 times | 8/8 times | 4/4 times | — |
| Tatsuya Yuri | Director | Full-time member of Audit Committee | 10/10 times | — | — | 11/11 times |
| Hideyuki Sumi | Director, Senior Managing Executive Officer (Representative Executive Officer) Group Sustainability Officer | Brand Communication Dept., Corporate Planning Dept., Actuarial & Budgeting Dept., and Accounting Dept. | 13/13 times | — | — | — |
| Takeshi Eimori | Director, Senior Managing Executive Officer (Representative Executive Officer) | Operations Planning Dept., Policy Service Dept., Customer Service Dept., Claims Dept., Underwriting Dept., and Corporate Clients Service Dept. | 13/13 times | — | — | — |
| Kimitaka Mori | Outside Director | Chairman of Audit Committee | 13/13 times | — | — | 15/15 times |
| Toshiko Katayama | Outside Director | Member of Audit Committee | 13/13 times | — | — | 15/15 times |
| Kenzo Yamamoto | Outside Director | Chairman of Nominating Committee and Compensation Committee | 12/13 times | 8/8 times | 4/4 times | — |
| Touko Shirakawa | Outside Director | Member of Nominating Committee and Compensation Committee | 13/13 times | 8/8 times | 4/4 times | — |
| Shigeru Ishii | Outside Director | Member of Audit Committee | 10/10 times | — | — | 11/11 times |
| Mitsuyoshi Kobayashi | Outside Director | Member of Nominating Committee and Compensation Committee | 10/10 times | 6/6 times | 3/3 times | — |

(Notes) 1. For Tatsuya Yuri, the table above shows his attendance at the meetings of the Board of Directors and Audit Committee held during fiscal 2023 since his appointment as Director and full-time member of the Audit Committee on July 4, 2023.

2. For Shigeru Ishii, the table above shows his attendance at the meetings of the Board of Directors and Audit Committee held during fiscal 2023 since his appointment as Director and member of the Audit Committee on July 4, 2023.

3. For Mitsuyoshi Kobayashi, the table above shows his attendance at the meetings of the Board of Directors, Nominating Committee and Compensation Committee held during fiscal 2023 since his appointment as Director and a member of the Nominating Committee and Compensation Committee on July 4, 2023.

Audits by the Audit Committee

Structure and Personnel for Conducting Audits by the Audit Committee

Being a Company with Committees, we have an Audit Committee consisting of four members, three of which are outside members and one is a full-time internal member. The Board of Directors sets the policy for the selection of Audit Committee Members, and the Company chooses the members based on the requirement that they are deemed to have the adequate level of knowledge, experience and good discernment to perform audit work. Mr. Kimitaka Mori, an Outside Audit Committee Member, currently serves as the Chairman and meeting chair of the Audit Committee.

Mr. Kimitaka Mori, an Outside Audit Committee Member, is a certified public accountant and is considerably knowledgeable of finance and accounting.

In its audit plans, the Audit Committee distributes responsibilities among its members, taking into consideration differences such as internal or external, full-time or part-time.

The Secretariat of Audit Committee, which consists of nine full-time staff members who possess adequate knowledge, competence and experience, supports the audit work of the Audit Committee. Matters such as the number of staff members or transfer of personnel of the secretariat require the prior consent of the Audit Committee, thus the committee's independence from execution of operations is secured.

Procedures of Audits by the Audit Committee

The Audit Committee conducts audits following the auditing rules set by the Audit Committee, based on the auditing policy, audit plan and distribution of duties determined by the Audit Committee, and in collaboration with the Internal Audit Department and departments concerned with internal control.

The Audit Committee receives reports from the Internal Audit Department and Accounting Auditor on such matters as audit plans, the status of audit implementation, or audit results, and exchanges opinions based on the reports. Internal audit plans are decided upon by the Board of Directors with the consent of the Audit Committee. As a rule, the Executive Officers (including Executive Officers as defined in our internal regulations) in charge of the Internal Audit Department attends the meetings of the Audit Committee.

The Audit Committee, after thorough exchange of opinions, reports to the Board of Directors on the details of audit activities and the opinions formulated and also, when necessary, makes suggestions or states opinions to Executive Officers, etc.

Activities of the Audit Committee

● Frequency of meetings and attendance of each member

Our Audit Committee meets once a month in principle and as needed. In fiscal year 2023, the Committee met 15 times.

The average duration of the Audit Committee meetings was approximately 2 hours, and the number of agenda items was 73 in fiscal 2023. All Audit Committee members attended all the meetings in fiscal 2023.

● Main issues examined by the Audit Committee and status of its activities

Main issues examined by the Audit Committee and details

The Audit Committee develops audit plans and checks on matters such as if there are any fraudulent acts or noncompliance with laws, regulations, or the Articles of Incorporation with regard to the execution of duties of the Directors and Executive Officers, or if the Executive Officers are executing business operations according to plans and the basic principles determined by the Board of Directors in a lawful, appropriate and efficient manner. The Committee also sees if the Company's internal control system is adequately established and operated or whether the Accounting Auditor is performing its auditing duties properly.

Main issues examined by the Audit Committee in fiscal 2023 and their details are as shown below:

① Initiatives to foster a better corporate culture

With respect to efforts to foster a "better corporate culture," which is regarded as an important corporate control environment, the Audit Committee confirmed the status of efforts to foster a better corporate culture, focusing on the "Sumitomo Life Group Code of Conduct," which is a set of guidelines for executives and employees of the Sumitomo Life Group to put the operating policy into practice through their actions. To review the efforts being made for the code to spread and take root, and also the functioning of the corporate culture project team, the Audit Committee interviewed executive officers on the status of execution of duties, and exchanged views with representatives of subsidiaries and other entities as well as branch office managers, and examined the appropriateness and effectiveness of such efforts.

② Initiatives for more sophisticated compliance and risk management systems

The need for more sophisticated compliance and risk management systems is an important issue facing the life insurance industry. With respect to this issue, the Audit Committee reviewed the appropriateness and effectiveness of the Company's initiatives by confirming the status of efforts to achieve more sophisticated compliance and risk management systems in the sales representatives channel, including initiatives for the 1.5 line of defense in head office sales divisions, through interviews with executive officers on the status of execution of duties and exchanges of views with branch office managers.

③ Promotion of the Vitality strategy and customer well-being

With regard to the promotion of the Vitality strategy, the Company's key offering, and customer well-being, the Audit Committee confirmed the promotion of the Vitality strategy and the status of initiatives for Well-being as a Service (WaaS) and examined their appropriateness through interviews with executive officers on the status of execution of duties and confirmation of the status of deliberations by the well-being promotion project team and its subcommittees.

④ Overseas operations

Concerning overseas operations, which are one of the key priorities of our business, the Audit Committee reviewed such matters as the business conditions of Symetra, the status of efforts being made to achieve the Company's strategy in Asia, and the status of post-merger integration (PMI) after the acquisition of Singlife as a subsidiary, by interviewing executive officers on the status of execution of duties and exchanging views with executives seconded to those firms, and examined their validity.

⑤ Business management on a group basis

Regarding the group based business management system, the Audit Committee interviewed executive officers on the status of execution of duties, and exchanged views with representatives of subsidiaries and other entities as well as general managers of the concerned departments to confirm the operation status, etc. of group business management based on the Group Management Basic Policy as well as the status of initiatives to raise the level of group management in view of the Group's designation as an Internationally Active Insurance Group (IAIG), and reviewed their appropriateness and validity.

Main Activities of the Audit Committee in Fiscal year 2023

Audit Committee Members attended the meetings of the Board of Directors and other important meetings to hear reports from Directors and Executive Officers on matters related to their execution of duties and asked for explanations as needed. They also received reports from subsidiaries on their business as needed. The Members also supervised and examined the Accounting Auditor to see if they were practicing audits appropriately while also maintaining independence, heard reports from the Accounting Auditor on the status of execution of duties, and asked for explanations as needed.

The full-time Audit Committee Member, in light of his aspect as a full-time member, worked actively to improve the audit environment and to collect internal information, attended the meetings of the Executive Management Committee and other essential meetings, inspected important approval documents, heard reports from departments of the Company, subsidiaries and other entities, and reported the results to the Audit Committee.

In fiscal 2023, the President & Chief Executive Officer attended the Audit Committee meeting on two occasions to exchange views on important audit issues and other topics. The Committee also invited to its meeting ten executive officers who have departments in their charge to hear reports on matters related to their execution of duties and thereafter to exchange views. It also exchanged views with the executive officers (as defined in our internal regulations) tasked with responding to the super-aging society and the Executive Fellow in charge of digital & data. In addition, the Committee met the representatives of three subsidiaries in Japan and abroad, among others, to exchange opinions on the implementation of each subsidiary's

management plan, the status of formation of internal control system, and other topics. From the Internal Audit Dept., the Committee heard reports on the implementation of internal audits and their results, the results of monthly individual internal audits, the results of self-assessment of the quality of internal audit activities, and exchanged opinions. Executive officers (including executive officers as defined in our internal regulations) in charge of Internal Audit Dept. attended the Audit Committee meetings for all issues and offered their opinions as needed. From the Accounting Auditor, the Audit Committee heard reports on the status of execution of duties on five occasions and exchanged opinions. During those meetings, discussions were held on "the key audit matters (KAM) in the audit" of consolidated financial statements that would be communicated in the auditors' report on a voluntary basis.

Each year, the Audit Committee conducts self assessment by way of questionnaire survey to reflect on its activities and to utilize the findings for future audit activities. The Committee conducted self assessment in fiscal 2023, the outcome of which was examined and discussed at the meetings of the Audit Committee, and then the results were reported to the Board of Directors.

Meetings of the Audit Committee were generally conducted face-to-face in fiscal year 2023, with some remote meetings also held from the perspective of efficient operation. As in the previous fiscal year, remote means were also used for the exchange of views with executives from the viewpoint of improving audit efficiency.

Accounting Audits

Status of Accounting Audits

| | | | |
|--|---|--|--|
| Name of Accounting Auditor | KPMG AZSA LLC | Period of continuous audit | 40 years |
| Names of certified public accountants engaged in audit work | Noriaki Habuto Yukihiisa Tatsumi Takuya Nakayama | Composition of assistants involved in audit work | Assistants involved in audit work consisted of 18 certified public accountants, 8 persons who have passed the certified public accountant exam, and 26 others. |
| Selection policy and reasons for the appointment of Accounting Auditor | The Company appointed KPMG AZSA LLC, concluding that the firm is able to conduct audit work efficiently and effectively, based on a comprehensive judgement of the firm's quality control system, independence and expertise, and the fact that the firm has a structure for group audits backed by its global network. Our Audit Committee decided to reappoint KPMG AZSA LLC based on nomination by management, since the committee found no reason for dismissal or non-reappointment as a result of evaluation of the firm according to our policy for dismissal or non-reappointment of Accounting Auditor and the criteria for the evaluation of Accounting Auditor. | | |
| Audit Committee's evaluation of the Accounting Auditor | Our Audit Committee formulates the criteria for the evaluation of Accounting Auditor and decides reappointment or non-reappointment of an Accounting Auditor, evaluating the firm's execution of duties, quality control system, independence, expertise, fee level, its communication with the Audit Committee and other parties, and the ability to deal with international matters. The evaluation for fiscal 2023 found no reason to dismiss or not to reappoint KPMG AZSA LLC. | | |

Details of Audit Fees

a. Fees paid to certified public accountants and others engaged in auditing work

(millions of yen)

| Category | Fiscal 2022 | | Fiscal 2023 | |
|---------------------------|--|-------------------------------------|--|-------------------------------------|
| | Fees based on audit certification work | Fees based on non-auditing services | Fees based on audit certification work | Fees based on non-auditing services |
| Sumitomo Life | 217 | 24 | 255 | 58 |
| Consolidated subsidiaries | 51 | 11 | 53 | 2 |
| Total | 269 | 35 | 309 | 61 |

● Fiscal 2022

Non-auditing services rendered to the Company included "assurance of internal control over administration of group annuity insurance and operation of separate account; calculation of projected benefit obligations (PBO) of retirement benefits; and administration of pension plan."

Non-auditing service rendered to our consolidated subsidiaries was an advisory service on the formulation of basic plan for the digitization of accounting processes.

● Fiscal 2023

Non-auditing services rendered to the Company included "preparation of comfort letter in support of the issuance of U.S. dollar-denominated perpetual subordinated bonds."

Non-auditing service rendered to our consolidated subsidiaries was an advisory service on the formulation of basic plan for the digitization of accounting processes.

b. Fees paid to firms belonging to the same network as certified public accountants and others engaged in auditing work(i.e., KPMG member firms) (excluding a. above)

(millions of yen)

| Category | Fiscal 2022 | | Fiscal 2023 | |
|---------------------------|--|-------------------------------------|--|-------------------------------------|
| | Fees based on audit certification work | Fees based on non-auditing services | Fees based on audit certification work | Fees based on non-auditing services |
| Sumitomo Life | — | 5 | — | 5 |
| Consolidated subsidiaries | 360 | 30 | 382 | 4 |
| Total | 360 | 35 | 382 | 10 |

● Fiscal 2022

Non-auditing services rendered to the Company included tax-related services.

Non-auditing service rendered to the consolidated subsidiaries was performance of due diligence on investment deals.

● Fiscal 2023

Non-auditing services rendered to the Company and its consolidated subsidiaries included tax-related services.

c. Details of fees based on other important audit certification work

Not applicable to the fiscal 2022 and 2023.

d. Policy for determining audit fees

While having not set any policy, the Company considers comprehensively such matters as the audit work for the prior fiscal years and the content of audit plan for the current fiscal year presented by the Accounting Auditor covering audit structure, procedure, schedule, and other elements, and then determines audit fees with the consent of the Audit Committee.

e. Reasons for which the Audit Committee gave consent to the fees and others to be paid to the Accounting Auditor

The Audit Committee concluded that the content of audit plan by the Accounting Auditor, the performance, and the basis for the calculation of quoted fees, among others, were appropriate, and then agreed to the fees and others to be paid to the Accounting Auditor.

Internal Control

Upgrading Internal Control System

We are working to “strengthen our internal control system” with a view to securing the soundness and appropriateness of business management. The Board of Directors has laid down the “Internal Control Basic Policy” pursuant to the provisions of Article 53-30, paragraph 1, item 1-b and e of the Insurance Business Act. In accordance with this policy, we are working to improve our risk management system, compliance system and internal audit function and to build a system that facilitates effective audits by the Audit Committee. As the business management company of the Group (the Company, its subsidiaries, etc.), the Company has also set the “Group Management Basic Policy” and is working to upgrade business management of the entire Group.

Outline of the Internal Control Basic Policy

(Preamble) The operating policy of the Company sets the “Management Policy,” which is our corporate philosophy, as the apex. The “Sustainability Management Policy” stipulates the Company’s universal mission stated in the “Management Policy” reorganized from the sustainability perspective, and the “Sumitomo Life Brand Vision” states the image of the Company from customer’s perspective that we aim to become in the medium- to long-term. The “Sumitomo Life Group Code of Conduct” has been formulated as a set of guidelines, in order to ensure that each and every executive or employee of Sumitomo Life and each Group company will put the operating policy into practice through their actions. The “Policy on customer-oriented business operations” has been established and disclosed in order to pursue the best interests of our customers.

In accordance with the operating policy etc. described above, the Board of Directors establishes this policy as basic policies for development of the internal control system aimed at ensuring the soundness and appropriateness of business of the Company and its Subsidiaries and Affiliates etc. (hereinafter “Group Companies”), pursuant to the provisions of Article 53-30, Paragraph 1, Item 1-b and e of the Insurance Business Act. The Board of Directors determines this policy and ensures the acknowledgement on the part of officers and employees as well as implements disclosure according to laws and regulations.

Furthermore, the Company, as the business management company of the Group Companies, establishes the “Group Management Basic Policy” and works on the sophistication of the business management of the entire Group.

The Company establishes the internal control system in accordance with this policy and the Group Management Basic Policy, verifies its effectiveness at the Board of Directors, implements necessary improvements, and discloses the overview of the operational status of the internal control system.

Along with the above preamble, the policy lays down guidelines on the following items:

1. System for the execution of duties of Audit Committee

- (1) Matters related to Directors and employees to assist duties of Audit Committee
- (2) System related to reporting to Audit Committee
- (3) Matters related to policies for procedures for prepayment or reimbursement of costs arising from execution of duties of Audit Committee Members (limited to those related to the execution of duties of Audit Committee) and other treatments of expenses or obligations arising from execution of the duties
- (4) Other systems to ensure effective implementation of audits by Audit Committee

2. System to ensure the appropriateness of business

- (1) System to ensure that Executive Officers and employees execute their duties compliant with laws and regulations and the Articles of Incorporation
- (2) System for preservation and management of information related to the execution of duties of Executive Officers
- (3) Regulations concerning management of risks of losses and other systems
- (4) System to ensure the efficient execution of duties by Executive Officers
- (5) System to ensure the appropriateness of business in a corporate group consisting of a mutual company and its real subsidiaries
- (6) System to ensure customer-oriented business operations
- (7) System to ensure the effectiveness of internal audit

Internal Audit System

Sumitomo Life’s Group Internal Audit Policy and other such policies which have been established with the resolution of the Board of Directors, have a framework for creating and establishing effective Group-wide internal auditing. The policies provide that the purpose of internal audit is “to secure the soundness and appropriateness of business and thereby contribute to the effective achievement of our management goals.” The Internal Audit Dept., which is independent from audited entities, examines and evaluates the appropriateness and validity of readiness concerning internal control, makes suggestions for improvement with regard to challenges and problems, and follows up on the issues. The scope of internal audit covers all business operations of the Group companies and foundations both in and outside of Japan. Internal audit plans are developed according to the risks recognized in light of changes in internal and external environments and with the consent of the Audit Committee, a majority of whose members are outside directors. A mechanism is in place to regularly report the results of internal audits to the Board of Directors, the Audit Committee, the President & Chief Executive Officer, and other parties. On issues and problems that were revealed in internal audits, recommendations and suggestions are made to relevant divisions.

The Internal Audit Department maintains close cooperation with the Audit Committee, including receiving instructions for inquiry directly from the Audit Committee, and operates internal audits in an integrated and efficient manner.

In the internal audits of head office divisions, cross-divisional issues that concern multiple units and policy issues are also examined on a company-level, besides each unit’s status of performance of operations and risk management. The state of formulation and operation of internal control system within various systems, such as compliance system or system for storage and management of information, is also examined in accordance with the Internal Control Basic Policy.

With regard to the internal auditing of branch offices and the solicitation agencies that form the strongholds of insurance sales and administrative work, the audits aim to examine compliance with laws, regulations and other rules, together with the appropriateness and effectiveness of systems for compliance and customer services.

Changes to the risks are continuously monitored offsite through regular exchange of information with the Compliance Control Dept. and others, information ties with each unit, attendance at various meetings, and other means.

In collaborating with Accounting Auditor, each other’s audit results and risks recognized are shared to secure the effectiveness of internal audits.

In addition, we are working to improve and strengthen the system for internal audit by implementing a program developed to improve the quality of internal audit work on a self-sustained and continuous basis.

Directors



Chairman of the Board, Representative Executive Officer

Masahiro Hashimoto (Born February 21, 1956)

April 1979 Joined Sumitomo Life
 April 2006 Executive Officer
 July 2007 Managing Director and Managing Executive Officer
 July 2011 Director, Managing Executive Officer
 April 2012 Representative Director, Senior Managing Executive Officer
 April 2014 President & Representative Director, Chief Executive Officer
 July 2015 Director, President & Chief Executive Officer, Representative Executive Officer
 April 2021 Chairman of the Board, Representative Executive Officer



Director, President & Chief Executive Officer, Representative Executive Officer

Yukinori Takada (Born September 3, 1964)

April 1988 Joined Sumitomo Life
 April 2017 Executive Officer (as defined in our internal regulations)
 April 2018 Senior Executive Officer (internal regulations)
 October 2018 Managing Executive Officer
 April 2021 President & Chief Executive Officer, Representative Executive Officer
 July 2021 Director, President & Chief Executive Officer, Representative Executive Officer



Director, Deputy President & Executive Officer Representative Executive Officer
 Group Sustainability Officer

Hideyuki Sumi (Born January 15, 1963)

April 1987 Joined Sumitomo Life
 April 2012 Executive Officer
 April 2014 Senior Executive Officer
 April 2016 Managing Executive Officer
 April 2021 Senior Managing Executive Officer, Representative Executive Officer
 July 2021 Director, Senior Managing Executive Officer, Representative Executive Officer
 April 2023 Director, Senior Managing Executive Officer, Representative Executive Officer, Group Sustainability Officer
 April 2024 Director, Deputy President & Executive Officer, Representative Executive Officer, Group Sustainability Officer



Director, Senior Managing Executive Officer, Representative Executive Officer

Takeshi Eimori (Born May 26, 1964)

April 1987 Joined Sumitomo Life
 April 2016 Executive Officer (internal regulations)
 April 2017 Senior Executive Officer (internal regulations)
 July 2017 Managing Executive Officer
 April 2022 Senior Managing Executive Officer
 April 2023 Senior Managing Executive Officer, Representative Executive Officer
 July 2023 Director, Senior Managing Executive Officer, Representative Executive Officer



Director

Tatsuya Yuri (Born June 18, 1964)

April 1988 Joined Sumitomo Life
 April 2017 Executive Officer (internal regulations)
 April 2019 Senior Executive Officer (internal regulations)
 July 2019 Managing Executive Officer (internal regulations)
 April 2020 Managing Executive Officer
 April 2023 Senior Managing Executive Officer
 July 2023 Director

| | |
|------------------------------------|--|
| Chairman of the Board of Directors | : Masahiro Hashimoto (Chairman of the Board) |
| Nominating Committee | : Kenzo Yamamoto (Chairman), Touko Shirakawa, Mitsuyoshi Kobayashi, Masahiro Hashimoto and Yukinori Takada |
| Audit Committee | : Kimitaka Mori (Chairman), Toshiko Katayama, Shigeru Ishii, and Tatsuya Yuri |
| Compensation Committee | : Kenzo Yamamoto (Chairman), Touko Shirakawa, Mitsuyoshi Kobayashi, Masahiro Hashimoto and Yukinori Takada |

(As of July 2, 2024)

Directors



Outside Director

Kimitaka Mori (Born June 30, 1957)

| | | |
|--------|------|---|
| April | 1980 | Joined Shinwa Audit Corporation (present KPMG AZSA LLC) |
| August | 1983 | Registered as Certified Public Accountant |
| June | 2000 | Representative Partner, Asahi Audit Corporation (present KPMG AZSA LLC) |
| June | 2004 | Director of Financial Services, KPMG AZSA & Co. (present KPMG AZSA LLC) |
| June | 2006 | Board Member, KPMG AZSA & Co. (present KPMG AZSA LLC) |
| July | 2011 | Chairman, KPMG Financial Services Japan, KPMG AZSA LLC |
| June | 2013 | Retired from KPMG AZSA LLC |
| July | 2013 | Established Mori Certified Public Accountant Office |
| July | 2013 | Chairman and President, the Japanese Institute of Certified Public Accountants |
| July | 2016 | Adviser, the Japanese Institute of Certified Public Accountants as former President |
| July | 2017 | Outside Director, Sumitomo Life |



Outside Director

Toshiko Katayama (Born June 3, 1953)

| | | |
|----------|------|---|
| August | 1977 | Court Administrative Official, Osaka Family Court |
| April | 1980 | Court Clerk, Family Affairs Division, Osaka Family Court |
| April | 1988 | Admitted to bar |
| April | 1993 | Established Katayama Toshiko Law Office |
| July | 2005 | Established Katayama, Kuroki & Hiraizumi Law Office (present Katayama & Hiraizumi Law Office) |
| December | 2005 | Vice President, Kansai Consumers Support Organization, a non profit organization |
| July | 2018 | Outside Director, Sumitomo Life |



Outside Director

Kenzo Yamamoto (Born January 21, 1954)

| | | |
|----------|------|--|
| April | 1976 | Joined the Bank of Japan |
| February | 2002 | Director-General, Financial Markets Department, Bank of Japan |
| May | 2003 | Councilor, Bank of Japan Representative Office in New York |
| December | 2003 | General Manager for the Americas and Chief Representative in New York, Bank of Japan |
| July | 2005 | Director-General, Payment and Settlement Systems Department, Bank of Japan |
| July | 2006 | Director-General, Financial System and Bank Examination Department, Bank of Japan |
| May | 2008 | Executive Director, Bank of Japan |
| June | 2012 | Chairman, NTT DATA Institute of Management Consulting, Inc. |
| June | 2018 | Representative, Office KY Initiative |
| July | 2019 | Outside Director, Sumitomo Life |



Outside Director

Touko Shirakawa (Born April 25, 1961)

| | | | | | |
|----------|------|---|----------|------|---|
| April | 1984 | Joined Sumitomo Corporation | December | 2017 | Visiting Researcher, University of Tokyo |
| October | 1988 | Joined First Boston (Japan) Ltd. Tokyo | | | Interfaculty Initiative in Information Studies |
| July | 1989 | Joined Lehman Brothers Co., Ltd. Tokyo | April | 2018 | Visiting Professor, Showa Women's |
| October | 1993 | Joined Decision Japan Co., Ltd. Tokyo | | | University Center for General Education |
| February | 1998 | Relocated to Indonesia. Continued writing during her stay in the country | April | 2020 | Project Professor, the Graduate School of Sagami Women's University |
| April | 2002 | Returned to Japan and began writing and speaking in earnest as a freelancer | April | 2021 | Super Visiting Professor, iU Professional University of Information and Management for Innovation |
| April | 2013 | Visiting Professor, Sagami Women's University | July | 2022 | Outside Director, Sumitomo Life |



Outside Director

Shigeru Ishii (Born July 31, 1954)

| | | |
|-------|------|--|
| April | 1978 | Joined Yamaichi Securities Co., Ltd. |
| June | 1998 | Joined Sony Corporation (present Sony Group Corporation) |
| April | 2001 | President and CEO, Representative Director, Sony Bank Incorporated |
| April | 2004 | Director, Sony Financial Holdings Inc. (present Sony Financial Group Inc.) |
| June | 2015 | Vice President & Representative Director, Sony Financial Holdings Inc. (present Sony Financial Group Inc.) |
| June | 2015 | Director, Sony Life Insurance Co., Ltd. |
| June | 2015 | Director, Sony Assurance Inc. |
| June | 2015 | Director, Sony Bank Incorporated |
| June | 2016 | President & Representative Director, Sony Financial Holdings Inc. (present Sony Financial Group Inc.) |
| June | 2016 | Executive Vice President, Sony Corporation (present Sony Group Corporation) |
| July | 2018 | President, Representative Director, Sony Financial Ventures Inc. |
| June | 2020 | Executive Alumnus, Sony Corporation (present Sony Group Corporation) |
| July | 2023 | Outside Director, Sumitomo Life |



Outside Director

Mitsuyoshi Kobayashi (Born November 3, 1957)

| | | |
|-------|------|--|
| April | 1982 | Joined Nippon Telegraph and Telephone Public Corporation |
| June | 2010 | Member of the Board, Nippon Telegraph and Telephone West Corporation |
| June | 2012 | Member of the Board, Nippon Telegraph and Telephone Corporation |
| June | 2014 | Executive Vice President, Member of the Board, Nippon Telegraph and Telephone Corporation |
| June | 2018 | Representative Member of the Board and President, Nippon Telegraph and Telephone West Corporation |
| June | 2021 | Representative Member of the Board, President and CEO, Nippon Telegraph and Telephone West Corporation |
| June | 2022 | Counselor, Nippon Telegraph and Telephone West Corporation |
| July | 2023 | Outside Director, Sumitomo Life |

Reasons for Appointment as Outside Director

Director

Kimitaka Mori

Reasons for appointment

The Company appoints Mr. Kimitaka Mori as an Outside Director because the Company expects that his abundant knowledge, experience and insight in the field of corporate accounting will be reflected in the management of the Company. He is expected to bring his abundant experience and deep knowledge concerning corporate accounting into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in his role as the Chairman of the Audit Committee. Although he has had no involvement in corporate management other than as an outside director or outside corporate auditor, we believe that he has gained expansive knowledge, experience and good discernment through his career, including as a representative partner of a major audit firm engaged in business accounting. For these reasons, we have judged that he would be able to appropriately perform the duties of Outside Director.

Director

Touko Shirakawa

Reasons for appointment

The Company appoints Ms. Touko Shirakawa as an Outside Director because the Company expects that her abundant knowledge, experience and insight as an expert in promoting diversity, work-style reforms, and participation and advancement of women and middle age resources will be reflected in the management of the Company. She is expected to bring her abundant experience and deep knowledge concerning diversity and other issues into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in her role as a member of the Nominating Committee and the Compensation Committee. Although she has had no involvement in corporate management other than as an outside director or outside corporate auditor, we believe that she has gained expansive knowledge, experience and good discernment through her long career in diversity-related positions as a journalist, author, educator, and a member of various public councils and committees. For these reasons, we have judged that she would be able to appropriately perform the duties of Outside Director.

Director

Toshiko Katayama

Reasons for appointment

The Company appoints Ms. Toshiko Katayama as an Outside Director because the Company expects that her abundant knowledge, experience and insight as an expert in consumer issues will be reflected in the management of the Company. She is expected to bring her abundant experience and deep knowledge concerning consumer issues and the law into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in her role as a member of the Audit Committee. Although she has had no involvement in corporate management other than as an outside director or outside corporate auditor, we believe that she has gained expansive knowledge, experience and good discernment through her long career as a lawyer engaged in consumer issues and other legal duties. For these reasons, we have judged that she would be able to appropriately perform the duties of Outside Director.

Director

Shigeru Ishii

Reasons for appointment

The Company appoints Mr. Shigeru Ishii as an Outside Director because the Company expects that his abundant knowledge, experience and insight as a former President & Representative Director of Sony Financial Holdings Inc. (currently Sony Financial Group Inc.), a financial group focusing on life insurance, non-life insurance and banking, will be reflected in the management of the Company. He is expected to bring his abundant experience and deep knowledge concerning corporate management into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in his role as a member of the Audit Committee. He has served as outside directors of other companies, and we believe that he has gained expansive knowledge, experience and good discernment through his career. For these reasons, we have judged that he would be able to appropriately perform the duties of Outside Director.

Director

Kenzo Yamamoto

Reasons for appointment

The Company appoints Mr. Kenzo Yamamoto as an Outside Director because the Company expects that his abundant knowledge, experience and insight as a former Executive Director and Director-General of the Bank of Japan, and as an expert in finance and economy, will be reflected in the management of the Company. He is expected to bring his abundant experience and deep knowledge concerning finance and economy into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in his role as the Chairman of the Nominating Committee and the Compensation Committee. He has served as outside directors of other companies, and we believe that he has gained expansive knowledge, experience and good discernment through his career. For these reasons, we have judged that he would be able to appropriately perform the duties of Outside Director.

Director

Mitsuyoshi Kobayashi

Reasons for appointment

The Company appoints Mr. Mitsuyoshi Kobayashi as an Outside Director because the Company expects that his abundant knowledge, experience and insight as a former Representative Member of the Board and President of Nippon Telegraph and Telephone West Corporation, a telecommunications carrier, will be reflected in the management of the Company. He is expected to bring his abundant experience and deep knowledge concerning corporate management into play in business execution decisions with regard to basic management policies, oversight of the execution of duties by Executive Officers and Directors, as well as in his role as a member of the Nominating Committee and the Compensation Committee. He has served as outside directors of other companies, and we believe that he has gained expansive knowledge, experience and good discernment through his career. For these reasons, we have judged that he would be able to appropriately perform the duties of Outside Director.

Succession Planning

In order to ensure the transparency and appropriateness of the appointment process of President & Chief Executive Officer, the successor plan for President & Chief Executive Officer is deliberated by the Nominating Committee, where an Outside Director serves as the chairman and the majority of the committee members is Outside Directors, and the Board of Directors appropriately supervises the plan by receiving reports on the deliberations.

If the president & CEO is appointed within the Company, potential successors to President shall be

developed through timely and appropriate missions assigned to them. More than one candidate shall be selected from the group of the candidates with sufficient knowledge and experience as well as deep insight required to fulfill the duties as President. The Company makes it the basic policy for the Nominating Committee to observe them for a certain period to confirm eligibility as a successor to President, and to report a person considered to be the most eligible among them to the Board of Directors, and for the Board of Directors to appoint him/her as President.

Skills Matrix

● Our views on the skills required of the Company's Board of Directors

The Company specifies the nine areas in which "the Board of Directors should possess skills, etc., based on the Company's management strategies," i.e., "corporate management," "financial affairs and accounting," "legal affairs," "finance and economy," "consumer orientation," "diversity," "digital technology and IT," "international focus," and "life insurance business."

Each year, the Company's Nominating Committee deliberates the composition of the Board of Directors and the knowledge, experience, capabilities, etc. ("skills") required of Directors, and with regard to Outside Directors, talents with abundant experience and deep knowledge of "corporate management," "financial affairs and accounting," "legal affairs," "finance and economy," "consumer orientation," "diversity," "digital technology and IT," and "international focus" are elected and expected to reflect their sophisticated insight in the management of the Company.

Furthermore, as a company engaged in the life insurance business, skills in the "life insurance business" are crucial and indispensable to the determination of business execution and the appropriate supervision of Executive Officers, etc., and are mainly the responsibility of Internal Directors who possess experience of varied and abundant business execution as Executive Officers. The skills in the "life insurance business" include skills associated with "products and services," "profit management (including actuary duties, accounting, operating expenses, and capital policies)," "consulting (including retail sales [sales representatives and multi-channel] and wholesale)," "asset management," "overseas business," "HR (including education and personnel policies)," "compliance and risk management," and "group governance."

Of the nine skills, "consumer orientation" and "diversity," in particular, tend to embody a multitude of meanings. However, the Company has cited the notion of contributing to the advancement of social and public welfare through the insurance business in the first clause of the Company's "Management Policy," which serves as its corporate philosophy, and "customer orientation" is integrally connected to our purpose (our reason for existence), which aims to realize a society of affluence, vitality, health and longevity, through fair and quality business activities trusted by the customers and society.

The basic policy of our business plan is to increase productivity by enhancing "human value," digitize insurance administration procedures, create and supply content that maximizes the value of data, and more to enhance our provision of services that "fuse human and digital." The Group's vision for 2030 is to become an "indispensable insurance group" that contributes to well-being. The involvement of "human" is crucial for unequivocally communicating the value of something as intangible as insurance to the customers, and by utilizing "digital technology," it is imperative that we continue to improve the "value rooted in human." To this end, the skills associated with "diversity" that consistently propels improvement in the workplace environment allowing for diverse human capital to reach their potential are particularly significant for the Company. Furthermore, the presence of directors with various backgrounds begets various perspectives, which, in turn, leads to the enhancement of decision-making capabilities of the Board of Directors as a whole. Accordingly, the Company will also continue to keep the diversity in mind when considering the composition of the Board of Directors.

● Skills Matrix Listing the Knowledge, Experience, and Abilities of the Directors

(As of July 2, 2024)

| Name Figures in brackets are years of age. | Position and responsibilities at the Company | | Corporate management | Financial affairs and accounting | Legal affairs | Finance and economy | Consumer orientation | Diversity | Digital technology and IT | International focus | Life insurance business |
|--|--|--|-------------------------|--|------------------|---------------------------|-------------------------|-----------|---------------------------------|------------------------|----------------------------|
| Masahiro Hashimoto (68) | Chairman of the Board, Representative Executive Officer | Member of Nominating Committee and Compensation Committee | ● | | | ● | | | | ● | ● |
| Yukinori Takada (59) | Director, President & Chief Executive Officer (Representative Executive Officer) | Member of Nominating Committee and Compensation Committee | ● | | | | ● | ● | ● | ● | ● |
| Hideyuki Sumi (61) | Director, Deputy President & Executive Officer (Representative Executive Officer) Group Sustainability Officer | Brand Communication Dept., Corporate Planning Dept., Actuarial & Budgeting Dept., and Accounting Dept. | ● | ● | | | | | | | ● |
| Takeshi Eimori (60) | Director, Senior Managing Executive Officer (Representative Executive Officer) | Operations Planning Dept., Policy Service Dept., Customer Service Dept., Claims Dept., Underwriting Dept., and Corporate Clients Service Dept. | ● | | ● | | | ● | | ● | ● |
| Tatsuya Yuri (60) | Director | Full-time member of Audit Committee | ● | | | | ● | ● | ● | | ● |
| Kimitaka Mori (67) | Outside Director | Chairman of Audit Committee | | ● | | | | | | ● | |
| Toshiko Katayama (71) | Outside Director | Member of Audit Committee | | | ● | | ● | ● | | | |
| Kenzo Yamamoto (70) | Outside Director | Chairman of Nominating Committee and Compensation Committee | ● | | | ● | | | | ● | |
| Touko Shirakawa (63) | Outside Director | Member of Nominating Committee and Compensation Committee | | | | | ● | ● | | ● | |
| Shigeru Ishii (69) | Outside Director | Member of Audit Committee | ● | ● | | ● | | | ● | ● | |
| Mitsuyoshi Kobayashi (66) | Outside Director | Member of Nominating Committee and Compensation Committee | ● | | | | ● | | ● | | |

(As of July 2, 2024)

Executive Officers, as defined in the Companies Act

Senior Managing Executive Officer

Iwao Matsumoto (Born October 11, 1963)

April 1987 Joined Sumitomo Life
 April 2016 Executive Officer (internal regulations)
 April 2017 Senior Executive Officer (internal regulations)
 July 2018 Managing Executive Officer
 April 2023 Senior Managing Executive Officer

Senior Managing Executive Officer

Kiyoshi Horie (Born August 28, 1965)

April 1988 Joined Sumitomo Life
 April 2018 Executive Officer (internal regulations)
 April 2020 Managing Executive Officer (internal regulations)
 April 2021 Managing Executive Officer
 April 2024 Senior Managing Executive Officer

Managing Executive Officer

Toyoki Iwai (Born September 7, 1965)

April 1989 Joined Sumitomo Life
 April 2018 Executive Officer (internal regulations)
 April 2019 Senior Executive Officer (internal regulations)
 April 2020 Managing Executive Officer

Managing Executive Officer

Toru Shiomitsu (Born August 23, 1964)

April 1988 Joined Sumitomo Life
 April 2018 Executive Officer (internal regulations)
 April 2020 Senior Executive Officer (internal regulations)
 April 2021 Managing Executive Officer

Managing Executive Officer

Hideo Fuji (Born May 23, 1964)

April 1988 Joined Sumitomo Life
 July 2017 Executive Officer (internal regulations)
 April 2019 Senior Executive Officer (internal regulations)
 April 2020 Managing Executive Officer (internal regulations)
 April 2022 Managing Executive Officer

Managing Executive Officer

Makoto Kayama (Born March 27, 1964)

April 1988 Joined Sumitomo Life
 April 2019 Executive Officer (internal regulations)
 April 2021 Managing Executive Officer (internal regulations)
 April 2022 Managing Executive Officer

Managing Executive Officer

Nobuji Takao (Born July 11, 1966)

April 1989 Joined Sumitomo Life
 April 2020 Executive Officer (internal regulations)
 April 2022 Senior Executive Officer (internal regulations) and Group Sustainability Officer
 April 2023 Managing Executive Officer

Managing Executive Officer

Atsushi Hashimoto (Born March 3, 1967)

April 1989 Joined Sumitomo Life
 April 2019 Executive Officer (internal regulations)
 April 2021 Senior Executive Officer (internal regulations)
 April 2023 Managing Executive Officer (internal regulations)
 April 2024 Managing Executive Officer

Managing Executive Officer

Keisuke Terasaki (Born April 21, 1966)

April 1989 Joined Sumitomo Life
 April 2020 Executive Officer (internal regulations)
 April 2022 Senior Executive Officer (internal regulations)
 April 2023 Managing Executive Officer (internal regulations)
 April 2024 Managing Executive Officer

Managing Executive Officer

Kensei Kawaguchi (Born October 23, 1965)

April 1989 Joined Sumitomo Life
 April 2021 Executive Officer (internal regulations)
 April 2022 Senior Executive Officer (internal regulations)
 April 2023 Managing Executive Officer (internal regulations)
 April 2024 Managing Executive Officer

Number of Directors and Executive Officers: Male 19, Female 2; The percentage of female Directors and Executive Officers, as defined in the Companies Act: 9.5%

(As of July 2, 2024)

Executive Officers, as defined in our internal regulations

Managing Executive Officer

Ichiryu Kawai (Born July 15, 1964)

Managing Executive Officer

Yoshihiro Nakano (Born December 10, 1964)

Managing Executive Officer

Satoshi Sadanaga (Born January 24, 1966)

Managing Executive Officer

Satoshi Mouri (Born April 24, 1966)

Managing Executive Officer

Yoshiro Kazama (Born December 29, 1966)

Managing Executive Officer

Fumito Fujimoto (Born October 19, 1965)

Managing Executive Officer and General Manager, Next Business Planning Dept.

Hiroki Fujimoto (Born May 12, 1965)

Managing Executive Officer and Senior General Manager, Kyushu-Area Operations Bureau

Masateru Matsuyama (Born August 9, 1965)

Managing Executive Officer and Senior General Manager, Chubu-Area Operations Bureau

Nobukazu Yoshihara (Born February 16, 1966)

Senior Executive Officer and General Manager, Customer Experience Planning Dept.

Tatsuro Nakanishi (Born November 21, 1963)

Senior Executive Officer

Muneo Sasagawa (Born February 17, 1964)

Senior Executive Officer and General Manager, Internal Audit Dept.

Katsusuke Nagahashi (Born March 6, 1966)

Senior Executive Officer

President & Representative Director, Izumi Life Designers Co., Ltd.

Kentaro Tsukamoto (Born January 29, 1967)

Senior Executive Officer

Takumi Ishihara (Born April 27, 1966)

Senior Executive Officer and Senior General Manager, Kinki-Hokuriku-Area Operations Bureau

Keiji Sano (Born December 5, 1966)

Senior Executive Officer and Deputy Chief of Human Capital Development Headquarter

Hiromi Yamamoto (Born January 5, 1963)

Senior Executive Officer

Toshio Fujimura (Born December 23, 1967)

Senior Executive Officer and General Manager, Osaka-Area Marketing Promotion Dept.

Motohiro Hayakawa (Born January 29, 1964)

Senior Executive Officer and Senior General Manager, Metropolitan-Area Operations Bureau

Toshikazu Anbo (Born July 18, 1964)

Senior Executive Officer and General Manager, Marketing Promotion Dept.

Takeshi Nakayama (Born July 18, 1967)

Executive Officer and Deputy Chief of Human Capital Development Headquarter

Yukiko Chiba (Born November 8, 1962)

Executive Officer and General Manager, Operations Planning Dept.

Koichi Takenaka (Born December 18, 1967)

Executive Officer and General Manager, Chubu-Area Corporate Relations Dept.

Yoshiharu Nagasawa (Born August 6, 1966)

Executive Officer and General Manager, Corporate Planning Dept.

Tatsuo Hori (Born April 20, 1969)

Executive Officer and General Manager, Central-Tokyo-Area Marketing Promotion Dept.

Yoichi Nomura (Born April 26, 1969)

Executive Officer and General Manager, Underwriting Dept.

Takae Morishita (Born April 2, 1965)

Executive Officer, General Manager of Sendai Branch Office, and General Manager in Charge of Marketing Promotion Dept.

Kenichi Aso (Born February 19, 1968)

Executive Officer

Ikuo Kudoh (Born October 5, 1968)

Executive Officer and General Manager, Kyoto Branch Office

Munenori Ueda (Born July 27, 1969)

Executive Officer and General Manager, Personnel Planning Dept.

Masashi Kakahara (Born August 19, 1969)

Executive Officer and General Manager, International Business Dept.

Naoto Oda (Born March 15, 1970)

(As of July 2, 2024)

Executive Fellows

Executive Fellow and Human Resources Officer

Tetsuyuki Yamada (Born July 9, 1964)

Executive Fellow and Digital Co-Creation Officer

Kazuyoshi Kishi (Born August 20, 1967)

Efforts toward Compliance

Sumitomo Life considers strictly observing law and regulations to be an important management issue in order to more firmly establish the basic business policy of living up to the trust of customers, and based on this belief, we have established a system to promote compliance as outlined below.

Basic Principles and Regulations for Compliance

Basing on our purpose of “contributing to the advancement of social and public welfare,” we are faithfully conducting business in accordance with our “Management Policy,” which states our basic philosophy of management, and the “Sumitomo Life Group Code of Conduct,” which lays down guidelines that should be translated into action by the Sumitomo Life Group companies as well as each and every executive and employee of the Group. We have also formulated the “Group Compliance Policy,” the “Legal Compliance Policy,” and the “Insurance Solicitation Management Policy” to clarify the basic policy concerning compliance, based upon which we have developed a compliance promotion system.

Fostering a Compliance-oriented Corporate Culture

Furthermore, with an aim to foster a corporate culture that values compliance, we have established the “Compliance Manual” and the “Insurance Solicitation Compliance Manual” that cover matters such as the basic approach to compliance and particularly important matters concerning different operations, using which we are working to ensure full awareness of compliance among all executives and employees. We also hold a broad range of training programs concerning compliance, in addition to compliance education programs conducted on the intranet or using digital tools on a regular and ongoing basis.

Compliance Promotion System

To drive compliance across the Company, we have established a Compliance Committee chaired by the president & CEO. The Compliance Committee receives reports via the Monitoring Liaison Meeting, its subordinate body, on matters such as the status of monitoring and analysis on specific issues and conducts discussions aimed at resolving these issues. Meanwhile, the Compliance Control Dept. has been established to oversee compliance for the entire Company. The Compliance Control Dept. works to address the individual issues described above, makes reports on the state of compliance for the entire Company to bodies including the Board of Directors, and receives instructions as required for the management of operations. Moreover, to strengthen the compliance function in the sales division, the Institutional Management Support Team has been established in the Marketing Promotion Dept., an organization that oversees sales promotion operations at branch offices, to provide management support for branch offices and district offices. In order to make the above structure work, each department of the head office and each branch office draws up a plan for its own compliance efforts and works to drive compliance according to the annual plan. Branch offices are also making autonomous efforts led by each Branch Office Compliance Committee. As outlined above, all members of the Company are working in unison towards compliance under the leadership of the management.

Measures to Prevent Money Laundering, etc.

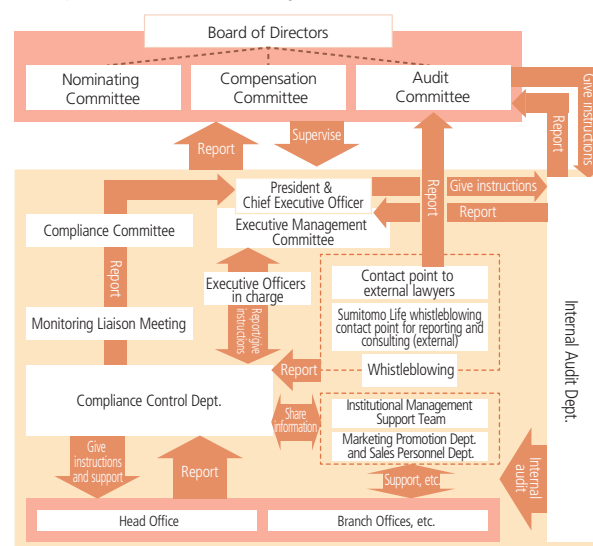
In order to do our part in maintaining the soundness of the financial system, we are implementing risk-based measures against money laundering, terrorist financing, and proliferation financing in consideration of laws and regulations as well as the external environment under the compliance promotion system described below.

Internal Whistleblowing System

To facilitate early detection and correction of acts in violation of laws and regulations, we have set up a whistleblowing contact point for reporting and consulting that accepts reports from officers and employees, including retired employees. In view of enhancing the effectiveness of whistleblowing system, we are working to create a safe environment for whistleblowers such as by clearly ruling out any adverse treatment of whistleblowers, and providing a contact point for consulting external lawyers in addition to the whistleblowing contact point for reporting and consulting that can be reached by phone or online. We received 388 whistleblowing reports and consultations in fiscal year 2023. We thoroughly ensure whistleblower protection and confidentiality for all whistleblowing reports and consultations received, before proceeding to confirm the facts and implement corrective measures, where necessary, under the guidance of the compliance officers deployed at each organization. We also conduct an analysis based on the content of the original whistleblowing report and the facts revealed upon the conclusion of investigations. This analysis is used to further promote compliance.

<Solicitation Policy>
Pursuant to the Act on the Provision of Financial Services and the Development of the Environment for Using Financial Services, we have established a “Solicitation Policy” laying out matters to be considered when soliciting products to our customers and display it at our branch offices, district offices, and other facilities across the country as well as on our website.

Compliance Promotion System



Attitude Towards Antisocial Forces

Basic Policy on Antisocial Forces

Sumitomo Life's basic policy on antisocial forces is to "maintain a resolute stance with respect to antisocial forces that threaten the order and safety of civil society, and handle them systematically to reject any relationships with antisocial forces and eliminate them," as set down

in the "Sumitomo Life Group Code of Conduct," the "Basic Policy for Internal Control", and the "Policy on Handling of Antisocial Forces." Detailed rules elaborating the above basic policy are laid down in the "Regulations on Measures Against Antisocial Forces".

Attitude Towards Antisocial Forces

In its "Policy on Handling of Antisocial Forces," Sumitomo Life designates General Affairs Dept. as the section that oversees matters concerning antisocial forces for the whole company, and is working to formulate and implement concrete measures against such forces as well as train and educate the executives and employees. The General Affairs Dept. centrally manages all information regarding antisocial forces and utilizes such information to work in collaboration with the police, the Centers for Removal of Criminal Organizations, lawyers and other

external specialist bodies to reject any relationships with antisocial forces and eliminate them.

In the event of any unjustified demands or other contacts made to the Company by antisocial forces, the General Affairs Dept., as the section overseeing such matters, will receive reports and be asked for advice immediately and in a proper manner, and will take actions under appropriate direction and involvement of the management team.

Introduction of Organized Crime Groups Exclusion Clauses to the Insurance Policy Terms and Conditions

Clauses stipulating the exclusion of organized crime groups have been added to the terms and conditions of our life insurance policies with effect from April 2012. With the introduction of these clauses that allow

contracts to be canceled should a contract party turns out to be an antisocial force, we are stepping up efforts to meet our corporate social responsibility by rejecting any relationship with antisocial forces and eliminating them.

Approach to Personal Information Protection

We recognize that the personal information of our customers is a valuable asset entrusted to us for use only to the extent necessary for operational purposes. We handle this information appropriately in accordance with the "Act on the Protection of Personal Information", etc.

Basic Principles of Protection of Personal Information

In the "Sumitomo Life Group Code of Conduct," the Company prescribes guidelines for the strict control of customer information by all executives and employees. In addition to this, we provide clear rules on the management system and proper treatment of personal information in the "Customer Information Management Principles" and the "Security Policy."

These principles and initiatives related to the protection of personal data have been summarized in the "Basic Principles of Protection of Personal Information," which has been made publicly available on the Company website.

Strict and Thorough Security Over Personal Information

We have designated Compliance Control Dept. as the section that oversees the management of customer information and relevant matters. Our internal rules state clearly the duty of confidentiality of our executives and employees, based on which we are working to ensure full awareness and commitment through regular trainings and other means.

Moreover, we restrict access to personal information to the minimum extent required for operational purposes,

and also have in place various security measures to prevent personal information leakage and other problems.

We have also devised various safety measures to prevent unauthorized access from outside the Company.

In this way, we have put in place necessary and appropriate security countermeasures to safely control personal information.

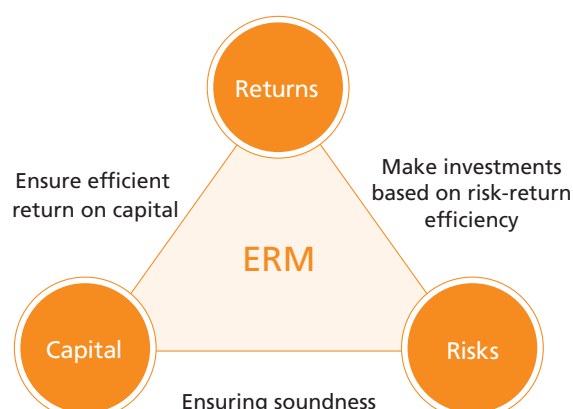
Finance and Capital Policies

ERM concept

In the “Sumitomo Life Medium-Term Business Plan 2025,” “Promoting ERM*” is positioned as one of the initiatives for “management structure that supports sustainability,” which is one of the Key Items of Sustainability (materialities) of Sumitomo Life.

* “ERM” stands for Enterprise Risk Management

Specifically, we will work to promote ERM as well as risk management, and promote more integrated management of return, risk, and capital to secure business sustainability, while promoting stable dividend returns to customers (policyholders).



Application of ERM to management

Based on the above ERM concept, we have formulated a “Risk Appetite Statement” that clarifies our management risk appetite—both qualitative and quantitative—which outlines what risks we will take and to what extent we will take risk to earn a return through effective use of capital. We will proceed to further promote management

utilizing ERM through the PDCA cycle: formulate a management plan consistent with the risk appetite (Plan), execute management measures (Do), monitor the progress of the plan (Check), and revise the plan and other measures as required (Action).

Universal attitude toward risk as a basis for management (long-term risk appetite)

- The Sumitomo Life Group will exercise appropriate risk control, mainly through risk-taking in insurance underwriting and asset management.

Medium-term risk appetite in response to the environment during the medium-term business plan period (2023–2025)

Risk Appetite Statement

- We aim to sustainably increase the Group’s corporate value by securing stable earnings and capital by taking risk through insurance sales, and by effectively utilizing capital for new risk-taking in asset management, overseas business, and value creation through collaboration with other companies.
- We will effectively use capital to efficiently increase corporate value while adhering to a balance between risk and capital that will sustain our business even in the face of deteriorating market conditions.

Formulated “Sumitomo Life Medium-Term Business Plan 2025” based on risk appetite

Company-wide business plan

Determine and execute capital allocation after verifying risk-return and other factors to make effective use of capital.

Life designers
(sales representatives)

Bancassurance Banks,
Financial institutions, etc.
and Insurance Outlets

Asset management

Overseas operations

- Promote ERM to ensure sustainability of each business
- Promote stable return of dividends to customers through sustainable enhancement of the Sumitomo Life Group’s corporate value

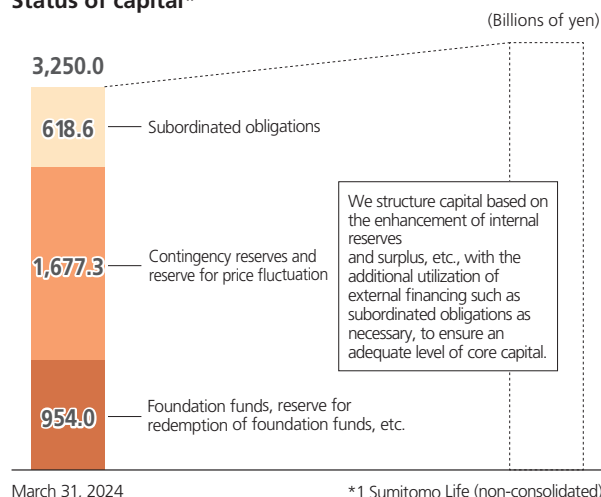
Efforts to ensure soundness

At Sumitomo Life, we endeavor to secure financial soundness to ensure that we can continue to pay insurance claims and benefits to our policyholders into the future. We engage in these efforts through the enhancement of capital, including contingency reserves, reserve for price fluctuation, and subordinated obligations recorded under liabilities on the balance sheets, in addition to foundation funds, reserve for redemption of foundation funds, and fund for price fluctuation

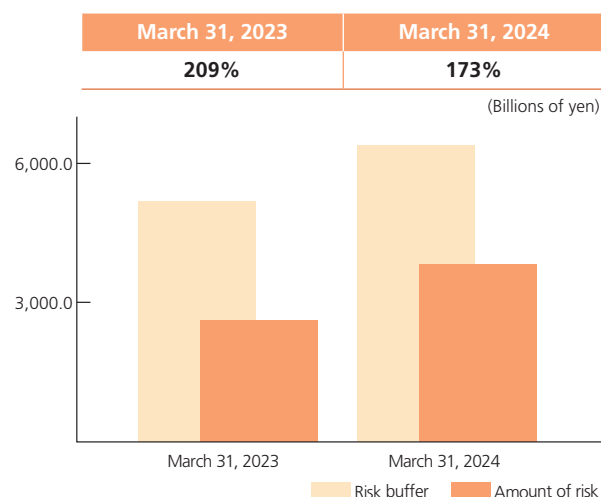
allowance recorded under net assets, as well as through appropriate risk control.

Consolidated ESR (economic value-based solvency ratio) as of March 31, 2024 was 173% (-36 pt year on year), mainly due to an increase in asset management risk resulting from an increase in holdings of equities and foreign bonds based on appropriate risk control. This level of consolidated ESR represents an adequate risk buffer against risk.

Status of capital*1



Status of consolidated ESR*2



*2 The amount of risk is calculated based on a confidence level of 99.5% (for a holding period of one year)

Dividends to policyholders

Basic approach

- Provide stable returns in consideration of factors including the present and future earnings situation and the level of core capital
- Keep a balance between maintaining a sufficient level of core capital to withstand downside risk and enhancing policyholder returns

Policyholder dividends based on the fiscal 2023 financial results

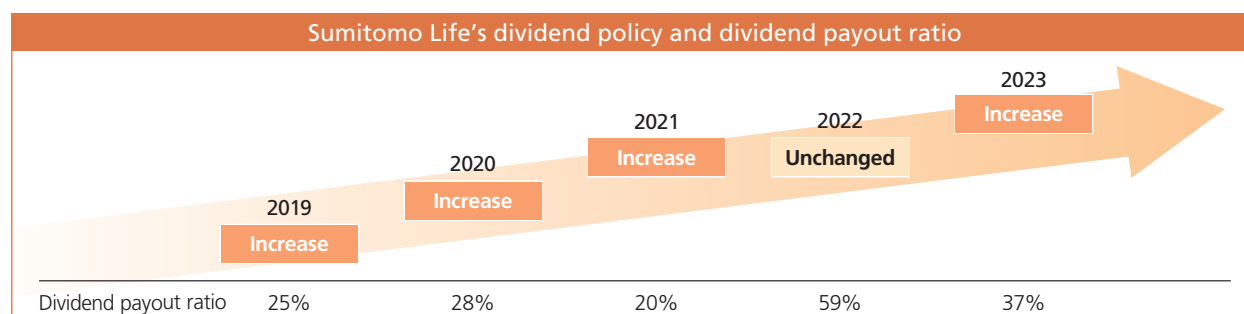
At Sumitomo Life, we pay progressively increasing dividends in accordance with our basic approach, outlined above.

Regarding policyholder dividends based on the fiscal 2023 financial results, we have increased the long-term ongoing dividends for some medical insurance and living benefits riders in accordance with this basic approach.

Dividend payout ratio

At Sumitomo Life, we provide dividend reserves, contingency reserves, and other reserves from the surplus for each year. The "dividend payout ratio" is the proportion of each year's surplus allocated to the provision of dividend reserves.

Although we pay stable dividends, the dividend payout ratio is not necessarily stable due to changes in the level of each year's surplus, which is affected by the external environment.



Risk Management System

Basic Understanding

In order to secure a sound financial foundation so as to surely and adequately pay claims to our policyholders, we at Sumitomo Life are working to identify, analyze and appropriately control various risks surrounding corporate management. We are working to control risks such as “insurance risk,” “liquidity risk,” “investment risk,” and “operational risk” according to the characteristics of each risk, while also working to improve and upgrade our risk management structure.

Risk Management Policies and Rules

Our Board of Directors and other corporate bodies determine our risk management policies* that lay down the principles that govern risk management systems and other matters, as well as risk management regulations that provide more detailed rules, including on risk management methods, in accordance with the said policies.

* “Group Risk Management Policy,” “Comprehensive Risk Management Policy” and other risk management policies set down for each risk category.

Risk Management System

In accordance with the Risk Management Policy and other guidelines, the Board of Directors hear reports on the status of risks, evaluates the effectiveness of our comprehensive risk management structure, and examine problems and other issues.

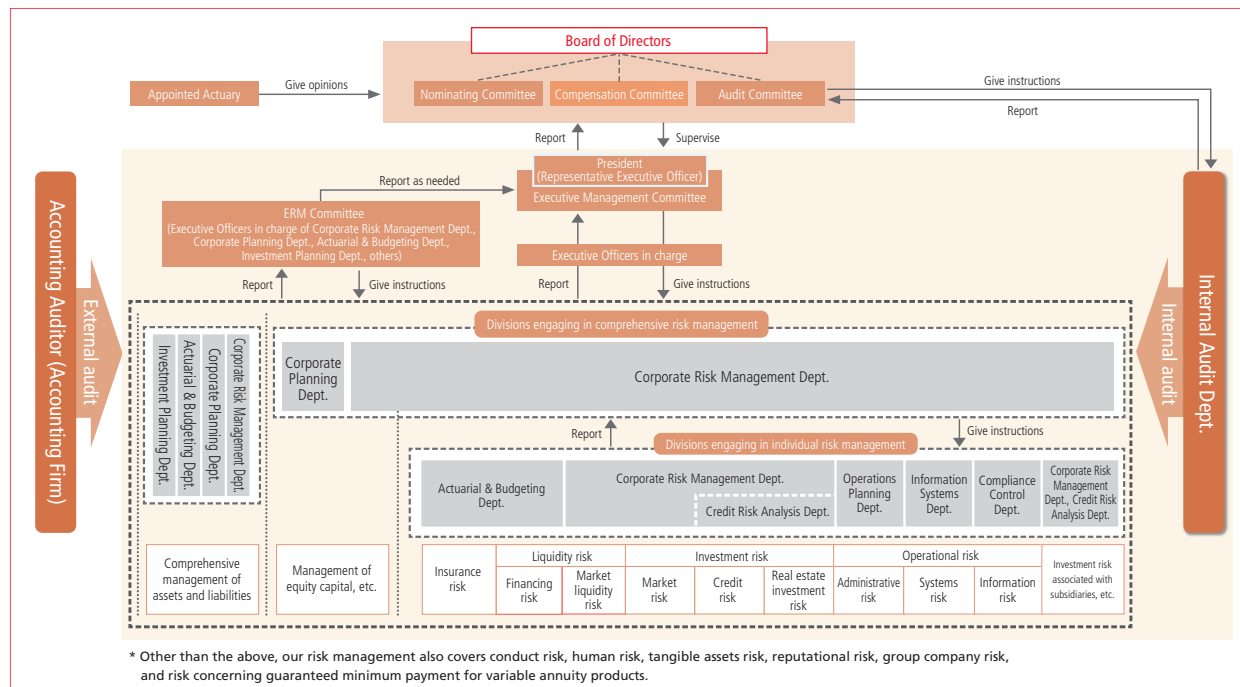
The Corporate Risk Management Department and the divisions engaging in the management of individual risks work together appropriately, in line with the Risk Management Policy and other guidelines, to manage the risks concerning the head office, branch offices, subsidiaries and outsourcing partners.

The ERM* Committee appropriately monitors the status of various risks and discusses such matters as responses to cross-divisional issues on risk management and ways to bring ERM into corporate management.

We also verify our risk management through internal and external audits to ensure higher appropriateness and effectiveness.

*Enterprise Risk Management

Risk Management System



Comprehensive Risk Management

We practice comprehensive risk management and operations to control risks in our whole business by assessing different risks of the whole Group from a company-level perspective and monitoring the status of risks in a timely and adequate manner, including by measuring the economic value of risks against equity capital, etc.

Efforts are also being made to create a risk-minded culture on which to build the framework for comprehensive risk management.

Our practices in comprehensive risk management are organized and compiled into ORSA* Report, which is utilized in upgrading comprehensive risk management.

* Own Risk and Solvency Assessment

Management of Material Risks

We seek exhaustively and identify events that may have an extremely great impact on the Company, discuss the matter at the meetings of the Board of Directors and other bodies, and designate them as material risks. The status and impact of material risks are assessed and monitored on a regular basis, and the findings are reflected in the risk management processes as needed.

We perceive the risk that the strengths of our business model will be eroded due to an inadequate response to changes in the environment, including factors such as population declines and climate change, thus hindering our achievement of "Sumitomo Life Group Vision 2030" and our business plan, as a business risk. In fiscal year 2023, we clarified the PDCA cycle, including discovery and identification, and commenced the monitoring of this risk.

Material Risks

- Excessive volatility in domestic/foreign financial markets
- Cyber risk ● Large-scale system failure
- Occurrence of act that hurts customers' interest and consequently tarnish the brand
- Occurrence of large-scale disaster (large-scale natural disasters and pandemics)
- Occurrence of large-scale clerical error
- Revision of domestic/foreign laws and regulations
- Insufficient response to environmental changes

Stress Testing

As material risks involve events that are difficult to gauge with the risk measurement models used in comprehensive risk management, we conduct stress tests assuming worst case scenarios such as large-scale natural disaster or financial market turmoil, to analyze their impact on the soundness of business.

Outcome of stress tests are reported to the Board of Directors and utilized in considering responses in terms of management strategy and strengthening our financial base.

ALM System

ALM stands for Asset Liability Management, or the comprehensive management of assets and liabilities. The greater part of liabilities of a life insurance company is the policy reserves that are held in reserve for future insurance claims and other payments. To ensure that claims and other payments are made without fail even under unfavorable market conditions, assets and liabilities must be managed appropriately.

The ERM Committee discusses important issues concerning ALM, including asset management strategies that match the characteristics of liabilities and the status of interest rate risk, in its effort to appropriately control the risks and to increase earnings.

Definition of Risks

| Type of risk | | Definition of risks |
|--|-----------------------------|--|
| Insurance risk | | Risk of losses incurred when economic situation or the incidence of claimable events deviate from projections as of the time premiums were set |
| Liquidity risk | Financing risk | Risk of losses incurred in the face of cash flow problems resulting from unexpected outflow of funds, thereby being forced to divest at an extraordinarily low price in order to secure funds |
| | Market liquidity risk | Risk of losses incurred when losing opportunity for transactions or having to make a deal at an extraordinarily unfavorable price owing to a turmoil in the market |
| Investment risk | Market risk | Risk of losses incurred due to changes in the value of assets owned or liabilities owed (including off-balance sheet) caused by fluctuation in interest rate, exchange rate, stock price, etc. |
| | Credit risk | Risk of losses incurred due to variation in the value of assets and liabilities held (including off-balance sheet) resulting from borrowers' worsened financial position |
| | Real estate investment risk | Risk of losses incurred due to decline in profit from rent and other real estate sources or fall in real estate prices, and losses incurred from real estate-related accidents |
| Operational risk | Administrative risk | Risk of losses incurred as a result of negligence to perform accurate administrative work, or accidents or fraud caused |
| | Systems risk | Risk of losses incurred due to computer system failure, malfunction or other system deficiency, or by illegal use of computer |
| | Information risk | Risk of losses incurred due to leakage, loss, damage, etc. of customer information, etc. |
| Investment risk associated with subsidiaries, etc. | | Risk of losses incurred when money invested in domestic/overseas subsidiaries, affiliates, etc. is eroded |

* Other than the above, our risk management also covers conduct risk, human risk, tangible assets risk, reputational risk, group company risk, and risk concerning guaranteed minimum payment for variable annuity products.

Insurance Risk

When developing insurance products, we analyze and assess inherent risks such as the uncertainty concerning incidence of claimable events, and set the amounts of premiums, etc., using actuarial assumptions established with consideration to the reliability of basic data, so as to ensure future payment of insurance claims, etc.

In setting underwriting criteria for different health conditions of the insured persons, we verify the actual incidence of claimable events and make sure that they are set appropriately in line with the actuarial assumptions, etc. of the insurance product.

Once insurance products are launched, we begin monitoring the status of balance, incidence of claimable events, balance forecasts, measurement of risk quantity, etc.

Based on such information, relevant departments work together to take timely and adequate measures should any insurance risks materialize.

Reinsurance

| Item | Description |
|---|--|
| Policy on the purchasing of reinsurance | We take out reinsurance when there is a need to disperse risk or to stabilize profit and in light of the substance, scale and degree of concentration of insurance risk. |
| Policy on the underwriting of reinsurance | We assume reinsurance so far as the insurance risk does not affect our business management and after considering the characteristics of the risk, profitability, etc. |
| Methods for purchasing reinsurance coverage | When choosing reinsurer, we consider their credit standing using credit rating, etc. and pay attention to the status of concentration of the risks ceded in particular reinsurers. |

Liquidity Risk

We are coping with financing risk by centrally managing cash flows of the whole Company and maintaining certain amount of surplus fund in reserve at all times. We have laid down measures to be taken against financial difficulty according to different levels of stringency and put in place a structure for responding to liquidity crises, etc.

As for market liquidity risk, we are preparing to cope with contingency by estimating the amount of funds that can be turned into cash within a certain period of time based on the market size for each type of asset.

Investment Risk

We calculate VaR* to quantify the risk to our investment portfolio as a whole as well as to each investment portfolio classified by purpose, and monitor the status of risk by comparing them with each predetermined risk limit. The components of investment risk, namely, market risk, credit risk, and real estate investment risk, are also monitored and controlled using methods such as comparing risk quantities against risk limits.

As for the major assets that are exposed to credit risk (public and corporate bonds, loans, etc.), we internally rate individual portfolio companies and borrowers according to their creditworthiness and review the ratings at regular intervals so as to manage the changes in credit standing.

In our real estate investments, we verify investment return and earnings forecasts when selecting where to invest in, while also diversifying our real estate investment portfolio in terms of the properties' location, use, etc. We are also making efforts to eliminate vacancies and implementing systematic and effective maintenance and repair works in order to improve the value of properties and to prevent accidents.

* Value at Risk (VaR): The amount of maximum possible loss that would be incurred with a certain probability. VaR is theoretically calculated by applying historical volatility rates of stock prices, interest rates and other data that represent the size of risks to the current portfolio of assets and liabilities.

Investment risk associated with subsidiaries, etc.

We monitor the risks of stock price or exchange rate fluctuations to the funds invested in our domestic/ overseas subsidiaries, affiliates, etc. and country risk (foreign exchange situation, political and economic situation) of the host countries.

Operational Risk

[1] Administrative Risk

In the management of administrative risk, each unit performs administrative work in accordance with internal rules, etc. and controls the associated risks on their own initiative, in addition to the checks conducted by the Internal Audit Department, to ensure sound and appropriate business operation.

Divisions in charge of administrative risk management are working to control administrative risk on a company level by carrying out PDCA cycle* on an ongoing basis, while each unit is working to prevent administrative risk from occurring, and in the event of an administrative error, they attend to customers, analyze the cause, and work out measures to prevent recurrence, without delay and in an appropriate manner.

* PDCA Cycle: An approach to continuous business process improvement by repeating the cycle of Planning, Doing, Checking, and Action.

[2] Systems Risk

To deal with systems risk, we are implementing various measures and controlling system operations in accordance with our "Security Policy" and "System Risk Management Policy," in order to secure a stable and safe operation of our computer systems that underpin our work and services and manage the valuable information of our customers. Specific efforts towards this include having in place backup mechanisms in preparation for fault, failures and other incidents, building a framework for the development and maintenance of systems, establishing backup centers to provide for large-scale disasters, etc., through which we are working to maintain and secure the operation of systems.

To counter the risk of cyber attacks that are growing in sophistication and severity, we have identified cyber risk as a material risk to our corporate management. Having established policies and action plan to protect cyber security, we are working to secure staff and budget for the purpose, discussing risk status at the Executive Management Committee at regular intervals, and working to upgrade our cyber security measures on an ongoing basis.

Efforts are being made to employ appropriate cyber security measures in the development of systems and provision of services, with multilayered defense at work to prevent the leakage of customer information and illegal access to the systems, among others, so that the customers can feel safe to use our services over the Internet. We are also working to strengthen our cyber security with focus on early detection, response and recovery.

Under the leadership of Chief Information Security Officer, who professionally oversees cyber security matters, we prepare responses, based on which we employ technical measures, develop personnel specializing in cyber security, and offer in-house education on a continuous basis. In addition, "CSIRT,"* a cross-divisional organization to tackle cyber security, has been established to share the status of cyber security monitoring and to regularly conduct drills and trainings in preparation for cyber attacks, as part of our effort to enhance our ability to cope with contingencies. We also check the cyber security measures taken at our outsourcing partners to ensure supply chain safety.

Moreover, we are working in cooperation with relevant government offices and agencies, the General Incorporated Association Financials ISAC Japan, and other information organizations dealing in cyber security to actively share information, as part of our effort to promote self-help and mutual-help efforts that lead to stronger cyber security for the society as a whole.

* Computer Security Incident Response Team

[3] Information Risk

In the management of information risk, we manage our customer information properly in accordance with the "Security Policy" and the "Customer Information Management Policy" so as to prevent its leakage and resultant damage to our customers' valuable rights and interest and to the Company's sound business operation.

In concrete terms, we have defined the proper handling of customer information at each stage from collection, use, and storage to destruction in our internal regulations, which are communicated through internal announcements, internal training, and other opportunities so that these are fully understood by all our officers and employees. We are also staying aware of the state of information management at each unit and taking measures as needed.

The status of these safety control efforts concerning customer information and other data is also covered in the internal audits conducted by the Internal Audit Department, the results of which are utilized in the upgrading and strengthening of safety control measures.

[4] Other Operational Risks

Our risk management also covers conduct risk, human risk, tangible assets risk, and reputational risk, in addition to the above.

Conduct risk is defined as a "risk of huge future loss stemming from inappropriate conduct in disregard of laws and regulations or lack of customer-oriented view resulting in the failure to perform customer-oriented business operations." We are using internal trainings and other opportunities to ensure that all employees fully understand and exercise customer-oriented services, which is important from the perspective of risk management.

Measures Against Large-scale Disasters

We have established "Crisis Management Regulations" to prepare ourselves for large-scale disasters, serious damage caused by rumor, and other crises, and a "Manual of Procedures for Large-scale Disaster Contingency" that sets down systems and procedures for the Company to make decisions and to maintain the ability to carry out office work under large-scale disaster situations.

As a precaution for situations where the head office stops functioning and it becomes difficult to continue critical operations such as paying insurance claims as usual, we have a "Business Continuity Plan (BCP)" in place, with more detailed responses provided in the "Business Continuity Manual."

In the wake of actual disasters such as the Great East Japan Earthquake, the 2016 Kumamoto Earthquake, the Heavy Rain Event of July 2018, the spread of COVID-19, and the 2024 Noto Peninsula Earthquake, we set up crisis response headquarters without delay, checked the status of damage within and outside of the Company, sent messages to or paid visits to our customers, and made payments of insurance claims, etc. swiftly and as appropriate.

We will strive to live up to the trust of our customers by continuing implementing annual drills as planned, reviewing and revising manuals as needed based on the results of the drills, and making other efforts to maintain and improve our readiness.

11 Years of Key Financial Data

| | | Fiscal 2013 | Fiscal 2014 | Fiscal 2015 | Fiscal 2016 |
|------------------|--|-------------|-------------|-------------|-------------|
| Group | Group annualized premiums from policies in force | 2,196.9 | 2,182.2 | 2,583.5 | 2,739.4 |
| | Consolidated insurance premiums and other | 2,522.5 | 2,596.9 | 3,044.8 | 3,458.8 |
| | Group core business profit ^(*1,2) | — | — | 246.4 | 237.0 |
| | European Embedded Value (EEV) ^(*3) | 3,146.6 | 3,651.7 | 2,936.6 | 3,523.8 |
| | Consolidated solvency margin ratio | 899.7% | 970.2% | 798.6% | 813.2% |
| Non-consolidated | Ordinary income | 3,431.5 | 3,551.4 | 3,695.2 | 4,153.2 |
| | Ordinary profit | 243.6 | 226.5 | 237.5 | 228.7 |
| | Core business profit ^(*2) | 376.7 | 355.2 | 245.7 | 241.6 |
| | Net surplus | 128.9 | 135.2 | 83.3 | 86.2 |
| | Total foundation funds ^(*4) | 639.0 | 639.0 | 639.0 | 639.0 |
| | Total assets | 26,477.3 | 27,361.0 | 27,641.5 | 30,026.9 |
| | Of which, separate account assets | 2,732.8 | 2,367.2 | 1,702.8 | 1,243.0 |
| | Policy reserves | 23,215.9 | 23,548.3 | 23,932.1 | 25,217.8 |
| | Loans | 2,465.5 | 2,322.6 | 2,196.4 | 2,972.6 |
| | Securities | 22,034.3 | 23,204.0 | 23,632.4 | 24,732.1 |
| | Solvency margin ratio | 888.2% | 944.2% | 835.4% | 826.9% |
| | Ratio of appropriation of surplus for policyholders' dividend reserves ^(*5) | 99.8% | 100.0% | 100.1% | 99.5% |
| | Number of members (policyholders) ^(*6) | 6,762,239 | 6,750,225 | 6,796,638 | 7,002,539 |
| | Policies in force ^(*7) | 138,268.7 | 134,347.8 | 129,574.9 | 125,032.1 |
| | Individual life insurance | 92,969.6 | 89,060.4 | 84,019.3 | 77,544.1 |
| | Individual annuities | 13,408.8 | 13,555.0 | 13,996.4 | 16,002.5 |
| | Group insurance | 31,890.2 | 31,732.3 | 31,559.1 | 31,485.4 |
| | Policies in force for group annuities ^(*8) | 2,657.7 | 2,673.0 | 2,555.5 | 2,565.4 |

(*1) Group core business profit has been disclosed since fiscal 2015.

(*2) Core business profit is based on the new definition that was applied from fiscal 2022, including the inclusion of hedging costs related to foreign exchange in the calculation. Figures for prior years are also calculated using the same definition.

(*3) The method used to calculate EEV was revised in the fiscal year ended March 31, 2017 (fiscal 2016) to use the ultimate forward rate as the interest rate for ultra-long terms. The figure for March 31, 2016 (fiscal 2015) was reevaluated based on this method.

(*4) Total foundation funds include reserve for redemption of foundation funds.

(Billions of yen)

| Fiscal 2017 | Fiscal 2018 | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2,783.2 | 2,782.4 | 2,806.5 | 2,804.4 | 2,884.5 | 3,042.2 | 3,449.0 |
| 2,688.7 | 2,605.6 | 2,446.7 | 2,415.5 | 2,411.9 | 2,583.0 | 2,644.2 |
| 268.1 | 285.0 | 270.4 | 275.7 | 337.5 | 261.3 | 305.6 |
| 3,778.9 | 3,699.0 | 3,584.1 | 4,489.2 | 4,678.9 | 4,751.2 | 5,649.0 |
| 881.7% | 915.6% | 870.0% | 862.5% | 794.6% | 679.0% | 639.5% |
| 3,400.8 | 3,285.0 | 3,085.0 | 3,108.9 | 3,094.2 | 3,495.3 | 3,564.9 |
| 229.9 | 200.5 | 95.1 | 155.6 | 145.9 | 61.8 | 147.2 |
| 257.0 | 264.5 | 249.4 | 266.3 | 333.3 | 236.3 | 261.7 |
| 65.4 | 60.6 | 49.3 | 54.7 | 58.3 | 147.2 | 71.9 |
| 639.0 | 639.0 | 639.0 | 639.0 | 639.0 | 639.0 | 689.0 |
| 31,536.9 | 32,730.4 | 32,951.1 | 35,400.7 | 36,443.3 | 35,298.1 | 38,201.0 |
| 986.0 | 829.5 | 726.1 | 828.1 | 828.5 | 790.5 | 881.7 |
| 25,800.5 | 26,238.8 | 26,636.0 | 27,262.0 | 27,884.2 | 28,305.4 | 28,761.9 |
| 2,781.3 | 2,874.9 | 2,099.5 | 1,945.5 | 2,192.2 | 2,198.2 | 2,164.5 |
| 25,819.7 | 26,764.6 | 27,423.8 | 30,463.8 | 31,362.6 | 28,829.4 | 32,471.3 |
| 873.6% | 930.1% | 873.6% | 840.5% | 809.0% | 812.8% | 717.6% |
| 99.8% | 99.7% | 100.0% | 99.9% | 99.9% | 38.8% | 100.0% |
| 7,029,691 | 7,001,352 | 6,937,383 | 6,877,969 | 6,822,043 | 6,794,814 | 6,730,295 |
| 119,261.8 | 114,291.6 | 109,620.9 | 106,059.8 | 102,157.5 | 98,931.9 | 95,565.5 |
| 71,751.2 | 66,769.2 | 62,109.0 | 58,035.6 | 54,104.2 | 51,058.4 | 47,970.9 |
| 15,621.5 | 15,306.0 | 15,065.3 | 14,928.9 | 14,753.1 | 14,504.0 | 14,276.2 |
| 31,889.0 | 32,216.4 | 32,446.6 | 33,095.1 | 33,300.1 | 33,369.4 | 33,318.2 |
| 2,624.8 | 2,589.6 | 2,573.8 | 2,666.5 | 2,716.3 | 2,699.9 | 2,790.9 |

(*5) Ratio of appropriation of surplus for policyholders' dividend reserves is the ratio of the total amount appropriated to policyholders' dividend reserve and policyholders' dividend equilibrium reserve to the amount calculated pursuant to Article 30-4 of the Regulation for Enforcement of the Insurance Business Act.

(*6) In the case of a mutual company, "Members" refers to policyholders (excluding those not eligible for the distribution of surplus).

(*7) Policies in force are the total policies in force for individual life insurance, individual annuities and group insurance. Individual annuities are the total of annuity resources at the start of annuities for policies prior to the commencement of annuity payment and policy reserves for policies after the commencement of annuity payment.

(*8) Policies in force for group annuities indicate the amount of policy reserves.

Disclosure

Active Disclosure

Recognizing that improving disclosure is the key to facilitating our stakeholders' deeper understanding of our business management, we are driving efforts

towards active disclosure. We will continue our active disclosure activities through various channels and methods.

| Title | Description |
|---|---|
| REPORT SUMISEI 2024 Sumitomo Life Insurance Company [Integrated Report] FY2023 Disclosure Booklet (Japanese) | Includes financial statements, business overview, activity reports, and other information for fiscal year 2023 pursuant to the provisions of Article 111 of the Insurance Business Act. |
| REPORT SUMISEI 2024 Sumitomo Life Insurance Company [Integrated Report] FY2023 Disclosure Booklet (Main Part) (Japanese) | Compiled based on the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) and the Guidance for Collaborative Value Creation of the Ministry of Economy, Trade and Industry. |
| Financial Statements (English) | Contains English financial statements and English audit reports. |
| Annual Report (English) | Integrated Report translated into English for overseas audience. |
| Sustainability Report (Japanese/English) | Designed to convey our sustainability initiatives in a format that is easy to understand for our various stakeholders. |
| Responsible Investment Activities Report (Japanese/English) | States our policy and activities regarding responsible investment. |
| Consumer-oriented Communication Book (Japanese) | Describes some of our key customer-oriented initiatives such as our efforts to bring the voices of our customers into business and our activities that reflect the demands of consumers or society. |



REPORT SUMISEI 2024
Sumitomo Life Insurance
Company [Integrated Report]
FY2024 Disclosure Booklet
(Main Part)



REPORT SUMISEI 2024
Sumitomo Life Insurance
Company [Integrated Report]
FY2024 Disclosure Booklet

Basic Policy on Information Disclosure

In full recognition of our social responsibility and our duty to the public as a life insurance company, we will strive to improve the soundness and transparency of management by disclosing corporate information in line with the following policy.

- We will make disclosure of information in a timely and adequate manner.
- We will make disclosure of information voluntarily, actively, and in a way that is easy to understand.
- We will build and strengthen internal system in order to ensure appropriate disclosure of information.

Provision of Information through Our Official Website

We publish a variety of information on our official website such as information on our products and services, guide to procedures, financial results and other financial data, our corporate philosophy, brand vision, and our initiatives towards achieving well-being and the SDGs. Customers who have insurance policies with Sumitomo Life can utilize "Sumisei Direct Service" on our official website to deposit or withdraw money, check the status of their insurance policies, or perform various procedures.

The special website for SUMITOMO LIFE Vitality features information on "SUMITOMO LIFE Vitality." Members can view the points they have earned or check their current status level through the Members' Portal. The community site "SUMITOMO LIFE Vitality Club" enables anyone, including non-members, to register as users (club participants). It serves as a platform for club participants to communicate with each another by posting their day to day challenges or thoughts and impressions on the Talk Room (a bulletin board).



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We also regularly provide information via social media (Facebook, Instagram, X, LINE, YouTube) centering on "SUMITOMO LIFE Vitality," such as latest updates on new commercials and campaigns, information related to health enhancement, our efforts towards achieving well-being and the SDGs, as well as other topics that would help to bring us closer to the audience.

CONTENTS

04 | Financial Section

| | |
|---|-----|
| ■ Organization Overview..... | 110 |
| ◆ History of the Sumitomo Life Group..... | 110 |
| ◆ Main Business Areas and Organizational Structure | 112 |
| ◆ Subsidiaries and Affiliated Companies | 113 |
| ◆ Organizational Chart | 114 |
| ◆ Overview of Organization | 115 |
| ◆ Number of Members' Representatives and Process of Selection..... | 116 |
| ■ Financial Information | 117 |
| ★ Consolidated | 117 |
| ◆ Indicators of Major Operations | 117 |
| ◆ Financial Statements and Others | 118 |
| ★ Non- Consolidated..... | 124 |
| ◆ Indicators of Major Operations | 124 |
| ◆ Financial Statements | 125 |
| ◆ Status of Dividends to Policyholders | 128 |
| ◆ Fair Value Information of Securities | 129 |
| ◆ Assets | 134 |
| ◆ Liabilities..... | 152 |
| ◆ Net Assets..... | 156 |
| ◆ Insurance-related Income | 157 |
| ◆ Investment-related Income | 161 |
| ◆ Others | 164 |
| ◆ Policy Amount-related Statistics | 166 |
| ◆ Indicators Related to Separate Accounts | 172 |
| ◆ Business Indicators..... | 177 |

Sumitomo Life's English (consolidated) financial statements are audited by KPMG AZSA LLC.
The English financial statements in this report are extracts from the audited financial statements, presented in a partially modified format.

Please refer to the "Financial Statements" for the full text of the audit report and English financial statements.

<https://www.sumitomolife.co.jp/english/annual/>

Organization Overview

◆ History of the Sumitomo Life Group

Based on the aspiration of founder, Toshiyuki Okamoto to “create an ideal life insurance company,” Sumitomo Life was established in May 1907.

After more than 100 years of the establishment, we aim to become an “indispensable insurance group” that contributes to well-being, through ongoing efforts to fulfil the social responsibility to contribute to the realization of a “society of affluence, vitality, health and longevity” through the life insurance business.

| | | | |
|---|------|------|--|
| Foundation of Hinode Life Insurance Co., Ltd. (1907) <p>Founded by Toshiyuki Okamoto with the aspiration to “create an ideal life insurance company.” Appraised at the time as “the diamond of the industry” for its sound management.</p>  <p>Head office building of Hinode Life Insurance Co., Ltd. (Kyobashi-ku, Tokyo-shi, completed in December, 1913)</p> | 1907 | May. | Established Hinode Life Insurance Co., Ltd. (Foundation of Sumitomo Life) |
| Start of Sumitomo Life Insurance Co., Ltd. (1926) <p>Renamed to Sumitomo Life Insurance Co., Ltd., and started the life insurance business of Sumitomo for social and public interests.</p>  <p>Sumitomo Building (Kitahama, Higashi-ku, Osaka-shi)</p> | 1926 | May. | Name changed to Sumitomo Life Insurance Co., Ltd. |
| Establishment of Kokumin Life Insurance Co. (1947) <p>Established a new company, Kokumin Life Insurance Co. after the dismantling of large Japanese conglomerates after World War II and started under “the proactive and sound operation policy.”</p>  <p>Head office of Kokumin Life Insurance Co. (Azuchimachi, Higashi-ku, Osaka-shi)</p> | 1947 | Aug. | Established Kokumin Life Insurance Co. |
| Return to “Sumitomo” brand (1952) <p>Rebranded as Sumitomo Life Insurance Company and set the current Management Policy.</p>  <p>President Taizo Ashida announces the company name change on the radio.</p> | 1952 | Jun. | Name changed to Sumitomo Life Insurance Company. |
| Establishment of PICC Life Insurance Co., Ltd. (2005) <p>Established PICC Life Insurance Co., Ltd. in partnership with The People’s Insurance Co. (Group) of China Ltd., the parent company of China’s largest non-life insurance company.</p>  | 1960 | Oct. | Established Sumitomo Life Social Welfare Services Foundation (currently, Sumitomo Life Welfare and Culture Foundation). |
| Establishment of Medicare Life Insurance Co., Ltd. (2010) <p>Established the company to flexibly provide insurance products, adequately coping with various customers’ needs.</p>  <p>Mascot characters Medi-kun’s Family</p> | 1977 | Dec. | Started “Sumisei children’s drawing contests.” |
| Deployment of a new corporate brand (2011) <p>Implemented the new brand strategy, incorporating the thoughts of our foundation to “create an ideal company” in the message of “empowering your future.”</p>  | 1985 | Jun. | Established Sumitomo Life Health Foundation. |
| | 1986 | Feb. | Started to distribute “Sumisei Anshin Dayori” (newsletters for customers). |
| | 1990 | Apr. | Opened “Izumi Hall” (currently, Sumitomolife Izumi Hall). |
| | 2001 | Apr. | Launched an insurance product “LIVE ONE.” |
| | 2002 | Oct. | Started to sell annuity products at bank counters. |
| | 2003 | Sep. | Launched an insurance product “Q Pack.” |
| | 2004 | Oct. | Formed a business alliance with ALICO Japan (currently, MetLife, Inc.). |
| | 2005 | Apr. | Launched an insurance product “Sumisei Senkyakubanrai.” |
| | 2006 | Jul. | Established the “Council for Insurance Payment” consisting of external experts. |
| | 2007 | Jan. | Opened a “consultation window” and “a free consultation system by external lawyers” for the payments of insurance claims, etc. |
| | 2008 | Mar. | Established the “Customer Satisfaction Enhancement Advisors Meeting” consisting of experts outside the company. |
| | 2009 | Jan. | Launched the “hospitalization coverage enhancement rider.” |
| | 2010 | Apr. | Medicare Life Insurance Co., Ltd. started operations as a life insurance subsidiary. |
| | 2011 | Mar. | Started a brand strategy. |
| | | | Deployed a new corporate brand. |
| | | | Started “Sumisei Future Support Activities.” |

| | | |
|------|--------------------------------------|--|
| 2012 | Mar. Dec. | Enhanced the "Sumisei Future Support Activities." Formed a strategic business alliance with Baoviet Holdings (Vietnam). |
| 2013 | Mar. Aug. Dec. | Launched insurance products "Cancer PLUS," "Kyu-Q-Tai GO," and "Doctor GO," and started the "Sumisei Second Opinion Service" (currently, Sumisei Medical Navigation). Launched an insurance product "Value Care," and started the "Sumisei Care Advice Service." Formed a strategic business alliance with PT Bank Negara Indonesia (Persero) Tbk and PT BNI Insurance. Launched "Tanoshimi Wonderful," and "Tanoshimi Mirai." |
| 2014 | Mar. Jun. Sep. | Started the "Sumisei After School Project." Started the direct payment service of advanced medical treatment benefits to medical institutions. Acquired full ownership of Medicare Life Insurance Co., Ltd. Opened "Sumisei Health Consultation Dial." |
| 2015 | Jul. Sep. | Transitioned to a Company with Three Committees. Launched an insurance product "1-UP." |
| 2016 | Feb. Jul. Oct. | Acquired full ownership of Symetra Financial Corporation, a U.S. life insurance group. Started the "Japan Vitality Project." Formed a business alliance with NN Life Insurance Company. |
| 2017 | Mar. May. Jul. | Launched an insurance product "Prime Fit." Started "Sumisei Vitality Action," a social contribution program, commemorating the 110th anniversary of foundation of Sumitomo Life. Acquired INSURANCE DESIGN as a subsidiary. |
| 2018 | Apr. Jul. Oct. Nov. | Established "Sumitomo Life Digital Innovation Labs." Launched an insurance product "SUMITOMO LIFE Vitality." Formed a business alliance with Sony Life Insurance Co., Ltd. Formed a business alliance with AXA Life Insurance Co., Ltd. Co-founded "Well Aging Co-creation Lab" with AXA Life Insurance Co., Ltd. |
| 2019 | Apr. Jun. Aug. Oct. | Held the first "parkrun event" in Japan. Invested in Singapore Life Pte. Ltd. (Singlife). Acquired AIARU Small Amount & Short Term Insurance Co., Ltd. as a subsidiary. Started to develop "Sumitomo Life Vitality Plaza outlets." Launched "Well Aging Support - ASUNOEGAO" |
| 2020 | Mar. Nov. | Launched an insurance product "Dementia PLUS." Established "SUMISEI INNOVATION FUND." |
| 2021 | Jan. Mar. Apr. | Started the web-based application service for payment claims. Launched an insurance product "Cancer PLUS ALIVE." Set reduction targets toward net-zero greenhouse gas emissions. |
| 2022 | Mar. May. | "SUMITOMO LIFE Vitality" topped one million enrollments. Launched "Sumisei Dementia Insurance." Formulated the Sustainability Management Policy. |
| 2023 | Feb. Mar. Apr. Oct. Dec. | Tokyo Head Office relocated to Tokyo Midtown Yaesu. Formulated "Sumitomo Life Group Vision 2030." Sumitomo Life Group set GHG emissions reduction targets. Launched "Vitality Smart" Formed business alliance with Sumitomo Mitsui Card in the healthcare field Made PREVENT a part of Sumitomo Life Group |
| 2024 | Mar. | Acquired full ownership of Singlife |

Strategic business alliance with Baoviet Holdings in Vietnam (2012)

Entered the Vietnamese market through investing in Baoviet Holdings, the largest insurance and financial group of the Socialist Republic of Vietnam.



Strategic business alliance with PT BNI Insurance (2013)

Entered the Indonesian market through investing in PT BNI Insurance, a life insurance subsidiary of PT Bank Negara Indonesia (Persero) Tbk, one of the major state-owned commercial banks in the Republic of Indonesia.



Acquisition of full ownership of "Symetra Financial Corporation," a U.S. life insurance group (2016)

Entered the U.S. market to support long-term enhancement of our policyholder interests through strengthening our earnings base, realizing risk diversification, and enjoying the U.S. market growth.



Launch of "SUMITOMO LIFE Vitality" (2018)

An insurance product to "reduce risks themselves" through the evaluation of continuous health enhancement activities including annual medical checkups and daily exercises after enrollment, making a clear departure from conventional life insurance products which determine insurance premiums based on health conditions at enrollment or at a specific point in time. Rewards are provided by partner companies which sympathize with the philosophy and objective of "SUMITOMO LIFE Vitality."



Acquisition of AIARU Small Amount & Short Term Insurance Co., LTD. as a subsidiary (2019)

Promoted "multi-channel and multi-product strategy" through AIARU Small Amount & Short Term Insurance Co., Ltd. which flexibly develops and sells products to meet specific market needs.

Tokyo Head Office relocated to Tokyo Midtown Yaesu (2023)

Introduced an advanced office style based on the concept of "Connect, Expand, Move On." Through the realization of new ways of working, we will provide our customers and society with value unique to Sumitomo Life.



Acquisition of full ownership of Singlife (2024)

Made an initial investment in Singlife in 2019, aiming for capturing the cutting-edge digital technologies and business models. Through the acquisition of full ownership, we will promote the realization and maximization of group synergies.



Formulation of "Sumitomo Life Group Vision 2030" (2023)

"Sumitomo Life Group Vision 2030" was formulated to realize the Sustainability Management Policy. The Group's vision for 2030 is to become "indispensable insurance group" that contributes to well-being, and to provide the value of well-being to as many stakeholders as possible.

◆ Main Business Areas and Organizational Structure

Main business areas of the Company, its subsidiaries, and affiliated companies and the organizational structure are as follows.

1. Main business areas

a. Insurance and insurance-related businesses

Regarding insurance businesses, the Company, Medicare Life Insurance Co., Ltd., and one other company run a life insurance business, and AIARU Small Amount & Short Term Insurance Co., Ltd. runs a small amount and short-term insurance business. Regarding domestic insurance-related businesses, Izumi Life Designers Co., Ltd. and four other companies run an insurance solicitation business, and two other companies run a defined contribution pension administration business and a life insurance confirmation business. Regarding overseas

insurance-related business, Symetra Financial Corporation, Singapore Life Holdings Pte. Ltd. and Baoviet Holdings run overseas insurance-related business as bank holding companies.

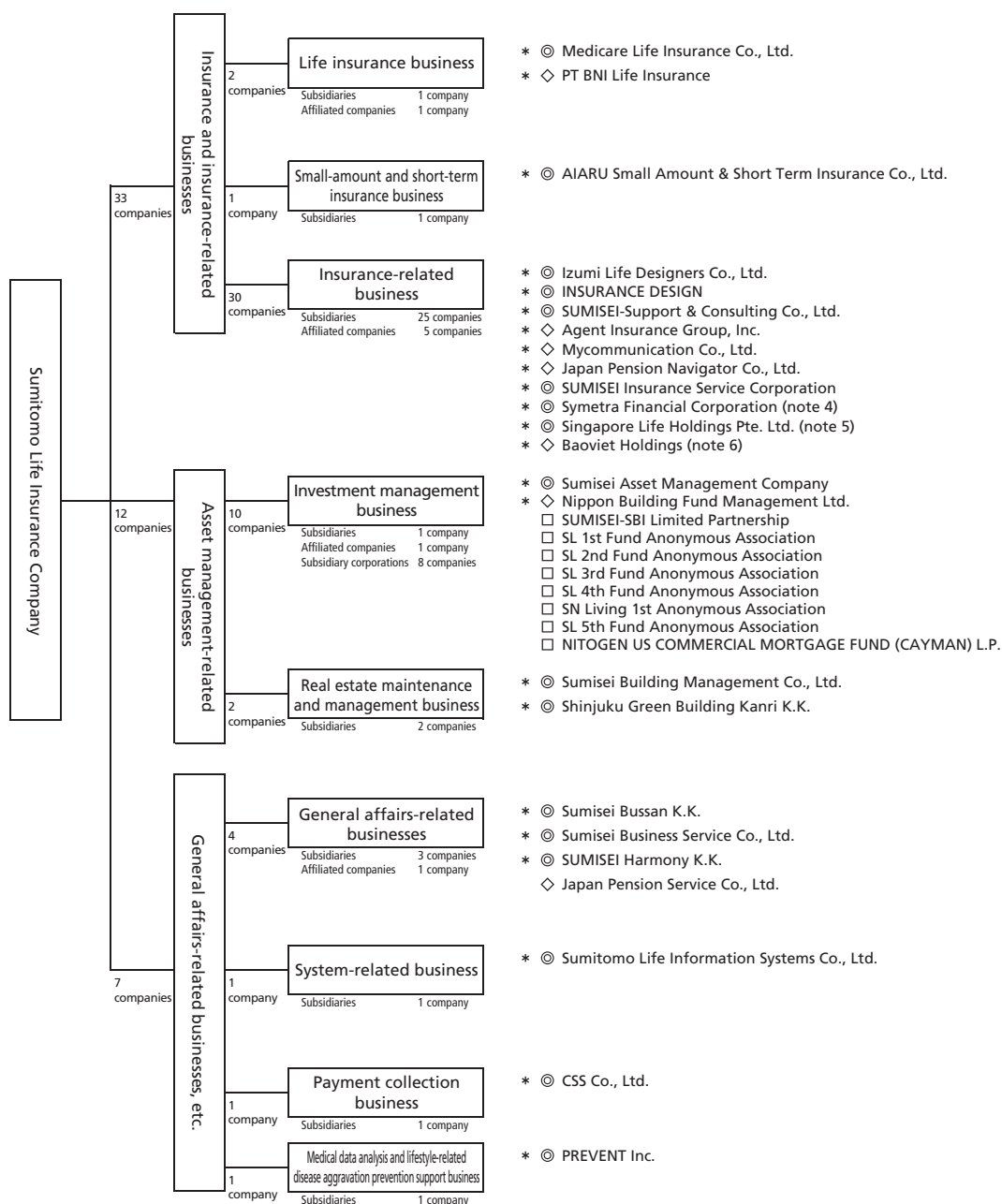
b. Asset management-related businesses

Sumisei Asset Management Company and nine other companies run an investment management business. Sumisei Building Management Co., Ltd. and one other company run a maintenance management business of real estates they own.

c. General affairs-related businesses, etc.

Sumisei Bussan K.K. and three other companies run general affairs-related business, Sumitomo Life Information Systems Co., Ltd. runs system-related business, and CSS Co., Ltd. runs payment collection business. PREVENT Inc. runs medical data analysis and lifestyle-related disease aggravation prevention support business.

2. Business structure chart



Notes: 1. This chart shows the situation as of March 31, 2024.

2. Companies marked by "◎" are subsidiaries (subsidiaries specified in Article 2, paragraph (12) of the Insurance Business Act). Companies marked by "◇" are affiliated companies (affiliated companies specified in Article 13-5-2, paragraph (4) of the Enforcement Order of the Insurance Business Act). Companies marked by "□" are subsidiary corporations (subsidiary corporations excluding subsidiaries specified in Article 13-5-2, paragraph (3) of the Enforcement Order of the Insurance Business Act).

3. Companies marked by " * " are consolidated subsidiaries and affiliated companies accounted for by the equity method as of March 31, 2024.

4. Twelve subsidiaries of Symetra Financial Corporations including Symetra Life Insurance Company are included in our subsidiaries.

5. Seven subsidiaries of Singapore Life Holdings Pte. Ltd. including Singapore Life Ltd. are included in our subsidiaries.

6. Baoviet Life Corporation, which is a subsidiary of Baoviet Holdings, is included in our affiliated companies.

◆ Subsidiaries and Affiliated Companies

Domestic

As of March 31, 2024

| Name | Main business site | Issued capital (Millions of yen) | Main business | Establishment | Proportion of voting rights held by Sumitomo Life among voting rights held by all shareholders, members, or investors (%) | Proportion of voting rights held by subsidiaries and affiliated companies of Sumitomo Life (%) |
|--|--|-------------------------------------|---|---------------|---|--|
| Medicare Life Insurance Co., Ltd.* | 1-11-12, Fukagawa, Koto-ku, Tokyo | 80,000 | Life insurance business | Oct. 1, 2009 | 100.00 | — |
| AIARU Small Amount & Short Term Insurance Co., Ltd.* | 15-18, Nihonbashi Kodenmacho, Chuo-ku, Tokyo | 299 | Small-amount and short-term insurance business | Apr. 25, 1984 | 100.00 | — |
| Izumi Life Designers Co., Ltd.* | 3-3-5, Akasaka, Minato-ku, Tokyo | 100 | Insurance solicitation business | Jan. 4, 1983 | 100.00 | — |
| INSURANCE DESIGN* | 2-3-10, Nishi Honmachi, Nishi-ku, Osaka-shi, Osaka | 20 | Insurance solicitation business | Jul. 1, 2008 | 95.00 | — |
| SUMISEI-Support Consulting Co., Ltd. | 6-14-1, Nishi Shinjuku, Shinjuku-ku, Tokyo | 100 | Insurance solicitation business | Apr. 3, 1995 | 100.00 | — |
| Agent Insurance Group, Inc.* | 3-29, Ichigaya Honmuracho, Shinjuku-ku, Tokyo | 336 | Insurance solicitation business | Jun. 1, 2001 | 37.96 | — |
| Mycommunication Co., Ltd.* | 3-19-3, Aoi, Higashi-ku, Nagoya-shi, Aichi | 76 | Insurance solicitation business | May 1, 2000 | 43.00 | — |
| Japan Pension Navigator Co., Ltd.* | 1-3-4, Yaesu, Chuo-ku, Tokyo | 1,600 | Defined contribution pension administration business | Sep. 21, 2000 | 15.95 | — |
| SUMISEI Insurance Service Corporation* | 1-2-20, Kujo Minami, Nishi-ku, Osaka-shi, Osaka | 15 | Life insurance confirmation business | May 1, 1978 | 80.00 | 20.00 |
| Sumisei Asset Management Company* | 6-14-1, Nishi Shinjuku, Shinjuku-ku, Tokyo | 100 | Investment management business | Apr. 1, 2022 | 100.00 | — |
| Nippon Building Fund Management Ltd.* | 2-3-1, Nihonbashi Muromachi, Chuo-ku, Tokyo | 495 | Investment trust business and investment corporation asset management business | Sep. 19, 2000 | 35.00 | — |
| Sumisei Building Management Co., Ltd.* | 14-1, Nihonbashi Koamicho, Chuo-ku, Tokyo | 100 | Real estate maintenance and management business | Jun. 1, 1967 | 100.00 | — |
| Shinjuku Green Building Kanri K.K.* | 6-14-1, Nishi Shinjuku, Shinjuku-ku, Tokyo | 20 | Real estate maintenance and management business | Oct. 30, 1985 | 3.52 | 61.17 |
| Sumisei Bussan K.K.* | 1-2-20, Kujo Minami, Nishi-ku, Osaka-shi, Osaka | 10 | Merchandising business | Jan. 13, 1969 | 100.00 | — |
| Sumisei Business Service Co., Ltd.* | 1-4-70, Shiromi, Chuo-ku, Osaka-shi, Osaka | 70 | Clerical work agency | Jan. 4, 1985 | 100.00 | — |
| SUMISEI Harmony K.K.* | 1-4-35, Shiromi, Chuo-ku, Osaka-shi, Osaka | 50 | Administrative business | Feb. 1, 2001 | 100.00 | — |
| Japan Pension Service Co., Ltd. | 1-4-70, Shiromi, Chuo-ku, Osaka-shi, Osaka | 2,000 | Corporate pension service agency | Apr. 1, 1988 | 39.67 | — |
| Sumitomo Life Information Systems Co., Ltd.* | 4-1-14, Miyahara, Yodogawa-ku, Osaka-shi, Osaka | 300 | Computer operations | May 12, 1971 | 100.00 | — |
| CSS Co., Ltd.* | 3-6-2, Bingomachi, Chuo-ku, Osaka-shi, Osaka | 10 | Payment collection business | Feb. 16, 1976 | 100.00 | — |
| PREVENT Inc.* | 1-26-12, Aoi, Higashi-ku, Nagoya-shi, Aichi | 100 | Medical data analysis and lifestyle-related disease aggravation prevention support business | Jul. 15, 2016 | 100.00 | — |

Notes: 1. Companies marked by " * " are consolidated subsidiaries and affiliated companies accounted for by the equity method as of March 31, 2024.
2. SUMISEI-SBI Limited Partnership and six other companies in the investment management business are also our subsidiary corporations.

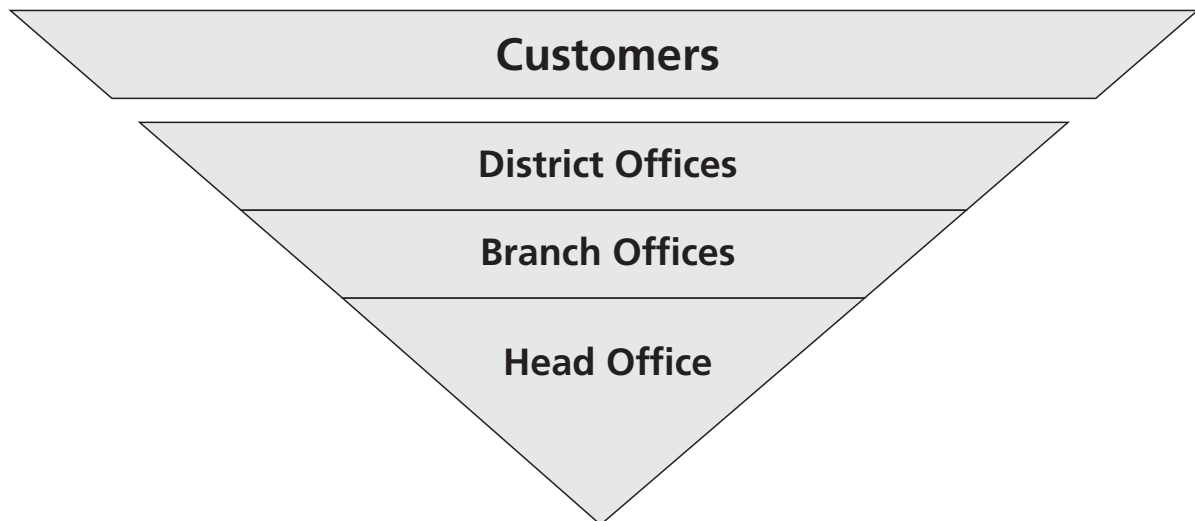
Overseas

As of March 31, 2024

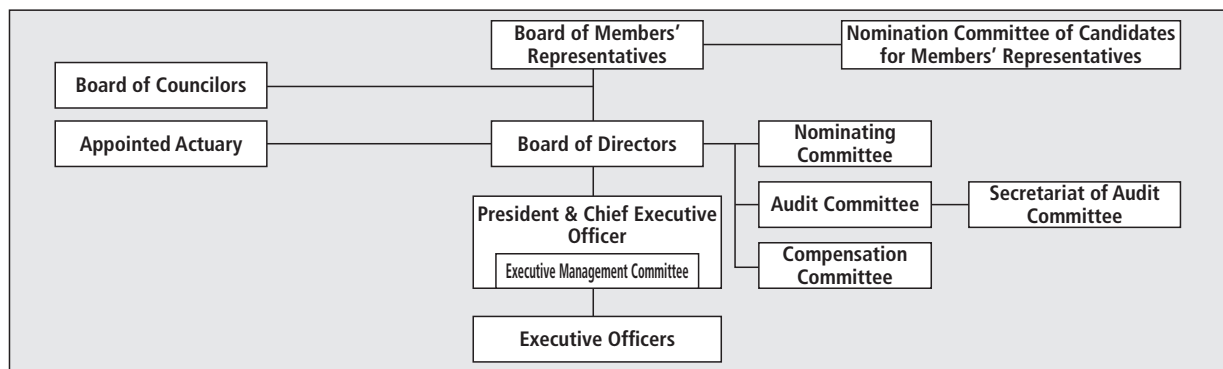
| Name | Main business site | Issued capital | Main business | Establishment | Proportion of voting rights held by Sumitomo Life among voting rights held by all shareholders, members, or investors (%) | Proportion of voting rights held by subsidiaries and affiliated companies of Sumitomo Life (%) |
|------------------------------------|--|-----------------------|-------------------------|---------------|---|--|
| PT BNI Life Insurance* | Centennial Tower, Jl. Gatot Subroto Kav 24-25 Jakarta Selatan 12930, Indonesia | IDR 300,699 million | Life insurance business | Nov. 28, 1996 | 39.99 | — |
| Symetra Financial Corporation* | 777 108th Avenue NE, Suite 1200, Bellevue, Washington, USA | \$1 | Bank holding company | Feb. 25, 2004 | 100.00 | — |
| Singapore Life Holdings Pte. Ltd.* | 4 Shenton Way, #01-01 SGX Centre II Singapore 068807 | SGD2,258 million | Bank holding company | Jul. 17, 2020 | 100.00 | — |
| Baoviet Holdings* | No. 8, Le Thai To Street, Hang Trong Ward, Hoan Kiem District, Hanoi | VND 7,423,227 million | Bank holding company | Oct. 15, 2007 | 22.08 | — |

Notes: 1. Companies marked by " * " are consolidated subsidiaries and affiliated companies accounted for by the equity method as of March 31, 2024.
2. twelve subsidiaries of Symetra Financial Corporations including Symetra Life Insurance Company are included in our subsidiaries.
3. Seven subsidiaries of Singapore Life Holdings Pte. Ltd. including Singapore Life Ltd. are included in our subsidiaries.
4. Baoviet Life Corporation, which is a subsidiary of Baoviet Holdings, is included in our affiliated companies.

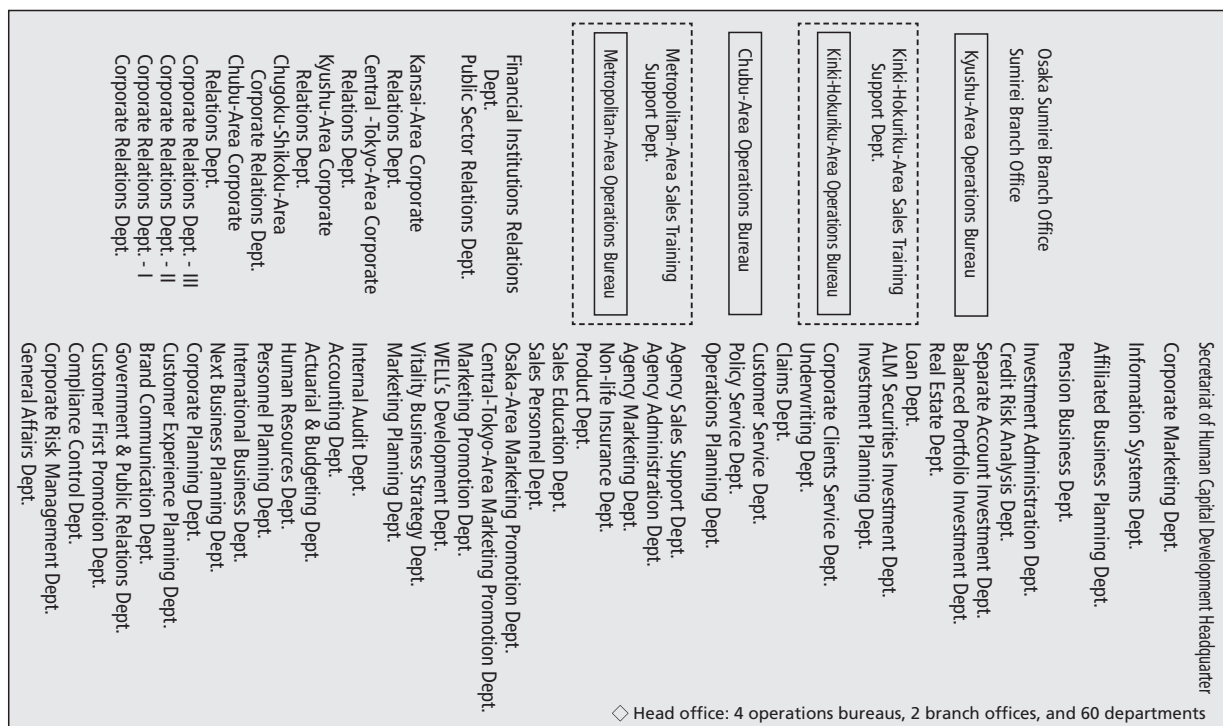
◆ Organizational Chart (as of April 1, 2024)



● Management Organization



● Head Office



● Branch Offices

◇ Branch offices: 90

◆ Overview of Organization

Branch Offices

| Classification | As of March 31, 2023* ¹ | As of March 31, 2024* ² |
|------------------------|------------------------------------|------------------------------------|
| Branch Offices | 90 | 90 |
| Sumirei Branch Offices | 2 | 2 |
| District Offices | 1,528 | 1,531 |
| Total | 1,620 | 1,623 |

Enrollments and New Recruits of Employees

| Classification | Enrollments as of March 31, 2023 | Enrollments as of March 31, 2024 | New recruits in fiscal 2022 | New recruits in fiscal 2023 | As of March 31, 2024 | |
|---|----------------------------------|----------------------------------|-----------------------------|-----------------------------|-----------------------|--------------------------|
| | | | | | Average age | Average years of service |
| Administrative Staff | 10,511 | 10,429 | 345 | 420 | 47 years and 4 months | 17 years and 1 month |
| Male | 4,120 | 4,063 | 66 | 107 | 47 years and 6 months | 21 years and 11 months |
| Female | 6,391 | 6,366 | 279 | 313 | 47 years and 3 months | 14 years and 1 month |
| Managerial track | 3,968 | 3,976 | 55 | 93 | 45 years and 9 months | 22 years and 3 months |
| General business track | 4,299 | 4,316 | 115 | 170 | 45 years and 5 months | 14 years and 10 months |
| Sales representatives | 33,538 | 32,082 | 5,410 | 4,726 | 46 years and 5 months | 12 years and 7 months |
| Male | 367 | 338 | 29 | 14 | 49 years and 8 months | 17 years and 1 month |
| Female | 33,171 | 31,744 | 5,381 | 4,712 | 46 years and 5 months | 12 years and 6 months |
| District managers in fixed locations, general sales representatives, and sales management staff | 3,081 | 3,106 | 269 | 173 | 39 years and 2 months | 12 years and 10 months |
| Other sales representatives | 30,457 | 28,976 | 5,141 | 4,553 | 47 years and 3 months | 12 years and 6 months |

Average Salary (Administrative Staff)

(Thousands of yen)

| Classification | March 2023 | March 2024 |
|----------------------|------------|------------|
| Administrative Staff | 356 | 359 |

Note: The average monthly salaries are regular salaries for March of each year, including taxes and excluding bonuses and overtime wages.

Average Salary (Sales Representatives)

(Thousands of yen)

| Classification | Fiscal 2022 | Fiscal 2023 |
|-----------------------|-------------|-------------|
| Sales representatives | 259 | 262 |

Note: The average monthly salaries are regular salaries for each year including taxes and excluding bonuses.

Wage Differences between Men and Women

| Classification | Wage differences between men and women (ratio of women's wages to men's wages) | |
|--|--|----------------|
| | FY2022 results | FY2023 results |
| All workers | 40.3% | 40.9% |
| Full-time workers | 39.5% | 40.3% |
| (Administrative Staff)* | 52.5% | 53.2% |
| (Among which, managerial track) | 74.3% | 74.8% |
| (Among which, general business track) | 123.1% | 127.0% |
| (Among which, district managers in fixed locations, sales management staff, general sales representatives) | 80.0% | 80.7% |
| (Sales representatives)* | 93.4% | 86.8% |
| Part-time and fixed-term workers | 62.7% | 60.1% |

*District managers in fixed locations, sales management staff, and general sales representatives are included in "administrative staff."

Note: Target period: FY2023 (April 1, 2023 to March 31, 2024)

Wages: Total of base salary, non-standard salary (overtime pay, etc.), bonuses, commuting expenses, etc. However, this excludes retirement pay, relocation allowances, and self-rented housing subsidies.

Full-time workers: This does not include loaned employees, either seconded from outside the Company to the Company or vice versa.

Part-time and fixed-term workers: This includes office partners, experts, consulting staff, etc., but excludes temporary staff.

For part-time workers, their average annual wage is calculated based on the number of headcounts converted based on full-time workers' scheduled working hours (8 hours per day).

Supplementary explanation:

- There are no differences between men and women in employment regulations or other company rules, and differences in wages between men and women are mainly due to differences in the gender composition in different job categories.
- The following factors are also responsible for the wage differences between men and women.
 - Many female workers have previously left work due to family reasons, meaning that the average years of service of female workers currently employed is shorter than those of men.
 - Male workers account for a significant number of the employees in the job categories subject to transfers involving relocation (Allowances and other benefits are provided to employees who are subject to transfers involving relocation.)
 - The Company is committed to creating a rewarding workplace where each member of a diverse workforce can flourish in their own way, in a fair environment and with mutual respect. We are implementing initiatives to promote the active involvement of women, such as fostering female managers, supporting their career development, promoting work-life balance and flexible working styles, reforming consciousness and cultivating corporate culture. We have formulated an action plan that targets a ratio of female managers of 50% by the end of FY2025.
 - Through these initiatives, we aim to narrow the wage differences between men and women.

◆ Number of Members' Representatives and Process of Selection

Number of Members' Representatives

Our articles of incorporation specifies that the number of Members' Representatives shall be 180, and the term of office shall be four years, with the potential reappointment up to two terms of eight years.

We believe that the number of representatives is appropriate, from the perspective of making the Board of Members' Representatives appropriately reflect members' opinions and function as the decision-making body to make resolutions after sufficient deliberations.

Process of selecting Members' Representatives

Members' Representatives are selected in two ways; an election by members, and a vote of confidence by all members for candidates whom the Nomination Committee of Candidates for Members' Representatives*¹ recommends.

We adopt the vote of confidence in consideration of the ways of appropriate selection in light of implementing effective election and electing appropriate Members' Representatives with a proportional distribution among a number of members throughout Japan.

The half of the total number of Members' Representatives are selected every two years.

The Nomination Committee of Candidates for Members' Representatives formulates the standard of election of candidates for Members' Representatives in order to appropriately reflect wide ranges of opinions of members in each layer to the Board of Members' Representatives. At each election, the committee elects specific candidates according to the standard with the allocation of a quorum and the election policies including the proportion by occupation, age, and gender.*²

After selecting candidates for Members' Representatives, the Nomination Committee of Candidates for Members' Representatives gives a public notice on the nomination on our website. Then, the committee implements the vote of confidence by members to ask whether to approve the assumption of office of the candidates.

When the number of non-confidence vote for a candidate is less than one tenth of the total number of members, the candidate passes the vote of confidence.

*1 The Nomination Committee of Candidates for Members' Representatives consists of ten or less members selected from members at the Board of Members' Representatives Meeting. Note that the secretary-general of the Nomination Committee of Candidates for Members' Representatives is appointed from external human resources, from the perspective of assuring justice in the process of selecting Members' Representatives and independency of the Nomination Committee of Candidates for Members' Representatives.

*2 Based on the decision of the Nomination Committee of Candidates for Members' Representatives, for the election of Members' Representatives in 2025, we will call for self-nominations, and some of the candidates recommended by the Nomination Committee of Candidates for Members' Representatives will be elected from among these self-nominees. Implementation from the next election onward is undecided as yet.

Selection Standard of Candidates for Members' Representatives

| | |
|--|--|
| 1. Eligibility for candidates | <ul style="list-style-type: none"> a. A member of the Company b. A person who has served as a Members' Representative for less than two terms c. A person who does not assume the responsibility of a Members' Representative of other life insurance companies d. A person who is not an incumbent executive officer or an employee of the Company |
| 2. Requirements for Members' Representatives | <ul style="list-style-type: none"> a. A person who holds recognition and interests for life insurance business, and insights relevant as a Members' Representative b. A person who is capable of acting as a Members' Representative including attending the Board of Members' Representatives Meetings c. A person who can make a fair judgement at the Board of Members' Representatives Meetings, etc., from the perspective of promoting increased benefits of members as a whole d. A person who is capable of monitoring the business and management of the Company and making meaningful proposals from following perspectives: <ul style="list-style-type: none"> (1) A person who is capable of making proposals from the perspective of an insurance policyholder (2) A person who is capable of making proposals from the perspective of an expert (3) A person who is capable of making proposals from the perspective of corporate management |
| 3. Allocation standard of Members' Representatives by areas | The number of Members' Representatives by areas are determined in proportion with the number of members by areas. The number shall be one, in case the number calculated based on the proportion by areas is less than one. Note that a certain number of members can be determined regardless of areas and the number of members. |
| 4. Composition standard of Members' Representatives | Members' Representatives are selected from a wide range of layers, in light of well-balanced diversity. |

Financial Information

★ Consolidated

◆ Indicators of Major Operations

Indicators of Major Operations for the Last Five Fiscal Years

(Millions of yen)

| Items | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 |
|--|-------------|-------------|-------------|-------------|-------------|
| Ordinary income | 3,485,973 | 3,517,715 | 3,599,428 | 4,222,291 | 4,378,769 |
| Ordinary profit | 37,591 | 118,223 | 128,811 | 39,358 | 117,791 |
| Net surplus attributable to the parent company | 5,207 | 26,965 | 45,605 | 119,992 | 164,196 |
| Comprehensive income (loss) | 24,620 | 585,076 | (424,405) | (826,535) | 1,062,308 |

(Millions of yen)

| Items | March 31, 2020 | March 31, 2021 | March 31, 2022 | March 31, 2023 | March 31, 2024 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| Total assets | 38,642,050 | 41,094,086 | 42,994,287 | 42,632,444 | 48,209,893 |
| Solvency margin ratio | 870.0% | 862.5% | 794.6% | 679.0% | 639.5% |

◆ Financial Statements and Others

1 Consolidated Balance Sheets

Millions of Yen

| | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| ASSETS: | | |
| Cash and deposits | 1,565,736 | 1,102,612 |
| Call loans | 847,388 | 834,182 |
| Monetary claims bought | 407,646 | 479,404 |
| Money held in trust | 14,990 | 24,345 |
| Securities | 33,568,041 | 38,852,266 |
| Loans | 3,175,130 | 3,322,067 |
| Tangible fixed assets | 598,313 | 660,619 |
| Land | 385,089 | 432,346 |
| Buildings | 198,570 | 206,170 |
| Lease assets | 2,128 | 7,592 |
| Construction in progress | 5,169 | 6,427 |
| Other tangible fixed assets | 7,355 | 8,082 |
| Intangible fixed assets | 234,084 | 693,863 |
| Software | 38,591 | 45,261 |
| Goodwill | 40,085 | 490,405 |
| Other intangible fixed assets | 155,407 | 158,197 |
| Due from agents | 151 | 113 |
| Reinsurance receivables | 12,480 | 32,601 |
| Other assets | 1,588,901 | 1,821,437 |
| Net defined benefit assets | 35,837 | 108,311 |
| Deferred tax assets | 588,114 | 282,554 |
| Allowance for possible loan losses | (4,373) | (4,486) |
| Total assets | 42,632,444 | 48,209,893 |
| LIABILITIES: | | |
| Policy reserves and other reserves | 35,233,129 | 37,723,230 |
| Reserve for outstanding claims | 169,352 | 228,310 |
| Policy reserves | 34,848,109 | 37,281,381 |
| Policyholders' dividend reserves | 215,667 | 213,538 |
| Reinsurance payables | 12,643 | 21,144 |
| Corporate bonds | 428,417 | 539,766 |
| Other liabilities | 5,361,612 | 7,216,973 |
| Payables under repurchase agreements | 3,110,297 | 4,760,283 |
| Payables under securities borrowing transactions | 67,438 | — |
| Other | 2,183,877 | 2,456,689 |
| Net defined benefit liabilities | 4,133 | 2,440 |
| Accrued retirement benefits for directors | — | 1 |
| Reserve for price fluctuation | 849,771 | 908,100 |
| Deferred tax liabilities | 5 | 964 |
| Deferred tax liabilities for land revaluation | 12,466 | 12,430 |
| Total liabilities | 41,902,180 | 46,425,050 |
| NET ASSETS: | | |
| Foundation funds | — | 50,000 |
| Reserve for redemption of foundation funds | 639,000 | 639,000 |
| Reserve for revaluation | 2 | 2 |
| Surplus | 125,036 | 229,119 |
| Total funds, reserve and surplus | 764,039 | 918,122 |
| Net unrealized gains (losses) on available-for-sale securities | 5,564 | 864,260 |
| Deferred gains (losses) on derivatives under hedge accounting | (13,063) | (36,360) |
| Land revaluation differences | (59,645) | (56,600) |
| Foreign currency translation adjustments | 28,216 | 38,740 |
| Remeasurements of defined benefit plans | 5,005 | 57,188 |
| Total accumulated other comprehensive income | (33,921) | 867,227 |
| Non-controlling interests | 147 | (507) |
| Total net assets | 730,264 | 1,784,843 |
| Total liabilities and net assets | 42,632,444 | 48,209,893 |

2 Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
[Consolidated Statements of Income]

Millions of Yen

| | Years ended March 31, 2023 | Years ended March 31, 2024 |
|--|----------------------------|----------------------------|
| Ordinary income | 4,222,291 | 4,378,769 |
| Insurance premiums and other | 2,583,077 | 2,644,206 |
| Investment income | 1,542,012 | 1,643,252 |
| Interest, dividends and other income | 964,997 | 1,132,162 |
| Gains on money held in trust | 287 | 2,861 |
| Gains on trading securities | — | 31,917 |
| Gains on sales of securities | 361,890 | 148,786 |
| Gains on redemption of securities | 2,076 | 3,559 |
| Foreign exchange gains | 77,386 | 192,241 |
| Other investment income | 135,375 | 14,270 |
| Investment gains on separate accounts | — | 117,452 |
| Other ordinary income | 97,200 | 91,311 |
| Ordinary expenses | 4,182,932 | 4,260,978 |
| Benefits and other payments | 2,161,551 | 2,303,512 |
| Claims paid | 597,894 | 597,207 |
| Annuity payments | 424,618 | 432,351 |
| Benefits payments | 519,679 | 480,481 |
| Surrender benefits | 553,709 | 557,210 |
| Other refunds | 65,648 | 236,261 |
| Provision for policy reserves and other reserves | 546,040 | 764,409 |
| Provision for reserves for outstanding claims | 5,945 | 15,223 |
| Provision for policy reserves | 540,067 | 749,160 |
| Provision for interest on policyholders' dividend reserves | 26 | 25 |
| Investment expenses | 816,509 | 501,233 |
| Interest expenses | 32,319 | 55,551 |
| Losses on trading securities | 68,513 | — |
| Losses on sales of securities | 377,965 | 137,691 |
| Losses on valuation of securities | 8,618 | 5,712 |
| Losses on redemption of securities | 1,221 | 445 |
| Losses on derivative financial instruments | 235,685 | 229,103 |
| Provision for allowance for possible loan losses | 84 | 39 |
| Depreciation of real estate for investments | 8,954 | 9,758 |
| Other investment expenses | 76,842 | 62,931 |
| Investment losses on separate accounts | 6,304 | — |
| Operating expenses | 478,930 | 507,797 |
| Other ordinary expenses | 179,901 | 184,025 |
| Ordinary profit | 39,358 | 117,791 |
| Extraordinary gains | 124,317 | 107,212 |
| Gains on disposals of fixed assets | 1,920 | 1,528 |
| Gains on step acquisitions | — | 105,684 |
| Reversal of reserve for price fluctuation | 122,397 | — |
| Extraordinary losses | 3,946 | 59,796 |
| Losses on disposals of fixed assets | 775 | 575 |
| Impairment losses | 2,471 | 180 |
| Provision for reserve for price fluctuation | — | 58,328 |
| Payments to social responsibility reserve | 699 | 711 |
| Surplus (loss) before income taxes | 159,730 | 165,208 |
| Income taxes | | |
| Current | 8,404 | (11,607) |
| Deferred | 31,326 | 12,612 |
| Total income taxes | 39,730 | 1,004 |
| Net surplus | 119,999 | 164,203 |
| Net surplus attributable to non-controlling interests | 6 | 7 |
| Net surplus attributable to the Parent Company | 119,992 | 164,196 |

[Consolidated Statements of Comprehensive Income]

Millions of Yen

| | Years ended March 31, 2023 | Years ended March 31, 2024 |
|--|----------------------------|----------------------------|
| Net surplus | 119,999 | 164,203 |
| Other comprehensive income (loss) | (946,534) | 898,104 |
| Net unrealized gains (losses) on available-for-sale securities | (1,005,446) | 855,230 |
| Deferred gains (losses) on derivatives under hedge accounting | (10,061) | (23,297) |
| Foreign currency translation adjustments | 57,026 | 14,404 |
| Remeasurements of defined benefit plans | 6,072 | 52,182 |
| Share of other comprehensive income (loss) of associates under the equity method | 5,873 | (416) |
| Comprehensive income (loss) | (826,535) | 1,062,308 |
| Comprehensive income (loss) attributable to the Parent Company | (826,542) | 1,062,300 |
| Comprehensive income (loss) attributable to non-controlling interests | 6 | 7 |

③ Status of Loans under the Insurance Business Act

Millions of Yen, %

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Bankrupt and quasi-bankrupt loans | — | — |
| Doubtful loans | 783 | 585 |
| Loans in arrears for three months or longer | — | — |
| Restructured loans | — | — |
| Subtotal | 783 | 585 |
| [Percentage of total] | [0.01] | [0.01] |
| Normal loans | 7,190,810 | 8,539,925 |
| Total | 7,191,593 | 8,540,510 |

Notes: 1. Bankrupt or quasi-bankrupt loans represent loans or quasi-loans to borrowers who have fallen into bankruptcy due to reasons such as the filing of a petition for the commencement of bankruptcy proceedings, the commencement of reorganization proceedings or the commencement of rehabilitation proceedings.
2. Doubtful loans represent loans with a strong likelihood that the loan principal cannot be recovered or interest cannot be received according to the contract due to the borrower, although not yet in bankruptcy, experiencing difficulties in financial position and business performance (excluding loans in the above Note 1).
3. Loans in arrears for three months or longer represent loans on which payments of principal or interest are past due over three months from the day following the contractual due date (excluding loans in the above notes 1 and 2).
4. Restructured loans represent loans that have been restructured to provide certain concessions favorable to the borrowers such as by reducing or waiving interest payments, by rescheduling repayments of principal or payments of interest, or by waiving claims for borrowers in order to support or financially rehabilitate such borrowers (excluding loans in the above notes 1 through 3).
5. Normal loans represent loans that do not fall under the classifications in the above notes 1 through 4, and where the borrower has no financial or business performance problems.

④ Status of Insurance Claims Paying Ability of the Company and Insurance Subsidiaries (Consolidated Solvency Margin Ratio)

Millions of Yen

| Items | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Solvency margin gross amount (A) | 3,597,472 | 4,772,386 |
| Foundation funds and others | 518,919 | 233,369 |
| Reserve for price fluctuation | 849,771 | 908,100 |
| Contingency reserve | 756,736 | 773,900 |
| Unusual contingency reserve | — | — |
| General allowance for possible loan losses | 4,123 | 4,215 |
| (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)) × 90% (Multiplied by 100% if losses) | 32,194 | 1,055,840 |
| Net unrealized gains on real estate × 85% (Multiplied by 100% if losses) | 140,574 | 143,511 |
| Total amount of unrecognized actuarial gains (losses) and unrecognized past service costs | 6,942 | 79,434 |
| Excess of continued Zillmerized reserve | 779,854 | 787,136 |
| Qualifying subordinated debt | 566,510 | 618,695 |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation | — | — |
| Deduction clause | (166,213) | (170,265) |
| Others | 108,056 | 338,447 |
| 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) | 1,059,629 | 1,492,488 |
| Insurance risk R_1 | 99,759 | 109,343 |
| General insurance risk R_5 | — | 873 |
| Large disaster risk R_6 | 0 | 1366 |
| Third-sector insurance risk R_8 | 95,565 | 111,448 |
| Insurance risk of small-amount, short-term insurer R_9 | 9 | 9 |
| Risk of assumed yield R_2 | 175,797 | 181,913 |
| Minimum guarantee risk R_7^* | 8,134 | 9,577 |
| Investment risk R_3 | 832,861 | 1,249,530 |
| Operational risk R_4 | 24,242 | 33,281 |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ | 679.0% | 639.5% |

* The standard method is used for the calculation of the amount equivalent to minimum guarantee risk.

(Note) The amounts and figures in the table above are calculated based on Article 130 of the Insurance Business Act, Article 86-2 and Article 88 of the Ordinance for Enforcement of the Insurance Business Act and Financial Services Agency Public Notice No.23 of 2011.
Figures as of March 31, 2023 are after the retrospective application of IFRS 17 for Singapore Life Holdings Pte. Ltd.

◆ Consolidated solvency margin ratio

The consolidated solvency margin ratio is a percentage of “solvency margin gross amount” of the Group to the portion of “quantified total amount of risk” of the Group exceeding the quantified amount of risks that could normally be anticipated; it is one of the indicators to gauge the insurer’s ability to cover liabilities when unforeseen events occur.

When this ratio falls below 200%, an insurance company is subject to administrative intervention by the regulatory agencies to take “prompt corrective action.”

The consolidated solvency margin ratio is one of the financial indicators indicating sound business management, however, it should not be solely relied upon to evaluate the business management soundness of an insurance company. The evaluation of sound business management should be made in a comprehensive manner with due consideration of not only the consolidated solvency margin ratio but also other business management information such as asset management performance and trends in business results.

5 Status of Insurance Claims Paying Ability of Insurance Subsidiaries (Solvency Margin Ratio)

(Medicare Life Insurance Co., Ltd.)

Millions of Yen

| Items | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Solvency margin gross amount (A) | 56,047 | 44,236 |
| Paid-in capital, etc. | 29,211 | 32,897 |
| Reserve for price fluctuation | 245 | 273 |
| Contingency reserve | 4,236 | 4,400 |
| General allowance for possible loan losses | — | — |
| (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)) × 90% (Multiplied by 100% if losses) | (740) | (631) |
| Net unrealized gains on real estate × 85% (Multiplied by 100% if losses) | — | — |
| Excess of continued Zillmerized reserve | 52,462 | 57,727 |
| Qualifying subordinated debt | — | — |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation | (29,368) | (50,430) |
| Brought-in capital, etc. | — | — |
| Deduction clause | — | — |
| Others | — | — |
| Total amount of risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B) | 5,393 | 5,572 |
| Insurance risk R_1 | 455 | 410 |
| Third-sector insurance risk R_8 | 3,107 | 2,481 |
| Risk of assumed yield R_2 | 24 | 23 |
| Minimum guarantee risk R_7 | — | — |
| Investment risk R_3 | 3,728 | 4,477 |
| Operational risk R_4 | 219 | 221 |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ | 2,078.2% | 1,587.7% |

(Note) Figures shown above are calculated in accordance with the provisions of Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act as well as the Ministry of Finance Public Notice No. 50 of 1996.

6 Segment Information

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023), and the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024), segment information and its related information are omitted because there is only one business segment in the Company and its subsidiaries.

7 Status of Embedded Value

Embedded Value

The Sumitomo Life Group's embedded value increased ¥897.8 billion year on year due to the positive results of the insurance business such as acquiring new policies and securing earnings from policies in force, as well as factors such as the rise in domestic stock prices.

¥5,649.0 billion

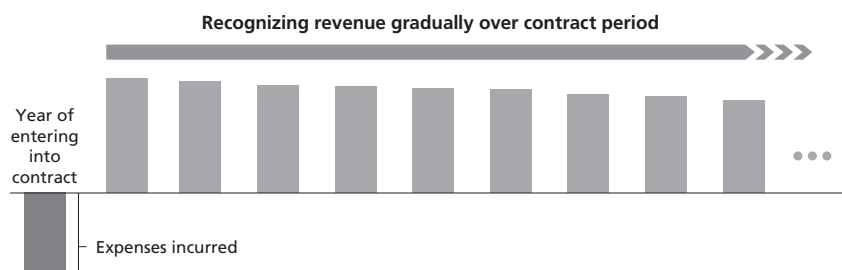
(Sumitomo Life's [non-consolidated] embedded value: ¥5,731.0 billion)

What is embedded value?

Embedded value is calculated by adding the present value of expected future profits from policies in force (value of policies in force) to the adjusted net worth as of the base date of calculation. Under current statutory accounting practices, the initial cost is recognized at the time of entering into the contract, and subsequently revenue is

recognized gradually over the contract period. Given such a pattern of profit or loss recognition, strong sales performance for a period can result in a deterioration of profit or loss for that period. Therefore, it is not necessarily easy to assess the actual financial position of an insurance company based on its accounting financial results.

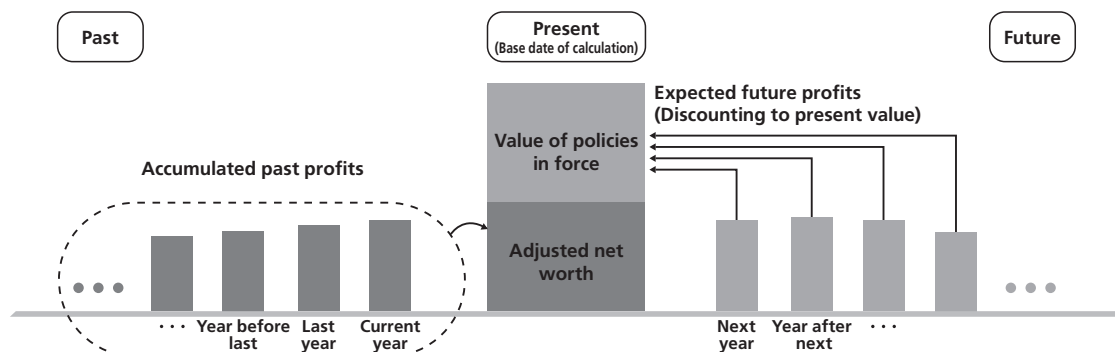
Pattern of Profit or Loss Recognition of Life Insurance Contracts



On the other hand, since embedded value assesses the value of an insurance company by adding expected future profits from policies in force to accumulated past profits, it is an indicator that compensates for the lack of information in statutory accounting as described above. We also believe that embedded value plays an important role as an indicator representing key aspects of enterprise value including the company's

financial strength and growth potential, thereby providing useful information to policyholders and various other stakeholders. The Group embedded value is calculated in compliance with the European Embedded Value ("EEV") Principles established by the CFO Forum, which consists of Chief Financial Officers (CFOs) of major European insurance companies.

Embedded Value (Value of Policies in Force + Adjusted Net Worth)



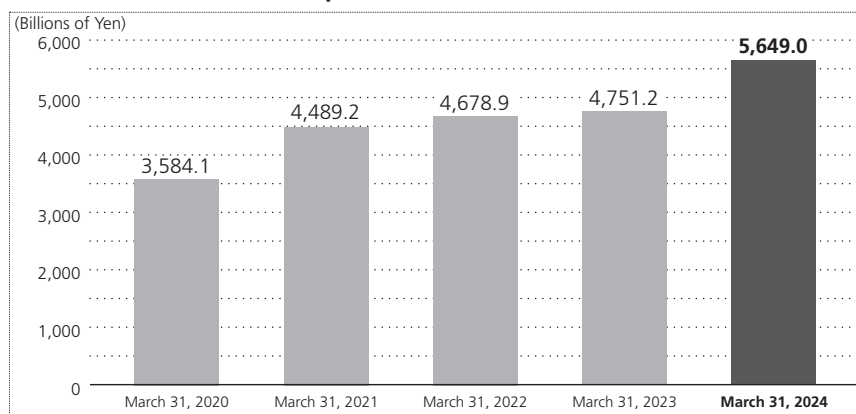
Adjusted Net Worth

It is a measure of net asset value as of the base date of calculation, representing the value of net assets based on the mark-to-market value of assets held, adjusted by the addition of retained earnings in liabilities.

Value of Policies in Force

It is the value of expected future profits from policies in force discounted to present value as of the base date of calculation.

EEV (Sumitomo Life Group)



The Sumitomo Life Group's EEV and Value of New Business as of March 31, 2024

| (Billions of yen) | |
|----------------------------|----------------------|
| | As of March 31, 2024 |
| EEV | 5,649.0 |
| Value of policies in force | 3,092.5 |
| Adjusted net worth | 2,556.4 |
| Fiscal 2023 | |
| Value of new policies | 56.0 |

Value of New Policies

The present value of expected future profits from new business acquired during fiscal 2023.

- *1. The EEV of the Sumitomo Life Group is calculated as follows: Sumitomo Life's EEV plus Medicare Life's EEV, Symetra's EEV, and Singlife's embedded value calculated using the traditional method, less Sumitomo Life's book value of equity of Medicare Life, Symetra, and Singlife. Singlife is included in the EEV of the Sumitomo Life Group from March 31, 2024.
- *2. The Sumitomo Life Group's value of new business is the sum for Sumitomo Life, Medicare Life, and Symetra.
- *3. For details on the calculation method and other information, please refer to the "Disclosure of European Embedded Value (summary) as of March 31, 2024" posted on our website.

Principal Assumptions

The key assumptions used in the EEV calculation are as follows:

Economic Assumptions

In calculating the certainty equivalent present value of future profits, the yield on government bonds as of the base date of calculation is used as the risk-free rate, taking into account our asset portfolio and the market liquidity.

Non-economic Assumptions

All cash flows (premiums, operating expenses, benefits and claims, cash surrender value, tax, etc.) are projected applying the best estimate assumptions, referring to past, current and expected future experience.

Independent Third-party Review

To ensure the appropriateness and validity of our EEV, we have commissioned an independent third party to review it and have received a written opinion that the calculation methodology and assumptions are in compliance with the EEV Principles.

Impact of Changes in Assumptions (Sensitivity)

The impact of changes in assumptions on the Sumitomo Life Group's EEV is as follows:

| (Billions of yen) | | |
|--|---------|---------|
| Assumptions | EEV | Change |
| EEV as of the end of fiscal 2023 | 5,649.0 | — |
| Sensitivity 1: 50-bp upward parallel shift in risk-free yield curve | 5,587.4 | (61.6) |
| Sensitivity 2: 50-bp downward parallel shift in risk-free yield curve | 5,696.4 | 47.3 |
| Sensitivity 3: 10% decline in equity and real estate values | 5,266.5 | (382.4) |
| Sensitivity 4: 10% decline in maintenance expenses | 5,774.8 | 125.7 |
| Sensitivity 5: 10% decline in surrender and lapse rate | 5,789.6 | 140.5 |
| Sensitivity 6: 5% decline in mortality and morbidity rates for life insurance products | 5,924.9 | 275.9 |
| Sensitivity 7: 5% decline in mortality and morbidity rates for annuities | 5,643.2 | (5.8) |
| Sensitivity 8: Setting required capital at statutory minimum level | 5,807.6 | 158.6 |
| Sensitivity 9: 25% increase in implied volatilities of equity and real estate values | 5,647.2 | (1.8) |
| Sensitivity 10: 25% increase in implied volatilities of swaptions | 5,614.4 | (34.5) |

Reference: Breakdown of EEV in terms of ALM strategy

The value of policies in force is calculated assuming the future investment yield to be the yield on government bonds as of the base date of calculation. Therefore, when interest rates decline, the value of policies in force decreases reflecting lower expected future prospects of investment return.

As life insurance products are long-term liabilities, Sumitomo Life invests in and holds primarily yen-denominated interest-bearing assets such as long-term bonds and loans in our ALM strategy, which include long-term bonds with relatively high yields that have been invested in the past.

Accordingly, even if the yield on government bonds (i.e., the assumed future investment yield for the calculation of the value of policies in force) declines, the actual future investment return from these assets does not decrease. A decline in the yield of government bonds leads to an increase in the adjusted net worth through unrealized gains on assets held, compensating for the decrease in the value of policies in force.

Thus, in determining expected future profits from policies in force, it is necessary to consider not only the value of policies

in force but also unrealized gains (losses) on yen-denominated interest-bearing assets and others.

The sum of the value of policies in force and unrealized gains (losses) on yen-denominated interest-bearing assets and others as of March 31, 2024 is ¥2,568.4 billion.

| (Billions of yen) | |
|--|----------------------|
| | As of March 31, 2024 |
| EEV | 5,649.0 |
| Total net assets on the balance sheet + Retained earnings in liabilities | 1,384.7 |
| Value of policies in force + Unrealized gains (losses) on yen-denominated interest-bearing assets and others | 2,568.4 |
| Value of policies in force | 3,092.5 |
| Unrealized gains (losses) on yen-denominated interest-bearing assets and others | (524.1) |
| Unrealized gains (losses) on assets other than yen-denominated interest-bearing assets and others | 1,695.9 |

★ Non- Consolidated

◆ Indicators of Major Operations

Indicators of Major Operations for the Last Five Fiscal Years

(Millions of yen)

| Items | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 |
|--|-------------|-------------|-------------|-------------|-------------|
| Ordinary income | 3,085,037 | 3,108,974 | 3,094,278 | 3,495,347 | 3,564,941 |
| Ordinary profit | 95,138 | 155,634 | 145,962 | 61,852 | 147,276 |
| Core business profit* ¹ | 249,410 | 266,358 | 333,397 | 236,366 | 261,745 |
| Net surplus | 49,337 | 54,733 | 58,342 | 147,204 | 71,946 |
| Total foundation funds* ² | 639,000 | 639,000 | 639,000 | 639,000 | 689,000 |
| Total assets | 32,951,105 | 35,400,786 | 36,443,323 | 35,298,166 | 38,201,001 |
| Of which, separate account assets | 726,126 | 828,123 | 828,542 | 790,519 | 881,798 |
| Policy reserves | 26,636,065 | 27,262,040 | 27,884,255 | 28,305,473 | 28,761,989 |
| Loans | 2,099,584 | 1,945,518 | 2,192,253 | 2,198,274 | 2,164,509 |
| Securities | 27,423,878 | 30,463,881 | 31,362,641 | 28,829,411 | 32,471,386 |
| Solvency margin ratio | 873.6% | 840.5% | 809.00% | 812.8% | 717.6% |
| Ratio of appropriation of surplus for policyholders' dividend reserves* ³ | 100.0% | 99.9% | 99.9% | 38.8% | 100.0% |
| Number of employees | 43,168 | 46,084 | 45,336 | 44,049 | 42,511 |
| Number of members (policyholders)* ⁴ | 6,937,383 | 6,877,969 | 6,822,043 | 6,794,814 | 6,730,295 |
| Policies in force* ⁵ | 109,620,952 | 106,059,804 | 102,157,551 | 98,931,950 | 95,565,502 |
| Individual life insurance | 62,109,041 | 58,035,687 | 54,104,252 | 51,058,435 | 47,970,986 |
| Individual annuities | 15,065,308 | 14,928,964 | 14,753,173 | 14,504,025 | 14,276,267 |
| Group insurance | 32,446,601 | 33,095,152 | 33,300,124 | 33,369,489 | 33,318,247 |
| Policies in force for group annuities* ⁶ | 2,573,891 | 2,666,577 | 2,716,382 | 2,699,982 | 2,790,981 |

*1. Core business profit is based on new definitions applied since fiscal 2022, under which hedging costs related to foreign exchange, among others, are included in calculation. Figures for prior years are calculated using the same definitions.

*2. Total foundation funds include reserve for redemption of foundation funds.

*3. Ratio of appropriation of surplus for policyholders' dividend reserves is the ratio of the total amount appropriated to policyholders' dividend reserve and policyholders' dividend equilibrium reserve to the amount calculated pursuant to Article 30-4 of the Regulation for Enforcement of the Insurance Business Act.

*4. In the case of a mutual company, "Members" refers to policyholders (excluding those not eligible for the distribution of surplus).

*5. Policies in force are the total policies in force for individual life insurance, individual annuities and group insurance. Individual annuities are the total of annuity resources at the start of annuities for policies prior to the commencement of annuity payment and policy reserves for policies after the commencement of annuity payment.

*6. Policies in force for group annuities indicate the amount of policy reserves.

◆ Financial Statements

1 Non-Consolidated Balance Sheets

Millions of Yen

| | As of March 31, 2023 | As of March 31, 2024 | | As of March 31, 2023 | As of March 31, 2024 |
|--|-------------------------|-------------------------|---|-------------------------|-------------------------|
| ASSETS: | | | LIABILITIES: | | |
| Cash and deposits | 1,329,461 | 740,775 | Policy reserves and other reserves | 28,641,672 | 29,101,622 |
| Cash | 10 | 10 | Reserve for outstanding claims | 120,531 | 126,094 |
| Deposits | 1,329,451 | 740,765 | Policy reserves | 28,305,473 | 28,761,989 |
| Call loans | 847,388 | 834,182 | Policyholders' dividend reserves | 215,667 | 213,538 |
| Monetary claims bought | 407,646 | 479,404 | Reinsurance payables | 120 | 3,230 |
| Money held in trust | 14,990 | 24,345 | Corporate bonds | 396,510 | 448,695 |
| Securities | 28,829,411 | 32,471,386 | Other liabilities | 4,209,470 | 5,745,603 |
| National government bonds | 11,686,665 | 11,314,158 | Payables under repurchase agreements | 3,110,297 | 4,760,283 |
| Local government bonds | 192,009 | 188,844 | Payables under securities borrowing transactions | 67,438 | — |
| Corporate bonds | 3,309,271 | 3,116,211 | Loans payable | 170,000 | 170,000 |
| Domestic stocks | 2,456,106 | 3,449,389 | Income taxes payable | — | 1,115 |
| Foreign securities | 10,831,959 | 13,858,843 | Accounts payable | 73,741 | 31,091 |
| Other securities | 353,398 | 543,939 | Accrued expenses | 43,804 | 45,335 |
| Loans | 2,198,274 | 2,164,509 | Deferred income | 845 | 863 |
| Policy loans | 234,873 | 226,775 | Deposits received | 71,007 | 70,202 |
| Industrial and consumer loans | 1,963,401 | 1,937,734 | Guarantee deposits received | 29,668 | 32,815 |
| Tangible fixed assets | 594,472 | 648,051 | Derivative financial instruments | 590,475 | 550,699 |
| Land | 385,086 | 432,329 | Cash collateral received for financial instruments | 34,091 | 68,808 |
| Buildings | 197,769 | 204,907 | Lease obligations | 1,808 | 594 |
| Lease assets | 1,727 | 575 | Asset retirement obligations | 1,769 | 1,777 |
| Construction in progress | 5,169 | 6,331 | Suspense receipts | 10,911 | 10,017 |
| Other tangible fixed assets | 4,720 | 3,907 | Rest of other liabilities | 3,612 | 1,999 |
| Intangible fixed assets | 37,366 | 44,315 | Reserve for price fluctuation | 849,526 | 907,826 |
| Software | 30,677 | 30,469 | Deferred tax liabilities for land revaluation | 12,466 | 12,430 |
| Other intangible fixed assets | 6,689 | 13,846 | Total liabilities | 34,109,767 | 36,219,409 |
| Due from agents | 0 | — | NET ASSETS: | | |
| Reinsurance receivables | 120 | 412 | Foundation funds | — | 50,000 |
| Other assets | 520,127 | 557,635 | Reserve for redemption of foundation funds | 639,000 | 639,000 |
| Accounts receivable | 51,984 | 33,862 | Reserve for revaluation | 2 | 2 |
| Prepaid expenses | 7,368 | 7,697 | Surplus | 320,951 | 332,785 |
| Accrued income | 144,341 | 177,245 | Reserve for future losses | 6,404 | 6,604 |
| Money on deposit | 4,988 | 5,031 | Other surplus | 314,546 | 326,180 |
| Deposits for futures transactions | 48,331 | 45,003 | Fund for price fluctuation allowance | 165,000 | 255,000 |
| Derivative financial instruments | 148,928 | 46,873 | Reserve for assisting social responsibility | 1,355 | 1,344 |
| Cash collateral paid for financial instruments | 91,238 | 183,905 | Other reserves | 223 | 223 |
| Suspense | 9,037 | 10,012 | Unappropriated surplus | 147,967 | 69,612 |
| Other assets | 13,908 | 48,003 | Total funds, reserve and surplus | 959,953 | 1,021,787 |
| Prepaid pension cost | 26,764 | 28,479 | Net unrealized gains on available-for-sale securities | 300,314 | 1,048,898 |
| Deferred tax assets | 493,008 | 208,307 | Deferred gains (losses) on derivatives under hedge accounting | (12,224) | (32,494) |
| Allowance for possible loan losses | (867) | (804) | Land revaluation differences | (59,645) | (56,600) |
| Total assets | 35,298,166 | 38,201,001 | Total unrealized gains, revaluation reserve and adjustments | 228,444 | 959,803 |
| | | | Total net assets | 1,188,398 | 1,981,591 |
| | | | Total liabilities and net assets | 35,298,166 | 38,201,001 |

2 Non-Consolidated Statements of Income

Millions of Yen

| | Years ended March 31, 2023 | Years ended March 31, 2024 |
|--|----------------------------|----------------------------|
| Ordinary income | 3,495,347 | 3,564,941 |
| Insurance premiums and other | 2,216,429 | 2,182,842 |
| Insurance premiums | 2,213,957 | 2,178,902 |
| Reinsurance revenue | 491 | 1,627 |
| Other income to policy reserves | 1,980 | 2,311 |
| Investment income | 1,203,013 | 1,316,580 |
| Interest, dividends and other income | 761,129 | 859,455 |
| Interest on deposits | 9,883 | 18,623 |
| Interest and dividends on securities | 673,754 | 753,948 |
| Interest on loans | 27,127 | 32,512 |
| Rent revenue from real estate | 32,485 | 34,941 |
| Other interest and dividend | 17,878 | 19,429 |
| Gains on money held in trust | 287 | 2,861 |
| Gains on sales of securities | 358,718 | 144,673 |
| Gains on redemption of securities | 1,120 | 3,398 |
| Foreign exchange gains | 80,608 | 187,958 |
| Reversal of allowance for possible loan losses | 48 | 51 |
| Other investment income | 1,100 | 728 |
| Investment gains on separate accounts | — | 117,452 |
| Other ordinary income | 75,904 | 65,518 |
| Annuity supplementary contract premiums | 5,198 | 4,418 |
| Proceeds from deferred insurance | 33,529 | 26,152 |
| Reversal of accrued retirement benefits | 4,614 | 1,714 |
| Other ordinary income | 32,562 | 33,233 |
| Ordinary expenses | 3,433,494 | 3,417,665 |
| Benefits and other payments | 1,963,119 | 2,031,101 |
| Claims paid | 547,393 | 541,534 |
| Annuity payments | 424,557 | 432,258 |
| Benefits payments | 388,804 | 322,738 |
| Surrender benefits | 551,624 | 554,615 |
| Other refunds | 49,718 | 53,411 |
| Reinsurance premiums | 1,021 | 126,542 |
| Provision for policy reserves and other reserves | 424,098 | 462,103 |
| Provision for reserve for outstanding claims | 2,853 | 5,562 |
| Provision for policy reserves | 421,218 | 456,515 |
| Provision for interest on policyholders' dividend reserves | 26 | 25 |
| Investment expenses | 594,954 | 469,848 |
| Interest expenses | 21,778 | 28,965 |
| Losses on trading securities | — | 22 |
| Losses on sales of securities | 344,998 | 115,774 |
| Losses on valuation of securities | 2,690 | 3,992 |
| Losses on redemption of securities | 75 | 5 |
| Losses on derivative financial instruments | 161,882 | 289,919 |
| Depreciation of real estate for investments | 8,950 | 9,758 |
| Other investment expenses | 48,275 | 21,408 |
| Investment losses on separate accounts | 6,304 | — |
| Operating expenses | 336,414 | 332,573 |
| Other ordinary expenses | 114,906 | 122,038 |
| Payments of benefits left to accumulate at interest | 45,528 | 50,214 |
| Taxes | 28,253 | 28,111 |
| Depreciation | 18,932 | 18,498 |
| Other ordinary expenses | 22,192 | 25,213 |
| Ordinary profit | 61,852 | 147,276 |
| Extraordinary gains | 123,866 | 1,528 |
| Gains on disposals of fixed assets | 1,445 | 1,528 |
| Reversal of reserve for price fluctuation | 122,420 | — |
| Extraordinary losses | 3,723 | 69,652 |
| Losses on disposals of fixed assets | 703 | 521 |
| Impairment losses | 2,320 | 163 |
| Losses on valuation of shares of subsidiaries and affiliates | — | 9,956 |
| Provision for reserve for price fluctuation | — | 58,300 |
| Payments to social responsibility reserve | 699 | 711 |
| Surplus before income taxes | 181,995 | 79,151 |
| Income taxes | | |
| Current | 6,312 | (20,773) |
| Deferred | 28,477 | 27,978 |
| Total income taxes | 34,790 | 7,204 |
| Net surplus | 147,204 | 71,946 |

3 Breakdown of Ordinary Profit (Core Business Profit)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| Core business profit A | 236,366 | 261,745 |
| Capital gains | 543,768 | 551,585 |
| Gains on money held in trust | 28 | 2,044 |
| Gains on trading securities | — | — |
| Gains on sales of securities | 358,718 | 144,673 |
| Gains on derivative financial instruments | — | — |
| Foreign exchange gains | 80,608 | 187,958 |
| Other capital gains | 104,412 | 216,907 |
| Capital losses | 607,042 | 593,984 |
| Losses on money held in trust | — | — |
| Losses on trading securities | — | 22 |
| Losses on sales of securities | 344,998 | 115,774 |
| Losses on valuation of securities | 2,690 | 3,992 |
| Losses on derivative financial instruments | 161,882 | 289,919 |
| Foreign exchange losses | — | — |
| Other capital losses | 97,472 | 184,274 |
| Net capital gains / losses B | (63,274) | (42,398) |
| Core business profit including net capital gains / losses A+B | 173,091 | 219,347 |
| Nonrecurring gains | — | — |
| Reinsurance revenue | — | — |
| Reversal of contingency reserves | — | — |
| Reversal of specific allowance for possible loan losses | — | — |
| Other nonrecurring gains | — | — |
| Nonrecurring losses | 111,239 | 72,071 |
| Reinsurance premiums | — | — |
| Provision for contingency reserve | 50,600 | 17,000 |
| Provision for specific allowance for possible loan losses | 14 | 27 |
| Provision for allowance for specific overseas debt | — | — |
| Write-off of loans | — | — |
| Other nonrecurring losses | 60,624 | 55,044 |
| Nonrecurring gains / losses C | (111,239) | (72,071) |
| Ordinary profit A+B+C | 61,852 | 147,276 |

(Reference) Breakdown of other items

| | | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---------------------------|--|----------------------------------|----------------------------------|
| Core business profit | Financial impact of fluctuations in the surrender benefits amount concerning market value adjustment | (5,951) | 291 |
| | Financial impact of market exchange rate fluctuations concerning foreign currency-denominated insurance policies | 71,212 | 177,969 |
| | Financial impact of fluctuations in insurance reserve funds concerning index linking | (2,480) | 6,014 |
| | Interest, dividends and other income from gains (losses) on money held in trust | 258 | 816 |
| | Amount equivalent to foreign exchange hedging costs | (94,935) | (213,508) |
| | Amount equivalent to gain or loss on cancellation of mutual funds | 26,259 | (7) |
| | Amount equivalent to the foreign exchange fluctuation portion of gain or loss on redemption of securities | (1,045) | (3,392) |
| Other capital gains | Financial impact of fluctuations in the surrender benefits amount concerning market value adjustment | 5,951 | — |
| | Financial impact of fluctuations in the surrender benefits amount concerning market value adjustment | — | — |
| | Financial impact of fluctuations in insurance reserve funds concerning index linking | 2,480 | — |
| | Amount equivalent to foreign exchange hedging costs | 94,935 | 213,508 |
| | Amount equivalent to gain or loss on cancellation of mutual funds | — | 7 |
| | Amount equivalent to the foreign exchange fluctuation portion of gain or loss on redemption of securities | 1,045 | 3,392 |
| Other capital losses | Financial impact of fluctuations in the surrender benefits amount concerning market value adjustment | — | 291 |
| | Financial impact of market exchange rate fluctuations concerning foreign currency-denominated insurance policies | 71,212 | 177,969 |
| | Financial impact of fluctuations in insurance reserve funds concerning index linking | — | 6,014 |
| | Amount equivalent to foreign exchange hedging costs | — | — |
| | Amount equivalent to gain or loss on cancellation of mutual funds | 26,259 | — |
| | Amount equivalent to the foreign exchange fluctuation portion of gain or loss on redemption of securities | — | — |
| Other nonrecurring losses | Additional provisions of insurance reserve funds for part of the individual annuity contracts after the commencement of annuity payments and part of the lump-sum individual annuity contracts | 60,624 | 55,044 |

◆ Status of Dividends to Policyholders

Policyholder Dividends

Our basic policy towards policyholder dividends is to provide stable returns in consideration of factors including the present and future earnings situation and the level of equity capital, as well as to keep a balance between maintaining a sufficient level of equity capital to withstand downside risk and enhancing policyholder returns. Under the above policy, we have made the following decision on the policyholder dividend rates based on the fiscal 2023 financial results.

Individual life insurance, individual annuities: we increased the long-term ongoing dividends for some medical insurance and life insurance with living benefits, and maintained the same dividend rates for other dividends.

Group insurance: we maintained the same dividend rates.

Group annuities:

New corporate pension plan, employees' pension fund insurance (02), and defined benefit corporate pension plan (02), etc.

The dividend rate was set at 0.00% on policy reserves for the assumed interest rate of 0.75% or 1.25% (with surrender charge upon surrender).

Insured contributory pension plan (02)

The dividend rate was set at 0.00% on policy reserves for the assumed interest rate of 1.25%.

Note: Policy reserves for interest rate-setting rider by new unit account are not included.

Status of Policyholders' Dividends Paid

(Millions of yen, unless otherwise stated)

| Policyholders' dividends paid | Fiscal 2022 | | Fiscal 2023 | |
|-------------------------------|-------------|--------------------------|-------------|--------------------------|
| | Amount | Year-on-year changes (%) | Amount | Year-on-year changes (%) |
| | 58,895 | 4.9 | 59,221 | 0.6 |

Status of Dividend Payout Ratio

$$\text{Dividend payout ratio} = \frac{\text{Provision for dividend reserves (¥58.3 billion)}}{\text{Provision for dividend reserves + Provision for internal reserves and surplus (¥99.4 billion)*}} = 37\%$$

*Provision for contingency reserves, reserve for price fluctuation, fund for price fluctuation allowance (including tax effect amounts), reserve for fund redemption, and reserve for fund redemption of foundation funds. However, adjustments are made to exclude gains on sales of securities resulting from interest rate risk control, the financial impact of revaluation of shares of subsidiaries and others, and the financial impact of fluctuations in the surrender benefits amount concerning market value adjustment as temporary gains or losses.

◆ Fair Value Information of Securities (Company Total)

1 Fair Value Information of Securities (Company Total)

a. Net valuation gains (losses) on trading securities

Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------|----------------------|--|----------------------|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | Balance sheet amount | Net valuation gains (losses) included in statement of income |
| Trading securities | 619,170 | (19,521) | 706,661 | 67,828 |

Note: The above table includes money held in trusts for trading.

b. Fair value information of securities (with market prices except for trading securities)

Millions of Yen

| Classification | As of March 31, 2023 | | | | |
|--|----------------------|-------------------|--------------------|------------------|--------------------|
| | Book value | Fair value | Net gains (losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity debt securities | 1,531,156 | 1,729,570 | 198,413 | 198,537 | (124) |
| Policy-reserve-matching bonds | 13,192,905 | 13,610,612 | 417,707 | 975,068 | (557,360) |
| Investments in subsidiaries and affiliated companies | 53,077 | 45,626 | (7,451) | — | (7,451) |
| Available-for-sale securities | 12,881,722 | 13,250,150 | 368,428 | 1,303,032 | (934,604) |
| Domestic bonds | 3,025,881 | 2,833,870 | (192,011) | 34,902 | (226,913) |
| Domestic stocks | 1,065,125 | 2,118,405 | 1,053,280 | 1,084,853 | (31,573) |
| Foreign securities | 7,703,747 | 7,207,489 | (496,257) | 160,382 | (656,640) |
| Foreign bonds | 6,159,486 | 5,788,664 | (370,822) | 95,914 | (466,736) |
| Other foreign securities | 1,544,260 | 1,418,824 | (125,435) | 64,468 | (189,903) |
| Other securities | 248,157 | 251,419 | 3,261 | 19,658 | (16,396) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |
| Total | 27,658,862 | 28,635,959 | 977,097 | 2,476,638 | (1,499,540) |
| Domestic bonds | 15,168,512 | 15,536,037 | 367,524 | 1,016,901 | (649,376) |
| Domestic stocks | 1,065,964 | 2,118,958 | 1,052,994 | 1,084,853 | (31,858) |
| Foreign securities | 10,337,417 | 9,890,578 | (446,838) | 351,989 | (798,828) |
| Foreign bonds | 8,740,918 | 8,426,680 | (314,237) | 287,521 | (601,758) |
| Other foreign securities | 1,596,499 | 1,463,897 | (132,601) | 64,468 | (197,069) |
| Other securities | 248,157 | 251,419 | 3,261 | 19,658 | (16,396) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |

| Classification | As of March 31, 2024 | | | | |
|--|----------------------|-------------------|--------------------|------------------|--------------------|
| | Book value | Fair value | Net gains (losses) | | |
| | | | | Gains | Losses |
| Held-to-maturity debt securities | 1,926,606 | 2,092,804 | 166,198 | 184,790 | (18,592) |
| Policy-reserve-matching bonds | 13,799,326 | 13,527,225 | (272,100) | 667,808 | (939,909) |
| Investments in subsidiaries and affiliated companies | 43,624 | 44,050 | 425 | 425 | — |
| Available-for-sale securities | 13,740,636 | 15,113,583 | 1,372,947 | 2,268,171 | (895,224) |
| Domestic bonds | 2,468,761 | 2,174,180 | (294,580) | 27,573 | (322,154) |
| Domestic stocks | 1,323,271 | 3,072,377 | 1,749,105 | 1,774,963 | (25,857) |
| Foreign securities | 8,950,882 | 8,835,843 | (115,038) | 407,593 | (522,632) |
| Foreign bonds | 6,658,920 | 6,540,941 | (117,978) | 213,539 | (331,518) |
| Other foreign securities | 2,291,962 | 2,294,902 | 2,939 | 194,053 | (191,113) |
| Other securities | 355,676 | 398,928 | 43,251 | 57,063 | (13,811) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |
| Total | 29,510,192 | 30,777,663 | 1,267,470 | 3,121,196 | (1,853,726) |
| Domestic bonds | 14,714,757 | 14,314,687 | (400,069) | 694,259 | (1,094,329) |
| Domestic stocks | 1,324,111 | 3,073,642 | 1,749,531 | 1,775,389 | (25,857) |
| Foreign securities | 12,473,604 | 12,358,151 | (115,452) | 593,506 | (708,958) |
| Foreign bonds | 10,138,856 | 10,020,464 | (118,392) | 399,452 | (517,845) |
| Other foreign securities | 2,334,747 | 2,337,687 | 2,939 | 194,053 | (191,113) |
| Other securities | 355,676 | 398,928 | 43,251 | 57,063 | (13,811) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |

(Note) 1. The above table includes items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act in Japan.
2. The above table does not include stocks with no market prices, etc. and investments in partnership, etc.

●Held-to-maturity debt securities

Millions of Yen

| | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|---|----------------------------|----------------------|------------|------------|----------------------|------------|------------|
| | | Balance sheet amount | Fair value | Difference | Balance sheet amount | Fair value | Difference |
| Fair value exceeds the balance sheet amount | Bonds | 223,225 | 235,660 | 12,434 | 162,180 | 170,468 | 8,288 |
| | Foreign securities (bonds) | 1,292,200 | 1,478,302 | 186,102 | 1,315,800 | 1,492,302 | 176,502 |
| Fair value does not exceed the balance sheet amount | Bonds | 15,731 | 15,607 | (124) | 58,625 | 57,799 | (826) |
| | Foreign securities (bonds) | — | — | — | 390,000 | 372,233 | (17,766) |
| Total | | 1,531,156 | 1,729,570 | 198,413 | 1,926,606 | 2,092,804 | 166,198 |

●Policy-reserve-matching bonds

Millions of Yen

| | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|---|----------------------------|----------------------|------------|------------|----------------------|------------|------------|
| | | Balance sheet amount | Fair value | Difference | Balance sheet amount | Fair value | Difference |
| Fair value exceeds the balance sheet amount | Bonds | 8,258,437 | 9,228,002 | 969,564 | 7,553,241 | 8,211,639 | 658,397 |
| | Foreign securities (bonds) | 169,561 | 175,065 | 5,504 | 309,190 | 318,600 | 9,410 |
| Fair value does not exceed the balance sheet amount | Bonds | 3,645,235 | 3,222,896 | (422,338) | 4,471,948 | 3,700,599 | (771,348) |
| | Foreign securities (bonds) | 1,119,669 | 984,647 | (135,021) | 1,464,946 | 1,296,385 | (168,560) |
| Total | | 13,192,905 | 13,610,612 | 417,707 | 13,799,326 | 13,527,225 | (272,100) |

For available-for-sale securities, acquisition costs or amortized costs, balance sheet amount and their differences by type are as follows.

●Available-for-sale securities

Millions of Yen

| | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|---|------------------------------------|--------------------------------------|----------------------|------------|--------------------------------------|----------------------|------------|
| | | Acquisition costs or amortized costs | Balance sheet amount | Difference | Acquisition costs or amortized costs | Balance sheet amount | Difference |
| Balance sheet amount exceeds acquisition costs or amortized costs | Negotiable certificates of deposit | — | — | — | — | — | — |
| | Monetary claims bought | 60,329 | 63,565 | 3,236 | 38,221 | 39,199 | 978 |
| | Domestic bonds | 461,287 | 496,190 | 34,902 | 399,842 | 427,415 | 27,573 |
| | Domestic stocks | 833,642 | 1,918,495 | 1,084,853 | 1,167,911 | 2,942,875 | 1,774,963 |
| | Foreign securities | 2,058,172 | 2,218,554 | 160,382 | 4,407,634 | 4,816,363 | 408,729 |
| | Foreign bonds | 1,757,317 | 1,853,231 | 95,914 | 3,303,358 | 3,518,034 | 214,675 |
| | Other foreign securities | 300,854 | 365,322 | 64,468 | 1,104,275 | 1,298,329 | 194,053 |
| | Other securities | 91,605 | 111,263 | 19,658 | 202,671 | 259,734 | 57,063 |
| Balance sheet amount does not exceed acquisition costs or amortized costs | Negotiable certificates of deposit | 542,300 | 542,253 | (46) | 255,000 | 254,952 | (47) |
| | Monetary claims bought | 236,181 | 233,146 | (3,034) | 348,822 | 338,101 | (10,721) |
| | Domestic bonds | 2,564,593 | 2,337,680 | (226,913) | 2,068,919 | 1,746,765 | (322,154) |
| | Domestic stocks | 231,482 | 199,909 | (31,573) | 155,360 | 129,502 | (25,857) |
| | Foreign securities | 5,645,575 | 4,988,934 | (656,640) | 4,542,111 | 4,019,479 | (522,632) |
| | Foreign bonds | 4,402,169 | 3,935,432 | (466,736) | 3,354,425 | 3,022,906 | (331,518) |
| | Other foreign securities | 1,243,405 | 1,053,502 | (189,903) | 1,187,686 | 996,572 | (191,113) |
| | Other securities | 156,552 | 140,156 | (16,396) | 153,005 | 139,194 | (13,811) |
| Total | | 12,881,722 | 13,250,150 | 368,428 | 13,739,500 | 15,113,583 | 1,374,083 |

Book value of stocks with no market prices, etc. and investments in partnership, etc. are as follows:

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Investments in subsidiaries and affiliated companies | 789,941 | 1,193,362 |
| Available-for-sale securities | 198,522 | 261,773 |
| Domestic stocks | 21,414 | 22,762 |
| Foreign stocks | 34,558 | 34,558 |
| Others | 142,548 | 204,452 |
| Total | 988,463 | 1,455,135 |

② Fair Value Information of Money Held in Trust (Company Total)

Millions of Yen

| Classification | As of March 31, 2023 | | | | | As of March 31, 2024 | | | | |
|---------------------|----------------------|------------|--------------------|-------|--------|----------------------|------------|--------------------|-------|--------|
| | Balance sheet amount | Fair value | Net gains (losses) | | | Balance sheet amount | Fair value | Net gains (losses) | | |
| | | | | Gains | Losses | | | | Gains | Losses |
| Money held in trust | 14,990 | 14,990 | — | — | — | 24,345 | 24,345 | — | — | — |

Note: The fair values, which are deemed as market prices, are based on the values estimated reasonably by the financial institutions from which these securities were purchased.

a. Money held in trusts for trading

Millions of Yen

| Classification | As of March 31, 2023 | | | As of March 31, 2024 | | |
|----------------------------------|----------------------|--|--|----------------------|--|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | | Balance sheet amount | Net valuation gains (losses) included in statement of income | |
| Money held in trusts for trading | 14,990 | 28 | | 24,345 | 2,044 | |

b. Money held in trusts except for trading

Omitted as there are no ending balances for March 31, 2023 and 2024.

③ Fair Value Information of Derivative Transactions (Company Total)

a. Qualitative information

●Transactions details

The Company utilizes derivative instruments shown below according to its asset management policy and specific nature of individual funds it manages.

| | Exchange-traded transactions | Over-the-counter transactions |
|---|--|--|
| Interest-rate derivative instruments | — | Interest rate swaps, interest rate swaptions |
| Foreign currency derivative instruments | — | Foreign currency forward contracts, currency swaps, currency options |
| Stock derivative instruments | Stock index futures, stock index options | Individual stock options, stock index options, stock index forwards |
| Bond derivative instruments | Bond futures, bond futures options | Cash bond options |
| Others | — | Multi-asset index options |

●Policy

The Company utilizes derivative instruments primarily in order to hedge the risks of fluctuation of values of assets or liabilities held by the Company. It makes a rule not to enter into derivatives transactions that are not consistent with the specific nature of funds it manages (for example, trading of highly-leveraged financial instruments whose fair values widely fluctuate in comparison with those of their underlying assets).

●Purpose

The Company engages in hedge transactions in order to mitigate the foreign currency risk associated with assets denominated in foreign currencies. It also conducts derivative transactions with the view of containing the risk associated with the aforementioned assets within predefined limits. The Company applies hedge accounting to derivative transactions that satisfy the requirements for hedge accounting.

●Risk details

The derivative transactions the Company conducts involve, as in the case with cash assets, market risk and credit risk.

① Market risk

This risk is associated with a fluctuation in the value of portfolios or positions held by the Company primarily caused by the fluctuation in the market for interest rates, stock prices, currency exchange rates as well as a change in cash flows.

② Credit risk

This risk is associated with a fluctuation in the value of portfolios or positions held by the Company due to changes in borrowers' credit standings. (This risk also encompasses a risk that the Company will be unable to gain the expected economic effects from its positions due to the default by counterparties of derivative transactions.)

●Risk management system

① Basic policy on risk management

The Company's basic risk management policy is designed to prevent risks from materializing by ensuring the effective deployment of derivative transactions with respect to the Company's assets and liabilities, as well as periodically monitoring whether relevant departments are in compliance with investment project-specific asset management policies, management rules and reporting systems.

② Risk management department

The Company has an investment risk management department, independent of profit-earning departments, which controls and monitors the risk status concerning derivative transactions along with their underlying assets, such as stocks and bonds.

③ Risk management rules

"Investment Risk management Policy" and "Regulations for Investment Risk Management" prescribe, among others, the purpose of utilizing derivative transactions, underlying hedged items and the risk management system. In addition, each department including the asset management department is governed by individual detailed risk management rules to conform to their roles.

④ Risk management

Where derivatives are designated as part of a hedge transaction, the Company intends to understand, analyze and control the integrated quantitative risks involved in these hedging instruments and their hedged items as underlying assets.

When the Company enters into derivative transactions that are not for hedging, it sets the maximum trading value and acceptable risk levels as well as loss-cut rules, with the aim of managing positions, risk status and gains or losses related to these transactions.

●Supplementary explanation of quantitative information

① Credit risk status associated with derivative transactions

Where contracts with counterparties provide the rights to set off claims and obligations in the event of default by them, the Company computes the amount of credit risk associated with these derivative contracts using the net-amount based current exposure method, taking account of the credit lines extended to the relevant counterparties.

② Supplementary explanation of transaction gains and losses

The Company enters into hedge contracts after it has clarified the reciprocal interdependence between hedging instruments and hedged items. Therefore, gains and losses arising from derivative transactions (deployed as a means of hedging) should be recognized in combination with gains and losses arising from underlying assets and liabilities, rather than recognizing gains and losses from derivative transactions alone. It thus manages and controls hedging instruments and underlying hedged items as single units, with an eye to evaluating the hedging effects of mitigating the risks associated with fluctuations of foreign exchange rates, interest rates, etc.

Status of credit risk associated with derivative transactions

Hundred Millions of Yen

| | Contract value / Notional amount | | Estimated amount of credit risk | |
|------------------------------------|----------------------------------|----------------------|---------------------------------|----------------------|
| | As of March 31, 2023 | As of March 31, 2024 | As of March 31, 2023 | As of March 31, 2024 |
| Interest rate swaps | | | | |
| Interest rate swaptions (Bought) | 1,111 | 1,135 | 182 | 213 |
| Foreign currency forward contracts | 119,107 | 73,962 | 2,847 | 1,230 |
| Currency swaps | | | | |
| Currency options (Bought) | 15,348 | 13,701 | 1,103 | 1,282 |
| Stock options (Bought) | | | | |
| Stock index forwards | 5,471 | 5,500 | 328 | 330 |
| Multi-asset index options (Bought) | 1,861 | 2,644 | 215 | 378 |
| Total | | | 1,399 | 1,838 |

(Notes) 1. The contract value and notional amount are employed as the basis for calculation, in order to determine the amount of transaction and should not be construed as an indicator of the amount of risk.

2. The estimated amount of credit risk associated with each category of derivative transactions was calculated using the gross amount-based current exposure method without taking account of the credit lines of counterparties extended to the Company, therefore, the aggregate sum of these amounts does not match the total in the table, which was calculated based on the net amount-based current exposure method.

b. Quantitative information

●Breakdown of net gains (losses) (with and without hedge accounting applied)

Millions of Yen

| Classification | As of March 31, 2023 | | | | | | As of March 31, 2024 | | | | | |
|------------------------------|----------------------|------------------|----------------|--------------|----------------|------------------|----------------------|------------------|---------------|--------------|--------------|------------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | 4,015 | (200,674) | — | — | — | (196,659) | (13,805) | (355,739) | — | — | — | (369,545) |
| Hedge accounting not applied | 1,147 | (200,355) | (2,806) | 776 | (1,129) | (202,367) | 56 | (114,929) | (934) | 201 | 5,450 | (110,154) |
| Total | 5,163 | (401,030) | (2,806) | 776 | (1,129) | (399,026) | (13,748) | (470,669) | (934) | 201 | 5,450 | (479,700) |

(Note) Net gains (losses) from applying the fair value hedge included in gains and losses on hedge accounting applied, and net gains (losses) included in gain and loss of hedge accounting not applied are recorded on the statements of income.

Net gains (losses) from applying the fair value hedge were net losses of ¥229,955 million and net losses of ¥357,149 million in currency-related as of March 31, 2023 and 2024, respectively.

●Interest-related

(Hedge accounting not applied)

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|--------------------------------------|-----------------------------------|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Over-the-counter transactions | Interest rate swaps | | | | | | |
| | Receipts fixed, payments floating | 32,500 | 32,500 | 1,147 | 32,500 | 32,500 | 56 |
| Total | | | | 1,147 | | | 56 |

Note: Net gains (losses) represent the fair values.

(Hedge accounting applied)

Millions of Yen

| Hedge accounting model | Type | Main hedged items | As of March 31, 2023 | | As of March 31, 2024 | |
|------------------------|-----------------------------------|-----------------------|------------------------------------|--------------|------------------------------------|-----------------|
| | | | Notional amount/ contract value | Fair value | Notional amount/ contract value | Fair value |
| | | | | | | |
| | | | Over 1 year | | Over 1 year | |
| Deferred hedge method | Interest rate swaps | Loans | | | | |
| | Receipts fixed, payments floating | | 13,500 | 2,500 | (11) | (16) |
| | Interest rate swaps | Insurance liabilities | | | | |
| | Receipts fixed, payments floating | | 217,500 | 217,500 | (13,146) | (33,908) |
| Exceptional method | Interest rate swaps | Loans | | | | |
| | Receipts fixed, payments floating | | 735 | 710 | 0 | (4) |
| | Receipts floating, payments fixed | | 100,147 | 100,147 | 17,173 | 20,124 |
| Total | | | | 4,015 | | (13,805) |

●Currency-related

(Hedge accounting not applied)

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------------|---|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Over-the-counter transactions | Foreign currency forward contracts | | | | | | |
| | Sold | | | | | | |
| | (U.S. dollar) | 3,623,464 | — | (252,498) | 1,554,771 | 1,616 | (139,586) |
| | (Euro) | 1,829,812 | — | (123,913) | 1,130,673 | 1,616 | (94,938) |
| | (Australian dollar) | 1,280,422 | — | (124,993) | 239,423 | — | (28,022) |
| | | 401,852 | — | (4,138) | 125,955 | — | (12,520) |
| | Bought | | | | | | |
| | (U.S. dollar) | 3,524,394 | — | 54,022 | 1,384,308 | 1,614 | 30,257 |
| | (Euro) | 1,697,932 | — | 10,414 | 982,764 | 1,614 | 22,018 |
| | (Australian dollar) | 1,337,349 | — | 47,940 | 235,016 | — | 7,269 |
| | | 396,207 | — | (5,848) | 114,029 | — | 1,298 |
| | Currency options | | | | | | |
| | Sold | | | | | | |
| | Call | 83,200 | — | — | 407,720 | — | — |
| | (U.S. dollar) | [678] | 256 | 422 | [944] | 895 | 49 |
| | | 83,200 | — | — | 407,720 | — | — |
| | | [678] | 256 | 422 | [944] | 895 | 49 |
| | Put | — | — | — | 130,000 | — | — |
| | (U.S. dollar) | [—] | — | — | [392] | 4 | 387 |
| | | — | — | — | 130,000 | — | — |
| | | [—] | — | — | [392] | 4 | 387 |
| | Bought | | | | | | |
| | Put | 914,650 | — | — | 699,040 | — | — |
| | (U.S. dollar) | [3,933] | 1,632 | (2,301) | [3,869] | 171 | (3,697) |
| | | 914,650 | — | — | 699,040 | — | — |
| | | [3,933] | 1,632 | (2,301) | [3,869] | 171 | (3,697) |
| | Currency swaps | | | | | | |
| | (U.S. dollar) | — | — | — | 5,156 | 5,156 | (2,339) |
| | | — | — | — | 5,156 | 5,156 | (2,339) |
| Total | | | | (200,355) | | | (114,929) |

(Notes) 1. Option fees are shown in [].

2. Net gains (losses) represent the fair values for foreign currency forward contracts and the differences between the option fees and the fair values for option transactions.

(Hedge accounting applied)

Millions of Yen

| Hedge accounting model | Type | Main hedged items | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------|--|---|------------------------------------|-------------|------------|------------------------------------|-------------|------------|
| | | | Notional amount/ contract value | | Fair value | Notional amount/ contract value | | Fair value |
| | | | | Over 1 year | | | Over 1 year | |
| Fair value hedge method | Foreign currency forward contracts Sold (U.S. dollar) (Euro) (Australian dollar) | Assets denominated in foreign currencies | 4,762,898 | 702,883 | (229,955) | 4,457,128 | 447,631 | (357,149) |
| | | | 3,181,135 | 663,063 | (168,052) | 3,559,006 | 435,667 | (287,124) |
| | | | 872,598 | — | (51,356) | 560,699 | — | (27,932) |
| | | | 524,937 | 27,290 | (10,483) | 313,784 | — | (39,024) |
| Deferred hedge method | Currency swaps (U.S. dollar) (Euro) | Assets denominated in foreign currencies | 37,806 | 35,351 | (7,039) | 35,351 | 35,351 | (12,680) |
| | | | 35,351 | 35,351 | (6,634) | 35,351 | 35,351 | (12,680) |
| | | | 2,454 | — | (405) | — | — | — |
| Allocation method | Currency swaps (U.S. dollar) | Assets denominated in foreign currencies | 236,846 | 230,642 | (29,226) | 232,867 | 199,346 | (65,472) |
| | | | 236,846 | 230,642 | (29,226) | 232,867 | 199,346 | (65,472) |
| | Currency swaps (U.S. dollar) | Liabilities denominated in foreign currencies | 345,510 | 246,030 | 65,546 | 397,695 | 397,695 | 79,562 |
| | | | 345,510 | 246,030 | 65,546 | 397,695 | 397,695 | 79,562 |
| Total | | | | | (200,674) | | | (355,739) |

●Stock-related

(Hedge accounting not applied)

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|----------------------------------|---------------------|------------------------------------|------------|-----------------------|------------------------------------|----------------------|-----------------------|-------------|-------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) | | |
| | | | | | | | | Over 1 year | Over 1 year |
| Exchange-traded transactions | Stock index futures | | | | | | | | |
| | Sold | 7,576 | — | (77) | (77) | 8,940 | — | (220) | (220) |
| | Bought | 68,783 | — | 1,104 | 1,104 | 76,971 | — | 1,628 | 1,628 |
| Over-the-counter transactions | Stock index options | | | | | | | | |
| | Sold | 40,000 | — | | | — | — | | |
| | Call | [1,046] | | 390 | 656 | [—] | | — | — |
| | Bought | 547,130 | — | | | 550,000 | — | | |
| | Put | [4,936] | | 446 | (4,489) | [2,342] | | 0 | (2,342) |
| | Total | | | | (2,806) | | | | (934) |

(Notes) 1. Option fees are shown in [].

2. Net gains (losses) represent the fair values for futures trading, and the differences between the option fees and the fair values for option transactions.

(Hedge accounting applied)

Omitted as there are no ending balances for March 31, 2023 and 2024.

●Bond-related

(Hedge accounting not applied)

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|------------------------------|---------------------|------------------------------------|---|------------|-----------------------|------------------------------------|---|------------|-----------------------|
| | | Notional amount/ contract value | | Fair value | Net gains (losses) | Notional amount/ contract value | | Fair value | Net gains (losses) |
| | | Over 1 year | | | | Over 1 year | | | |
| Exchange-traded transactions | Bond futures Bought | 33,788 | — | 776 | 776 | 42,179 | — | 201 | 201 |
| | Total | | | | 776 | | | | 201 |

(Note) Net gains (losses) represent the fair values.

(Hedge accounting applied)

Omitted as there are no ending balances for March 31, 2023 and 2024.

●Others

(Hedge accounting not applied)

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|----------------------------------|---------------------------|------------------------------------|---|------------|-----------------------|------------------------------------|---|------------|-----------------------|
| | | Notional amount/ contract value | | Fair value | Net gains (losses) | Notional amount/ contract value | | Fair value | Net gains (losses) |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter transactions | Multi-asset index options | | | | | | | | |
| | Sold Call | 97,881 [291] | — | 182 | 108 | 90,352 [219] | — | 610 | (391) |
| | Bought Call | 186,144 [4,144] | — | 2,905 | (1,238) | 264,444 [5,520] | — | 11,362 | 5,842 |
| | Total | | | | (1,129) | | | | 5,450 |

(Notes) 1. Option fees are shown in [].

2. Net gains (losses) represent the differences between the option fees and the fair values.

(Hedge accounting applied)

Omitted as there are no ending balances for March 31, 2023 and 2024.

◆ Assets

1 Portfolio Trends (General Account)

a. Asset structure

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|-------------------------------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Cash, deposits and call loans | 2,076,849 | 6.0 | 1,474,957 | 3.9 |
| Monetary claims bought | 407,646 | 1.2 | 479,404 | 1.3 |
| Money held in trust | 14,990 | 0.0 | 24,345 | 0.1 |
| Investment in securities | 28,225,231 | 81.7 | 31,789,069 | 85.0 |
| Domestic bonds | 14,976,500 | 43.3 | 14,420,176 | 38.6 |
| Domestic stocks | 2,322,637 | 6.7 | 3,279,944 | 8.8 |
| Foreign securities | 10,582,451 | 30.6 | 13,560,063 | 36.3 |
| Foreign bonds | 8,370,096 | 24.2 | 10,020,877 | 26.8 |
| Other foreign securities | 2,212,355 | 6.4 | 3,539,186 | 9.5 |
| Other securities | 343,641 | 1.0 | 528,885 | 1.4 |
| Loans | 2,198,274 | 6.4 | 2,164,509 | 5.8 |
| Policy loans | 234,873 | 0.7 | 226,775 | 0.6 |
| Industrial and consumer loans | 1,963,401 | 5.7 | 1,937,734 | 5.2 |
| Real estate | 588,024 | 1.7 | 643,568 | 1.7 |
| Investment property | 403,356 | 1.2 | 468,707 | 1.3 |
| Deferred tax assets | 493,008 | 1.4 | 208,307 | 0.6 |
| Other assets | 547,963 | 1.6 | 597,969 | 1.6 |
| Allowance for possible loan losses | (867) | (0.0) | (804) | (0.0) |
| Total | 34,551,122 | 100.0 | 37,381,328 | 100.0 |
| Foreign currency denominated assets | 9,754,013 | 28.2 | 12,080,542 | 32.3 |

(Note) The total amount of land, buildings and construction in progress has been recorded as "Real estate."

b. Increase (decrease) in assets

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|-------------------------------------|----------------------------------|----------------------------------|
| | Amount | Amount |
| Cash, deposits and call loans | 1,032,339 | (601,892) |
| Monetary claims bought | 97,505 | 71,758 |
| Money held in trust | 10,076 | 9,354 |
| Investment in securities | (2,495,764) | 3,563,838 |
| Domestic bonds | 456,081 | (556,324) |
| Domestic stocks | (136,671) | 957,306 |
| Foreign securities | (2,636,443) | 2,977,612 |
| Foreign bonds | (2,360,469) | 1,650,781 |
| Other foreign securities | (275,973) | 1,326,830 |
| Other securities | (178,731) | 185,243 |
| Loans | 6,021 | (33,764) |
| Policy loans | (9,322) | (8,098) |
| Industrial and consumer loans | 15,343 | (25,666) |
| Real estate | 31,551 | 55,543 |
| Investment property | 11,178 | 65,350 |
| Deferred tax assets | 204,421 | (284,700) |
| Other assets | (13,011) | 50,006 |
| Allowance for possible loan losses | 58 | 62 |
| Total | (1,126,801) | 2,830,205 |
| Foreign currency denominated assets | (2,906,490) | 2,326,528 |

(Note) The total amount of land, buildings and construction in progress has been recorded as "Real estate."

2 Investment Yield by Asset (General Account)

%

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|-------------------------------|----------------------------------|----------------------------------|
| Cash, deposits and call loans | 2.86 | 5.21 |
| Monetary claims bought | 0.59 | 0.47 |
| Money held in trust | (1.13) | (0.68) |
| Investment in securities | 2.06 | 2.38 |
| Domestic bonds | 1.44 | 1.53 |
| Domestic stocks | 13.97 | 6.01 |
| Foreign securities | 1.54 | 3.00 |
| Foreign bonds | 0.41 | 3.44 |
| Other foreign securities | 6.16 | 1.43 |
| Loans | 1.64 | 2.06 |
| Industrial and consumer loans | 1.38 | 1.88 |
| Real estate | 2.23 | 2.12 |
| Investment property | 3.22 | 2.93 |
| Total | 1.79 | 2.10 |
| Overseas investments | 1.27 | 2.89 |

(Notes) 1. Investment yield is calculated by dividing investment income less investment expenses by the daily average book value balance.

2. In the calculation of yield, gains or losses on derivatives are included in investment income or expenses.

3. Overseas investments represent the sum of assets denominated in foreign currencies and Japanese yen.

3 Average Balance of Primary Assets (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|-------------------------------|----------------------------------|----------------------------------|
| Cash, deposits and call loans | 1,268,238 | 1,304,464 |
| Monetary claims bought | 423,906 | 531,765 |
| Money held in trust | 9,449 | 15,556 |
| Investment in securities | 28,378,349 | 28,618,729 |
| Domestic bonds | 14,631,708 | 14,790,443 |
| Domestic stocks | 1,351,763 | 1,462,639 |
| Foreign securities | 11,959,660 | 11,958,839 |
| Foreign bonds | 9,609,526 | 9,299,097 |
| Other foreign securities | 2,350,134 | 2,659,742 |
| Loans | 2,139,151 | 2,265,080 |
| Industrial and consumer loans | 1,896,723 | 2,031,067 |
| Real estate | 577,575 | 642,662 |
| Investment property | 400,978 | 464,303 |
| Total | 34,334,827 | 34,724,696 |
| Overseas investments | 13,498,138 | 13,372,842 |

4 Proprietary Trading Securities (General Account)

Proprietary trading securities are not handled.

5 Trading Volume of Proprietary Trading Securities (General Account)

Proprietary trading securities are not handled.

6 Securities (General Account)

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|---|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| National government bonds | 11,530,860 | 40.9 | 11,176,175 | 35.2 |
| Local government bonds | 179,858 | 0.6 | 179,710 | 0.6 |
| Corporate bonds | 3,265,782 | 11.6 | 3,064,290 | 9.6 |
| Public entity bonds | 2,061,529 | 7.3 | 1,826,541 | 5.7 |
| Foreign-currency-denominated bonds | 510,464 | 1.8 | 407,026 | 1.3 |
| Domestic stocks | 2,322,637 | 8.2 | 3,279,944 | 10.3 |
| Foreign securities | 10,582,451 | 37.5 | 13,560,063 | 42.7 |
| Foreign bonds | 8,370,096 | 29.7 | 10,020,877 | 31.5 |
| Foreign-currency-denominated bonds | 6,536,038 | 23.2 | 7,680,012 | 24.2 |
| Other foreign securities | 2,212,355 | 7.8 | 3,539,186 | 11.1 |
| Foreign-currency-denominated other securities | 2,083,495 | 7.4 | 3,393,525 | 10.7 |
| Other securities | 343,641 | 1.2 | 528,885 | 1.7 |
| Total | 28,225,231 | 100.0 | 31,789,069 | 100.0 |
| Foreign-currency-denominated securities | 9,129,998 | 32.3 | 11,480,564 | 36.1 |

7 Securities by Maturity Date (General Account)

(As of March 31, 2023)

Millions of Yen

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | No fixed maturity | Total |
|---|---------------|------------------------|-------------------------|-------------------------|--------------------------|---------------|-------------------|------------|
| Investment in securities | 641,677 | 1,635,200 | 2,153,332 | 2,834,342 | 4,378,369 | 11,794,162 | 4,788,145 | 28,225,231 |
| National government bonds | 481,101 | 256,651 | 796,073 | 1,636,390 | 2,645,440 | 5,715,201 | — | 11,530,860 |
| Local government bonds | 2,896 | 5,896 | — | 2,695 | 17,049 | 151,321 | — | 179,858 |
| Corporate bonds | 95,835 | 183,475 | 399,086 | 183,932 | 156,084 | 1,900,286 | 347,082 | 3,265,782 |
| Domestic stocks | | | | | | | 2,322,637 | 2,322,637 |
| Foreign securities | 61,844 | 1,188,363 | 957,210 | 1,009,969 | 1,542,968 | 4,026,333 | 1,795,761 | 10,582,451 |
| Foreign bonds | 61,844 | 1,188,363 | 943,717 | 945,281 | 1,349,429 | 3,881,460 | — | 8,370,096 |
| Other foreign securities | 0 | — | 13,493 | 64,687 | 193,539 | 144,873 | 1,795,761 | 2,212,355 |
| Other securities | — | 813 | 962 | 1,354 | 16,827 | 1,019 | 322,663 | 343,641 |
| Monetary claims bought | 142,995 | — | — | — | — | 153,716 | — | 296,712 |
| Negotiable certificates of deposit | 542,253 | — | — | — | — | — | — | 542,253 |
| Others | — | — | — | — | — | 0 | 14,990 | 14,990 |
| Total | 1,326,927 | 1,635,200 | 2,153,332 | 2,834,342 | 4,378,369 | 11,947,879 | 4,803,136 | 29,079,188 |

(As of March 31, 2024)

Millions of Yen

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | No fixed maturity | Total |
|---|---------------|------------------------|-------------------------|-------------------------|--------------------------|---------------|-------------------|------------|
| Investment in securities | 560,635 | 1,401,480 | 1,928,423 | 3,628,983 | 4,429,505 | 12,736,870 | 7,103,171 | 31,789,069 |
| National government bonds | 103,235 | 551,033 | 825,321 | 2,185,463 | 1,906,805 | 5,604,316 | — | 11,176,175 |
| Local government bonds | 5,864 | — | — | 11,864 | 7,768 | 154,212 | — | 179,710 |
| Corporate bonds | 71,559 | 257,846 | 211,222 | 190,033 | 119,884 | 1,813,662 | 400,080 | 3,064,290 |
| Domestic stocks | | | | | | | 3,279,944 | 3,279,944 |
| Foreign securities | 379,975 | 591,748 | 890,544 | 1,225,227 | 2,372,278 | 5,154,469 | 2,945,819 | 13,560,063 |
| Foreign bonds | 379,975 | 580,959 | 876,624 | 1,183,586 | 2,047,721 | 4,922,797 | 29,213 | 10,020,877 |
| Other foreign securities | 0 | 10,788 | 13,920 | 41,640 | 324,557 | 231,672 | 2,916,606 | 3,539,186 |
| Other securities | — | 853 | 1,333 | 16,393 | 22,768 | 10,208 | 477,327 | 528,885 |
| Monetary claims bought | 235,977 | — | — | — | — | 141,323 | — | 377,300 |
| Negotiable certificates of deposit | 254,952 | — | — | — | — | — | — | 254,952 |
| Others | — | — | — | — | — | 5,035 | 19,309 | 24,345 |
| Total | 1,051,564 | 1,401,480 | 1,928,423 | 3,628,983 | 4,429,505 | 12,883,229 | 7,122,481 | 32,445,668 |

(Note) The above table includes items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act in Japan.

8 Local Government Bonds by Region (General Account)

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|-----------------|----------------------|----------------------|
| Hokkaido | 131 | 429 |
| Tohoku | — | — |
| Kanto | 82,195 | 82,723 |
| Chubu | 38,923 | 38,396 |
| Kinki | 35,745 | 35,595 |
| Chugoku | 3,207 | 3,097 |
| Shikoku | — | — |
| Kyushu | 19,655 | 19,468 |
| Total | 179,858 | 179,710 |

9 Bonds Yields (General Account)

%

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|-----------------------|----------------------|----------------------|
| Domestic bonds | 1.54 | 1.53 |
| Foreign bonds | 3.23 | 3.76 |

Note: Figures in this table are calculated excluding treasury discount bills.

10 Domestic Stocks by Industry (General Account)

Millions of Yen, %

| Classification | | As of March 31, 2023 | | As of March 31, 2024 | |
|---|--|----------------------|-------|----------------------|-------|
| | | Amount | Share | Amount | Share |
| Fishery, agriculture and forestry | | 320 | 0.0 | 390 | 0.0 |
| Mining | | 100 | 0.0 | 168 | 0.0 |
| Construction | | 66,288 | 2.9 | 114,729 | 3.5 |
| Manufacturing | Food | 76,358 | 3.3 | 102,915 | 3.1 |
| | Textiles and apparel | 12,335 | 0.5 | 14,791 | 0.5 |
| | Pulp and paper | 7,141 | 0.3 | 9,541 | 0.3 |
| | Chemicals | 179,119 | 7.7 | 217,801 | 6.6 |
| | Pharmaceuticals | 189,460 | 8.2 | 257,075 | 7.8 |
| | Oil and coal products | 6,185 | 0.3 | 10,759 | 0.3 |
| | Rubber products | 8,285 | 0.4 | 17,531 | 0.5 |
| | Glass and ceramic products | 23,485 | 1.0 | 48,077 | 1.5 |
| | Iron and steel | 24,962 | 1.1 | 34,645 | 1.1 |
| | Nonferrous metals | 49,016 | 2.1 | 75,129 | 2.3 |
| | Metal products | 9,566 | 0.4 | 16,204 | 0.5 |
| | Machinery | 183,219 | 7.9 | 225,623 | 6.9 |
| | Electric appliances | 309,327 | 13.3 | 431,882 | 13.2 |
| | Transportation equipment | 69,250 | 3.0 | 135,957 | 4.1 |
| | Precision instruments | 22,097 | 1.0 | 28,309 | 0.9 |
| | Other products | 66,709 | 2.9 | 57,179 | 1.7 |
| Electric power and gas | | 27,967 | 1.2 | 41,512 | 1.3 |
| Transportation, information and communication | Land transportation | 172,698 | 7.4 | 188,113 | 5.7 |
| | Marine transportation | 11,003 | 0.5 | 15,301 | 0.5 |
| | Air transportation | 3,501 | 0.2 | 3,863 | 0.1 |
| | Warehousing and harbor transportation services | 11,411 | 0.5 | 13,496 | 0.4 |
| | Information and communication | 74,439 | 3.2 | 109,464 | 3.3 |
| Trade and services | Wholesale trade | 198,505 | 8.5 | 325,744 | 9.9 |
| | Retail trade | 40,576 | 1.7 | 57,211 | 1.7 |
| Finance and insurance | Banking | 159,289 | 6.9 | 278,814 | 8.5 |
| | Securities and trading | 6,369 | 0.3 | 15,477 | 0.5 |
| | Insurance | 200,388 | 8.6 | 249,310 | 7.6 |
| | Other financial services | 17,821 | 0.8 | 43,883 | 1.3 |
| Real estate | | 34,967 | 1.5 | 61,911 | 1.9 |
| Services | | 60,466 | 2.6 | 77,122 | 2.4 |
| Total | | 2,322,637 | 100.0 | 3,279,944 | 100.0 |

(Note) Classification is based on the "Sector classification table" by the "Securities Identification Code Committee."

11 Fair Value Information of Securities (General Account)

a. Net valuation gains (losses) on trading securities

Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------|----------------------|--|----------------------|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | Balance sheet amount | Net valuation gains (losses) included in statement of income |
| Trading securities | 14,990 | 28 | 24,345 | 2,044 |

Note: The above table includes money held in trusts for trading.

b. Fair value information of securities (with market prices except for trading securities)

Millions of Yen

| Classification | As of March 31, 2023 | | | | |
|--|----------------------|------------|--------------------|-----------|-------------|
| | Book value | Fair value | Net gains (losses) | Gains | Losses |
| Held-to-maturity debt securities | 1,531,156 | 1,729,570 | 198,413 | 198,537 | (124) |
| Policy-reserve-matching bonds | 13,192,905 | 13,610,612 | 417,707 | 975,068 | (557,360) |
| Investments in subsidiaries and affiliated companies | 53,077 | 45,626 | (7,451) | — | (7,451) |
| Available-for-sale securities | 12,881,722 | 13,250,150 | 368,428 | 1,303,032 | (934,604) |
| Domestic bonds | 3,025,881 | 2,833,870 | (192,011) | 34,902 | (226,913) |
| Domestic stocks | 1,065,125 | 2,118,405 | 1,053,280 | 1,084,853 | (31,573) |
| Foreign securities | 7,703,747 | 7,207,489 | (496,257) | 160,382 | (656,640) |
| Foreign bonds | 6,159,486 | 5,788,664 | (370,822) | 95,914 | (466,736) |
| Other foreign securities | 1,544,260 | 1,418,824 | (125,435) | 64,468 | (189,903) |
| Other securities | 248,157 | 251,419 | 3,261 | 19,658 | (16,396) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |
| Total | 27,658,862 | 28,635,959 | 977,097 | 2,476,638 | (1,499,540) |
| Domestic bonds | 15,168,512 | 15,536,037 | 367,524 | 1,016,901 | (649,376) |
| Domestic stocks | 1,065,964 | 2,118,958 | 1,052,994 | 1,084,853 | (31,858) |
| Foreign securities | 10,337,417 | 9,890,578 | (446,838) | 351,989 | (798,828) |
| Foreign bonds | 8,740,918 | 8,426,680 | (314,237) | 287,521 | (601,758) |
| Other foreign securities | 1,596,499 | 1,463,897 | (132,601) | 64,468 | (197,069) |
| Other securities | 248,157 | 251,419 | 3,261 | 19,658 | (16,396) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |

Millions of Yen

| Classification | As of March 31, 2024 | | | | |
|--|----------------------|------------|--------------------|-----------|-------------|
| | Book value | Fair value | Net gains (losses) | Gains | Losses |
| Held-to-maturity debt securities | 1,926,606 | 2,092,804 | 166,198 | 184,790 | (18,592) |
| Policy-reserve-matching bonds | 13,799,326 | 13,527,225 | (272,100) | 667,808 | (939,909) |
| Investments in subsidiaries and affiliated companies | 43,624 | 44,050 | 425 | 425 | — |
| Available-for-sale securities | 13,740,636 | 15,113,583 | 1,372,947 | 2,268,171 | (895,224) |
| Domestic bonds | 2,468,761 | 2,174,180 | (294,580) | 27,573 | (322,154) |
| Domestic stocks | 1,323,271 | 3,072,377 | 1,749,105 | 1,774,963 | (25,857) |
| Foreign securities | 8,950,882 | 8,835,843 | (115,038) | 407,593 | (522,632) |
| Foreign bonds | 6,658,920 | 6,540,941 | (117,978) | 213,539 | (331,518) |
| Other foreign securities | 2,291,962 | 2,294,902 | 2,939 | 194,053 | (191,113) |
| Other securities | 355,676 | 398,928 | 43,251 | 57,063 | (13,811) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |
| Total | 29,510,192 | 30,777,663 | 1,267,470 | 3,121,196 | (1,853,726) |
| Domestic bonds | 14,714,757 | 14,314,687 | (400,069) | 694,259 | (1,094,329) |
| Domestic stocks | 1,324,111 | 3,073,642 | 1,749,531 | 1,775,389 | (25,857) |
| Foreign securities | 12,473,604 | 12,358,151 | (115,452) | 593,506 | (708,958) |
| Foreign bonds | 10,138,856 | 10,020,464 | (118,392) | 399,452 | (517,845) |
| Other foreign securities | 2,334,747 | 2,337,687 | 2,939 | 194,053 | (191,113) |
| Other securities | 355,676 | 398,928 | 43,251 | 57,063 | (13,811) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |

(Note) 1. The above table includes items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act in Japan.

2. The above table does not include stocks with no market prices, etc. and investments in partnership, etc.

Book value of stocks with no market prices, etc. and investments in partnership, etc. are as follows:

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Investments in subsidiaries and affiliated companies | 789,941 | 1,193,362 |
| Available-for-sale securities | 198,522 | 261,773 |
| Domestic stocks | 21,414 | 22,762 |
| Foreign stocks | 34,558 | 34,558 |
| Others | 142,548 | 204,452 |
| Total | 988,463 | 1,455,135 |

Policy-reserve-matching bonds

- In order to appropriately manage fluctuations in the fair value of assets and liabilities due to fluctuations in interest rates, the Company has identified the following types of insurance policies (subsections), in accordance with Industry Audit Committee Report No. 21, "Temporary Treatment of Accounting and Auditing Concerning Policy-Reserve-Matching Bonds in the Insurance Industry," issued by the Japanese Institute of Certified Public Accountants, and has designated the holding category of the corresponding yen-denominated bonds as "Policy-reserve-matching bonds"
 - Individual life insurance and individual annuity (certain types of insurance and a certain percentage of cash flows are excluded)
 - Primary policy of 3-year variable accumulation rate insurance, etc. with guaranteed minimum interest rates
 - Defined benefit corporate pension insurance and new corporate pension insurance (only cash flows expected within the next certain period of years are identified)
 - Insured contributory pension insurance (only cash flows expected within the next certain period of years are identified)
 - Defined contribution pension insurance and interest rate-setting rider by new unit account
 - Single premium endowment insurance (certain types of insurance are excluded)
 - Interest rate variable whole life insurance (single premium)
 - Individual life insurance and individual annuity denominated in U.S. dollars
 - Individual life insurance and individual annuity denominated in Australian dollars (certain types of insurance are excluded)
- The Company periodically verifies that the duration (the extent of fair value fluctuations against fluctuations in interest rates) of the policy reserves of each insurance in these subsections coincides with the duration of the corresponding policy-reserve-matching bonds within a certain range.

c. Fair value information of money held in trust for trading (General Account)

Millions of Yen

| Classification | As of March 31, 2023 | | | | | As of March 31, 2024 | | | | |
|---------------------|----------------------|------------|--------------------|-------|--------|----------------------|------------|--------------------|-------|--------|
| | Balance sheet amount | Fair value | Net gains (losses) | | | Balance sheet amount | Fair value | Net gains (losses) | | |
| | | | | Gains | Losses | | | | Gains | Losses |
| Money held in trust | 14,990 | 14,990 | — | — | — | 24,345 | 24,345 | — | — | — |

Note: The fair values, which are deemed as market prices, are based on the values estimated reasonably by the financial institutions from which these securities were purchased.

(1) Money held in trusts for trading

Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|----------------------------------|----------------------|--|----------------------|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | Balance sheet amount | Net valuation gains (losses) included in statement of income |
| Money held in trusts for trading | 14,990 | 28 | 24,345 | 2,044 |

(2) Money held in trusts except for trading

Omitted as there are no ending balances for March 31, 2023 and 2024.

(Reference)

The following table shows fair values including values calculated based on certain assumptions for “stocks with no market prices, etc. and investments in partnership, etc.” under the accounting standards for financial instruments.

Millions of Yen

| Classification | As of March 31, 2023 | | | | |
|--|----------------------|------------|--------------------|--------------------|-------------|
| | Book value | Fair value | Net gains (losses) | Net gains (losses) | |
| | | | | Gains | Losses |
| Held-to-maturity debt securities | 1,531,156 | 1,729,570 | 198,413 | 198,537 | (124) |
| Policy-reserve-matching bonds | 13,192,905 | 13,610,612 | 417,707 | 975,068 | (557,360) |
| Investments in subsidiaries and affiliated companies | 843,019 | 879,255 | 36,235 | 43,687 | (7,451) |
| Available-for-sale securities | 13,080,244 | 13,497,116 | 416,871 | 1,352,016 | (935,144) |
| Domestic bonds | 3,025,881 | 2,833,870 | (192,011) | 34,902 | (226,913) |
| Domestic stocks | 1,086,539 | 2,139,820 | 1,053,280 | 1,084,853 | (31,573) |
| Foreign securities | 7,873,993 | 7,425,358 | (448,635) | 208,543 | (657,179) |
| Foreign bonds | 6,159,486 | 5,788,664 | (370,822) | 95,914 | (466,736) |
| Other foreign securities | 1,714,507 | 1,636,693 | (77,813) | 112,629 | (190,443) |
| Other securities | 255,018 | 259,101 | 4,082 | 20,480 | (16,397) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |
| Total | 28,647,325 | 29,716,554 | 1,069,228 | 2,569,309 | (1,500,080) |
| Domestic bonds | 15,168,512 | 15,536,037 | 367,524 | 1,016,901 | (649,376) |
| Domestic stocks | 1,269,357 | 2,322,351 | 1,052,994 | 1,084,853 | (31,858) |
| Foreign securities | 11,031,086 | 10,675,557 | (355,529) | 443,838 | (799,367) |
| Foreign bonds | 8,740,918 | 8,426,680 | (314,237) | 287,521 | (601,758) |
| Other foreign securities | 2,290,168 | 2,248,876 | (41,291) | 156,316 | (197,608) |
| Other securities | 339,559 | 343,641 | 4,082 | 20,480 | (16,397) |
| Monetary claims bought | 296,510 | 296,712 | 201 | 3,236 | (3,034) |
| Negotiable certificates of deposit | 542,300 | 542,253 | (46) | — | (46) |
| Others | — | — | — | — | — |

Millions of Yen

| Classification | As of March 31, 2024 | | | | |
|--|----------------------|------------|--------------------|--------------------|-------------|
| | Book value | Fair value | Net gains (losses) | Net gains (losses) | |
| | | | | Gains | Losses |
| Held-to-maturity debt securities | 1,926,606 | 2,092,804 | 166,198 | 184,790 | (18,592) |
| Policy-reserve-matching bonds | 13,799,326 | 13,527,225 | (272,100) | 667,808 | (939,909) |
| Investments in subsidiaries and affiliated companies | 1,236,986 | 1,355,097 | 118,110 | 118,110 | — |
| Available-for-sale securities | 14,002,409 | 15,458,404 | 1,455,994 | 2,351,609 | (895,614) |
| Domestic bonds | 2,468,761 | 2,174,180 | (294,580) | 27,573 | (322,154) |
| Domestic stocks | 1,346,034 | 3,095,139 | 1,749,105 | 1,774,963 | (25,857) |
| Foreign securities | 9,155,258 | 9,122,656 | (32,601) | 490,311 | (522,912) |
| Foreign bonds | 6,658,920 | 6,540,941 | (117,978) | 213,539 | (331,518) |
| Other foreign securities | 2,496,338 | 2,581,715 | 85,377 | 276,772 | (191,394) |
| Other securities | 390,312 | 434,173 | 43,861 | 57,781 | (13,920) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |
| Total | 30,965,328 | 32,433,531 | 1,468,202 | 3,322,319 | (1,854,116) |
| Domestic bonds | 14,714,757 | 14,314,687 | (400,069) | 694,259 | (1,094,329) |
| Domestic stocks | 1,530,838 | 3,280,369 | 1,749,531 | 1,775,389 | (25,857) |
| Foreign securities | 13,592,665 | 13,677,335 | 84,670 | 793,910 | (709,239) |
| Foreign bonds | 10,138,856 | 10,020,464 | (118,392) | 399,452 | (517,845) |
| Other foreign securities | 3,453,808 | 3,656,871 | 203,062 | 394,457 | (191,394) |
| Other securities | 485,024 | 528,885 | 43,861 | 57,781 | (13,920) |
| Monetary claims bought | 387,043 | 377,300 | (9,743) | 978 | (10,721) |
| Negotiable certificates of deposit | 255,000 | 254,952 | (47) | — | (47) |
| Others | — | — | — | — | — |

(Notes) 1. The above table includes items deemed appropriate to be handled as securities under the Financial Instruments and Exchange Act in Japan.

2. The difference between the net gains (losses) in the fair value information of securities and the net gains (losses) in this table was ¥92,131 million and ¥200,732 million as of March 31, 2023 and 2024, respectively.

Net gains (losses) on real estate (Land/leasehold)

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|-----------------------------------|----------------------|----------------------|
| Net gains (losses) on real estate | 212,562 | 213,009 |

(Note) The fair value of land is calculated using the appraisal value based on appraisals by qualified real estate appraisers or the publicly announced appraisal value with certain adjustments.

d. Fair value information of derivative transactions (total of hedge accounting applied/not applied) (General Account)

(1) Breakdown of net gains (losses) (with and without hedge accounting applied)

Millions of Yen

| Classification | As of March 31, 2023 | | | | | | As of March 31, 2024 | | | | | |
|------------------------------|----------------------|------------------|----------------|--------------|----------------|------------------|----------------------|------------------|----------------|--------------|--------------|------------------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | 4,015 | (200,674) | — | — | — | (196,659) | (13,805) | (355,739) | — | — | — | (369,545) |
| Hedge accounting not applied | 1,147 | (200,021) | (3,833) | — | (1,129) | (203,836) | 56 | (114,666) | (2,342) | — | 5,450 | (111,501) |
| Total | 5,163 | (400,696) | (3,833) | — | (1,129) | (400,496) | (13,748) | (470,406) | (2,342) | — | 5,450 | (481,047) |

(Note) Net gains (losses) from applying the fair value hedge included in gains and losses on hedge accounting applied, and net gains (losses) included in gain and loss of hedge accounting not applied are recorded on the statements of income.
Net gains (losses) from applying the fair value hedge were net losses of ¥229,955 million and net losses of ¥357,149 million in currency-related as of March 31, 2023 and 2024, respectively.

(2) Interest-related

Millions of Yen

| | | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|----------------------------------|-----------------------------------|------------------------------------|---------|------------|-----------------------|------------------------------------|---------|------------|-----------------------|
| Classification | Type | Notional amount/ contract value | | Fair value | Net gains (losses) | Notional amount/ contract value | | Fair value | Net gains (losses) |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter transactions | Interest rate swaps | | | | | | | | |
| | Receipts fixed, payments floating | 264,235 | 253,210 | (12,010) | (12,010) | 378,210 | 378,200 | (33,873) | (33,873) |
| | Receipts floating, payments fixed | 100,147 | 100,147 | 17,173 | 17,173 | 113,557 | 113,557 | 20,124 | 20,124 |
| Total | | | | | 5,163 | | | | (13,748) |

(Notes) 1. Net gains (losses) represent the fair values.

(Reference) Details of interest rate swaps

Millions of Yen, %

| Classification | As of March 31, 2024 | | | | | | |
|---|----------------------|------------------------|-------------------------|-------------------------|--------------------------|---------------|---------|
| | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | Total |
| Notional amount (receipts fixed, payments floating) | 10 | 500 | 2,000 | 700 | — | 375,000 | 378,210 |
| Average fixed rate (receipt) | 0.86 | 0.16 | 0.71 | 0.83 | — | 0.95 | 0.94 |
| Average floating rate (payment) | 0.63 | 0.41 | 0.55 | 0.47 | — | 0.01 | 0.01 |
| Notional amount (payments fixed, receipts floating) | — | — | 45,423 | 68,134 | — | — | 113,557 |
| Average fixed rate (payment) | — | — | 1.83 | 2.39 | — | — | 2.17 |
| Average floating rate (receipt) | — | — | 6.77 | 7.31 | — | — | 7.09 |

(3) Currency-related

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|----------------------------------|------------------------------------|------------------------------------|---------|------------|-----------------------|------------------------------------|----------|------------|-----------------------|
| | | Notional amount/ contract value | | Fair value | Net gains (losses) | Notional amount/ contract value | | Fair value | Net gains (losses) |
| | | Over 1 year | | | | Over 1 year | | | |
| Over-the-counter transactions | Foreign currency forward contracts | | | | | | | | |
| | Sold | 8,298,542 | 702,883 | (482,097) | (482,097) | 5,924,009 | 449,248 | (496,468) | (496,468) |
| | (U.S. dollar) | 4,959,945 | 663,063 | (292,026) | (292,026) | 4,632,049 | 437,284 | (381,858) | (381,858) |
| | (Euro) | 2,131,914 | — | (176,149) | (176,149) | 777,954 | — | (55,944) | (55,944) |
| | (Australian dollar) | 926,262 | 27,290 | (14,634) | (14,634) | 439,328 | — | (51,538) | (51,538) |
| | Bought | 3,522,443 | — | 54,000 | 54,000 | 1,383,039 | 1,614 | 30,252 | 30,252 |
| | (U.S. dollar) | 1,697,147 | — | 10,407 | 10,407 | 981,910 | 1,614 | 22,013 | 22,013 |
| | (Euro) | 1,336,183 | — | 47,926 | 47,926 | 234,683 | — | 7,270 | 7,270 |
| | (Australian dollar) | 396,207 | — | (5,848) | (5,848) | 114,029 | — | 1,298 | 1,298 |
| | Currency options | | | | | | | | |
| | Sold | | | | | | | | |
| | Call | 83,200 | — | | | 407,720 | — | | |
| | (U.S. dollar) | [678] | — | 256 | 422 | [944] | — | 895 | 49 |
| | Put | 83,200 | — | 256 | 422 | 407,720 | — | 895 | 49 |
| | (U.S. dollar) | [678] | — | — | — | [944] | — | — | — |
| | | — | — | — | — | 130,000 | — | 4 | 387 |
| | | [—] | — | — | — | [392] | — | 4 | 387 |
| | | [—] | — | — | — | 130,000 | — | 4 | 387 |
| | | [—] | — | — | — | [392] | — | — | — |
| | Bought | | | | | | | | |
| Put | 914,650 | — | 1,632 | (2,301) | 699,040 | — | 171 | (3,697) | |
| (U.S. dollar) | [3,933] | — | 1,632 | (2,301) | [3,869] | — | 171 | (3,697) | |
| | 914,650 | — | 1,632 | (2,301) | 699,040 | — | 171 | (3,697) | |
| | [3,933] | — | — | — | [3,869] | — | — | — | |
| Currency swaps | | | | | | | | | |
| (U.S. dollar) | 37,806 | 35,351 | (7,039) | (7,039) | 40,507 | 40,507 | (15,019) | (15,019) | |
| (Euro) | 35,351 | 35,351 | (6,634) | (6,634) | 40,507 | 40,507 | (15,019) | (15,019) | |
| | 2,454 | — | (405) | (405) | — | — | — | — | |
| Total | | | | | (437,016) | | | (484,496) | |

(Notes) 1. Option fees are shown in [].

2. Regarding assets and liabilities which are denominated in foreign currencies but have fixed settlement in yen under foreign currency forward contracts and currency swaps and are reported in yen amounts in the balance sheets, those foreign currency forward contracts and currency swaps are excluded from the table above. Currency swaps excluded from disclosure as of March 31, 2023 include contract value in U.S. dollar of ¥582,357 million, fair value of ¥36,319 million and net gains of ¥36,319 million; and those as of March 31, 2024 include contract value in U.S. dollar of ¥630,563 million, fair value of ¥14,089 million and net gains of ¥14,089 million.

3. Net gains (losses) represent the fair values for foreign currency forward contracts as well as swap transactions, and the differences between the option fees and the fair values for option transactions.

(4) Stock-related

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------------|---------------------|------------------------------------|------------|-----------------------|------------------------------------|--------------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| Over-the-counter transactions | Stock index options | | | | | | |
| | Sold | | | | | | |
| | Call | 40,000 [1,046] | — | 390 | 656 | — [—] | — |
| | Bought | | | | | | |
| | Put | 547,130 [4,936] | — | 446 | (4,489) | 550,000 [2,342] | 0 |
| | Put | | | | | | (2,342) |
| Total | | | | (3,833) | | | (2,342) |

(Notes) 1. Option fees are shown in [].

2. Net gains (losses) represent the differences between the option fees and the fair values.

(5) Bond-related

Omitted as there are no ending balances for March 31, 2023 and 2024.

(6) Others

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------------|---------------------------|------------------------------------|------------|-----------------------|------------------------------------|--------------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| Over-the-counter transactions | Multi-asset index options | | | | | | |
| | Sold | | | | | | |
| | Call | 97,881 [291] | — | 182 | 108 | 90,352 [219] | 610 |
| | Bought | | | | | | |
| | Call | 186,144 [4,144] | — | 2,905 | (1,238) | 264,444 [5,520] | 11,362 |
| | Call | | | | | | 5,842 |
| Total | | | | (1,129) | | | 5,450 |

(Notes) 1. Option fees are shown in [].

2. Net gains (losses) represent the differences between the option fees and the fair values.

12 Status of stockholdings

a. Criteria and approach for classifying stock investment

The Company invests in stocks from a medium- to long-term perspective, with the basic idea of obtaining stable returns over the long-term in step with growth in each investee's corporate value. See p.34-35 for responsible investment initiatives, including investments in stocks.

In addition to this basic idea, we may hold stocks for a strategic purpose, by investing in companies aimed at strengthening relationships through business alliances and collaboration.

These stocks are held as "Stockholdings other than those held solely for pure investment purposes."

b. Stockholdings other than those held solely for pure investment purposes

① Method of verifying the rationality of stockholding and verification results by the Board of Directors, etc. for individual stocks

The Board of Directors, etc. individually assesses the appropriateness of purposes and the benefits of holding each stock to verify the suitability of stockholdings.

If the appropriateness and rationality of shareholding cannot be established as a result of this verification process, the Company will take actions, including the divestment of such stocks.

② Number of stocks and balance sheet amount

Millions of Yen

| Classification | Fiscal year ended March 31, 2024 | |
|-----------------|----------------------------------|----------------------------|
| | Number of stocks | Total balance sheet amount |
| Unlisted stocks | 39 | 8,905 |
| Listed stocks | 3 | 1,580 |

c. Breakdown of stockholdings other than those held solely for pure investment purposes (excluding unlisted stocks)

| Stock name | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 | Purpose of holding, outline of the business alliance, etc., quantitative impact of the stockholding, and reason for any increase in the number of shares held |
|--------------------------|---|---|---|
| | Number of shares held (Thousand shares) | Number of shares held (Thousand shares) | |
| | Balance sheet amount (Millions of Yen) | Balance sheet amount (Millions of Yen) | |
| Advance Create Co., Ltd. | 989 | 989 | Held to maintain and strengthen the Company's alliance with the investee in the insurance sector and to obtain shareholder profits from the enhancement of the investee's corporate value on a long-term and stable basis. We are developing funeral insurance (small amount & short-term insurance) jointly with several companies, including the investee and a subsidiary of the Company. (*1) |
| | 1,032 | 1,030 | |
| IRRC Corporation | 566 | 566 | Held to maintain and strengthen the Company's alliance with the investee in the insurance sector and to obtain shareholder profits from the enhancement of the investee's corporate value on a long-term and stable basis. A subsidiary of the Company has introduced a system developed by a subsidiary of the investee. (*1) |
| | 420 | 422 | |
| Emimen Co., Ltd. | — | 45 | Held to maintain and strengthen the Company's alliance with the investee in the insurance sector and to obtain shareholder profits from the enhancement of the investee's corporate value on a long-term and stable basis. We have held the investee's shares since before it was publicly listed in October 2023. There was no change in the number of shares we hold from public listing until the end of fiscal 2023. The investee provides a senior home introduction service for our Well Aging Support - ASUNOEGAO product, and we have a business alliance with the investee concerning this support. (*1) |
| | — | 127 | |

*1 The quantitative impact of the stockholding is not presented in view of factors such as the need to maintain the confidentiality of individual transaction information. However, the Board of Directors has specifically examined aspects such as the appropriateness of the purpose of holding and the benefits obtained from the shareholding and verified the appropriateness of continuing to hold the relevant stock.

d. Stockholdings for pure investment purposes

| Classification | Fiscal year ended March 31, 2024 | |
|-----------------|----------------------------------|----------------------------|
| | Number of stocks | Total balance sheet amount |
| Unlisted stocks | 224 | 7,992 |
| Others | 1,135 | 3,104,484 |

| Classification | Year ended March 31, 2024 | | | |
|-----------------|---------------------------|---------------------------------|---------------------------------|-------------------------|
| | Dividend income | Total gains (losses) from sales | Total valuation gains (losses) | |
| | | | Total unrealized gains (losses) | Total impairment losses |
| Unlisted stocks | 566 | 3 | — | (35) |
| Others | 72,333 | 22,704 | 1,751,962 | (3,904) |

13 Loans (General Account)

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Policy loans | 234,873 | 226,775 |
| Policy holder loans | 214,618 | 207,831 |
| Premium loans | 20,255 | 18,944 |
| Industrial and consumer loans | 1,963,401 | 1,937,734 |
| [Loans to non-residents] | [141,112] | [154,522] |
| Corporate loans | 1,762,288 | 1,815,024 |
| [Corporate loans - domestic] | [1,621,176] | [1,660,502] |
| Loans to national, international and government-affiliated organizations | 169,994 | 89,835 |
| Loans to public entities | 29,500 | 31,500 |
| Housing loans | 1,614 | 1,372 |
| Consumer loans | 3 | 2 |
| Other loans | — | — |
| Total | 2,198,274 | 2,164,509 |

14 Industrial and Consumer Loans by Maturity Date (General Account)

(As of March 31, 2023)

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | No fixed maturity | Total |
|---------------------|----------------|------------------------|-------------------------|-------------------------|--------------------------|----------------|-------------------|------------------|
| Floating-rate loans | 50,914 | 5,662 | 48,099 | 13,199 | 68,483 | 91,231 | 6,000 | 283,591 |
| Fixed-rate loans | 259,049 | 233,306 | 226,014 | 130,227 | 274,284 | 556,926 | — | 1,679,809 |
| Total loans | 309,963 | 238,969 | 274,114 | 143,427 | 342,768 | 648,157 | 6,000 | 1,963,401 |

(As of March 31, 2024)

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years | No fixed maturity | Total |
|---------------------|----------------|------------------------|-------------------------|-------------------------|--------------------------|----------------|-------------------|------------------|
| Floating-rate loans | 60,513 | 7,941 | 61,603 | 73,787 | 8,258 | 98,581 | 40,000 | 350,685 |
| Fixed-rate loans | 199,679 | 235,978 | 176,728 | 149,517 | 274,824 | 550,319 | — | 1,587,048 |
| Total loans | 260,192 | 243,919 | 238,332 | 223,305 | 283,083 | 648,901 | 40,000 | 1,937,734 |

15 Loans to Domestic Companies by Company Size (General Account)

Number of borrowers, Millions of Yen, %

| Classification | | As of March 31, 2023 | | As of March 31, 2024 | |
|-----------------------------------|---------------------|----------------------|-------|----------------------|-------|
| | | | Share | | Share |
| Large companies | Number of borrowers | 171 | 72.8 | 168 | 72.7 |
| | Amount of loans | 1,410,418 | 87.0 | 1,438,767 | 86.6 |
| Medium-sized companies | Number of borrowers | — | — | — | — |
| | Amount of loans | — | — | — | — |
| Small companies | Number of borrowers | 64 | 27.2 | 63 | 27.3 |
| | Amount of loans | 210,757 | 13.0 | 221,735 | 13.4 |
| Total loans to domestic companies | Number of borrowers | 235 | 100.0 | 231 | 100.0 |
| | Amount of loans | 1,621,176 | 100.0 | 1,660,502 | 100.0 |

(Notes) 1. Classifications are defined as follows:

| Company size | 1. All industries (excluding 2. – 4.) | 2. Retail and restaurants | 3. Services | 4. Wholesale |
|------------------------|---|---|--|---|
| Large companies | Paid-in capital ¥1.0 billion or more | Paid-in capital ¥1.0 billion or more | Paid-in capital ¥1.0 billion or more | Paid-in capital ¥1.0 billion or more |
| Medium-sized companies | More than 300 employees and Paid-in capital between ¥0.3 billion and ¥1.0 billion | More than 50 employees and Paid-in capital between ¥0.05 billion and ¥1.0 billion | More than 100 employees and Paid-in capital between ¥0.05 billion and ¥1.0 billion | More than 100 employees and Paid-in capital between ¥0.1 billion and ¥1.0 billion |
| Small companies | Paid-in capital under ¥0.3 billion or 300 employees or less | Paid-in capital under ¥0.05 billion or 50 employees or less | Paid-in capital under ¥0.05 billion or 100 employees or less | Paid-in capital under ¥0.1 billion or 100 employees or less |

2. Number of borrowers is the number of borrowers identified by name and is not the number of loans.

3. The number of employees and the amount of paid-in capital are based on information available to the Company at the time of preparation of these materials.

4. The services industry comprises the "rental and leasing services," "scientific, professional, and technical services," "lodging," "lifestyle and leisure," "education and training," "medical and welfare," and "other services."

5. Size classifications are based on the classification of size used in the Bank of Japan's "Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industry)."

16 Industrial and Consumer Loans by Industry (General Account)

Millions of Yen, %

| Classification | | | As of March 31, 2023 | | As of March 31, 2024 | |
|----------------|---------------------------------|---|----------------------|-----------|----------------------|-------|
| | | | Amount | Share | Amount | Share |
| Domestic | Manufacturing | Food | 163,498 | 8.3 | 152,502 | 7.9 |
| | | Textiles and apparel | 14,014 | 0.7 | 14,774 | 0.8 |
| | | Wood, wood products | 900 | 0.0 | 900 | 0.0 |
| | | Pulp and paper | 400 | 0.0 | 100 | 0.0 |
| | | Printing | 16,700 | 0.9 | 18,380 | 0.9 |
| | | Chemicals | — | — | — | — |
| | | Oil and coal products | 26,316 | 1.3 | 25,922 | 1.3 |
| | | Ceramics, soil and stone | 25,800 | 1.3 | 26,800 | 1.4 |
| | | Iron and steel | 10,056 | 0.5 | 10,182 | 0.5 |
| | | Nonferrous metals | 18,100 | 0.9 | 8,100 | 0.4 |
| | | Metal products | 4,650 | 0.2 | 4,650 | 0.2 |
| | | General purpose, production, and industrial machinery | 1,021 | 0.1 | 1,000 | 0.1 |
| | | Electric appliances | 12,847 | 0.7 | 13,537 | 0.7 |
| | | Transportation equipment | 16,130 | 0.8 | 12,357 | 0.6 |
| | | Other manufacturing products | 15,542 | 0.8 | 14,800 | 0.8 |
| | | 1,020 | 0.1 | 1,000 | 0.1 | |
| | | Agriculture and forestry | — | — | — | — |
| | | Fishery | — | — | — | — |
| | | Mining, quarrying and gravel mining | — | — | — | — |
| | | Construction | 10,487 | 0.5 | 10,825 | 0.6 |
| | | Electric power, gas, heat supply and waterworks | 241,496 | 12.3 | 257,107 | 13.3 |
| | | Information and communication | 20,990 | 1.1 | 23,500 | 1.2 |
| | | Logistics and postal services | 169,955 | 8.7 | 172,955 | 8.9 |
| | | Wholesale trade | 339,500 | 17.3 | 322,600 | 16.6 |
| | | Retail trade | 4,990 | 0.3 | 4,871 | 0.3 |
| | | Financing and insurance | 396,523 | 20.2 | 440,747 | 22.7 |
| | | Real estate | 188,359 | 9.6 | 192,147 | 9.9 |
| | | Rental and leasing services | 107,232 | 5.5 | 107,012 | 5.5 |
| | | Scientific, professional, and technical services | — | — | — | — |
| | | Lodging | — | — | — | — |
| | | Restaurants | — | — | — | — |
| | | Lifestyle and leisure | — | — | — | — |
| | | Education and training | — | — | — | — |
| | | Medical and welfare | — | — | — | — |
| | | Other services | 8,000 | 0.4 | 8,000 | 0.4 |
| | | Local organizations and public entities | — | — | — | — |
| | | Individuals (residential/consumption/local taxes/other) | 1,618 | 0.1 | 1,374 | 0.1 |
| | Subtotal | 1,822,288 | 92.8 | 1,783,211 | 92.0 | |
| Overseas | Governments and public entities | | — | — | — | — |
| | Financial institutions | | 141,112 | 7.2 | 154,522 | 8.0 |
| | Commerce and industry | | — | — | — | — |
| | Subtotal | | 141,112 | 7.2 | 154,522 | 8.0 |
| Total loans | | | 1,963,401 | 100.0 | 1,937,734 | 100.0 |

(Notes) 1. Domestic sectors are based on the industry classifications used in the Bank of Japan's "Loans and Bills Discounted and New Loans for Fixed Investment by Sector (by Type of Industry)."

2. "Subtotal of domestic loans" as well as "total loans" include loans to the Japanese government. (¥169.6 billion as of March 31, 2023; ¥89.5 billion as of March 31, 2024)

17 Loans by Use (General Account)

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|---------------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Capital investments | 181,620 | 9.3 | 169,799 | 8.8 |
| Operations | 1,048,388 | 53.4 | 1,055,221 | 54.5 |

(Note) Share refers to the percentage to industrial and consumer loans.

18 Loans by Region (General Account)

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|----------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Hokkaido | 9,266 | 0.5 | 10,070 | 0.6 |
| Tohoku | 17,110 | 0.9 | 18,102 | 1.0 |
| Kanto | 1,502,644 | 82.5 | 1,465,159 | 82.2 |
| Chubu | 97,100 | 5.3 | 92,300 | 5.2 |
| Kinki | 140,366 | 7.7 | 144,151 | 8.1 |
| Chugoku | 15,112 | 0.8 | 17,400 | 1.0 |
| Shikoku | 5,550 | 0.3 | 5,430 | 0.3 |
| Kyushu | 33,520 | 1.8 | 29,224 | 1.6 |
| Total | 1,820,670 | 100.0 | 1,781,837 | 100.0 |

(Notes) 1. Does not include personal loans, loans related to non-residents and policy loans, etc.

2. Geographical classifications are based on information on head office locations of the borrowers available to the Company at the time of preparation of these materials.

19 Loans by Collateral (General Account)

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Secured loans | 10,732 | 0.5 | 9,534 | 0.5 |
| Loans secured by securities | — | — | — | — |
| Loans secured by real estate, movables and foundations | 10,732 | 0.5 | 9,534 | 0.5 |
| Loans secured by personal guarantees | — | — | — | — |
| Guarantee loans | 12,656 | 0.6 | 10,838 | 0.6 |
| Fiduciary loans | 1,938,394 | 98.7 | 1,915,986 | 98.9 |
| Other loans | 1,618 | 0.1 | 1,374 | 0.1 |
| Industrial and consumer loans | 1,963,401 | 100.0 | 1,937,734 | 100.0 |
| Subordinated loans | 125,800 | 6.4 | 162,300 | 8.4 |

20 Status of Loans under the Insurance Business Act

Millions of Yen, %

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Bankrupt and quasi-bankrupt loans | — | — |
| Doubtful loans | 783 | 585 |
| Loans in arrears for three months or longer | — | — |
| Restructured loans | — | — |
| Subtotal | 783 | 585 |
| [Percentage of total] | [0.01] | [0.01] |
| Normal loans | 6,211,212 | 7,378,897 |
| Total | 6,211,996 | 7,379,482 |

Notes: 1. Bankrupt or quasi-bankrupt loans represent loans or quasi-loans to borrowers who have fallen into bankruptcy due to reasons such as the filing of a petition for the commencement of bankruptcy proceedings, the commencement of reorganization proceedings or the commencement of rehabilitation proceedings.

2. Doubtful loans represent loans with a strong likelihood that the loan principal cannot be recovered or interest cannot be received according to the contract due to the borrower, although not yet in bankruptcy, experiencing difficulties in financial position and business performance (excluding loans in the above Note 1).

3. Loans in arrears for three months or longer represent loans on which payments of principal or interest are past due over three months from the day following the contractual due date (excluding loans in the above notes 1 and 2).

4. Restructured loans represent loans that have been restructured to provide certain concessions favorable to the borrowers such as by reducing or waiving interest payments, by rescheduling repayments of principal or payments of interest, or by waiving claims for borrowers in order to support or financially rehabilitate such borrowers (excluding loans in the above notes 1 through 3).

5. Normal loans represent loans that do not fall under the classifications in the above notes 1 through 4, and where the borrower has no financial or business performance problems.

(Reference) Status of Allowance for possible loan losses

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Balance of specific allowance for possible loan losses | 247 | 263 |
| Balance of general allowance for possible loan losses | 619 | 541 |
| Total allowance for possible loan losses | 867 | 804 |

21 Status of Loans in Trust from Contract for Replacement of Loss

Not applicable.

22 Status of Insurance Claims Paying Ability (Solvency Margin Ratio)

Millions of Yen

| Items | As of March 31, 2023 | As of March 31, 2024 |
|--|----------------------|----------------------|
| Solvency margin gross amount (A) | 4,257,297 | 5,358,237 |
| Foundation funds and others | 902,886 | 963,075 |
| Reserve for price fluctuation | 849,526 | 907,826 |
| Contingency reserve | 752,500 | 769,500 |
| General allowance for possible loan losses | 619 | 541 |
| (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)) × 90% (Multiplied by 100% if losses) | 369,236 | 1,276,042 |
| Net unrealized gains on real estate × 85% (Multiplied by 100% if losses) | 140,576 | 143,513 |
| Excess of continued Zillmerized reserve | 727,392 | 729,409 |
| Qualifying subordinated debt | 566,510 | 618,695 |
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation | — | — |
| Deduction clause | (160,000) | (160,000) |
| Others | 108,048 | 109,632 |
| Total amount of risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B) | 1,047,545 | 1,493,334 |
| Insurance risk R_1 | 61,574 | 59,651 |
| Third-sector insurance risk R_8 | 69,167 | 70,199 |
| Risk of assumed yield R_2 | 175,772 | 181,889 |
| Minimum guarantee risk R_7^* | 2,973 | 2,855 |
| Investment risk R_3 | 837,483 | 1,271,094 |
| Operational risk R_4 | 22,939 | 31,713 |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$ | 812.8% | 717.6% |

* The standard method is used for the calculation of the amount equivalent to minimum guarantee risk, in accordance with Appendix 6-2 of Ministry of Finance Public Notice No. 50 of 1996.

(Note) The above table was calculated based on Article 130 of the Insurance Business Act, Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Public Notice No. 50 of 1996.

◆ Solvency margin ratio

The “solvency margin” refers to the “amount of surplus capacity available to make payments” to cover its liabilities when risks that could not normally be anticipated, such as a massive earthquake or a stock market collapse, have materialized.

The solvency margin ratio is a percentage of “solvency margin gross amount” to the portion of “quantified total amount of risk” exceeding the quantified amount of risks that could normally be anticipated; it is one of the indicators to gauge the insurer’s ability to cover liabilities when unforeseen events occur.

When this ratio falls below 200%, an insurance company is subject to administrative intervention by the regulatory agencies to take “prompt corrective action.”

The solvency margin ratio is one of the financial indicators indicating sound business management, however, it should not be solely relied upon to evaluate the business management soundness of an insurance company. The evaluation of sound business management should be made in a comprehensive manner with due consideration of not only the solvency margin ratio but also other business management information such as asset management performance and trends in business results.

◆ Solvency margin gross amount

Component items of the "solvency margin gross amount" and their statutory grounds are shown below.

| Items | Description | Statutory grounds | | | | | | | | | | | | | | | |
|--|--|--|----------------------|----------------------|---|---------|---------|---|---|---------|--|---------|---------|-------------------------------|---|---|---|
| Foundation funds and others | <p>The amount represents the total net assets after deduction of the total valuation and translation adjustments and the amount to be distributed as an appropriation of surplus (including provisions for policyholders' dividend reserves) on the balance sheets. Meanwhile, of the items specified in Article 86 Paragraph 1 Item 1 of the Ordinance for Enforcement of the Insurance Business Act, the amounts presented under the assets section of the balance sheets and deferred assets presented under the assets section of the balance sheets pursuant to the provisions set forth in the first sentence of Article 113 of the Insurance Business Act (hereinafter "the Act") were not applicable.</p> $\text{Foundation funds} = \text{Total net assets on the balance sheets} - \text{Total valuation and translation adjustments} - \text{The amount to be distributed as an appropriation of surplus} - \text{Others (Deferred assets, etc.)}$ | Article 86 Paragraph 1 Item 1 of the Ordinance for Enforcement of the Insurance Business Act (hereinafter "the Ordinance") | | | | | | | | | | | | | | | |
| Foundation funds (kikin) | Foundation funds (<i>kikin</i>), components of "foundation funds and others", are described below. Foundation funds (<i>kikin</i>) are the equivalent to a stock company's capital. They are collateral assets of a mutual company prescribed by the Act and presented under the net assets section of the balance sheets. Foundation funds (<i>kikin</i>) are redeemed on the due dates and, upon the redemption of principal amount, it is required to provide the reserve for redemption of foundation funds with the amount equal to that. These reserves are served as their retained surplus. For further information on redemption dates for foundation funds (<i>kikin</i>), please refer to "Fund redemption schedule" on page 156. | | | | | | | | | | | | | | | | |
| Reserve for price fluctuation | The amount represents the value of the reserve for price fluctuation presented on the balance sheets. Insurance companies are required to provide for losses arising from the fluctuations in the prices of stocks and other securities held by them under the provisions of Article 115 Paragraph 1 of the Act. Companies are allowed to reverse the reserve when they need to cover the negative difference stemming from losses on sales of stocks and other securities in excess of gains on sales of stocks and other securities or when they obtain permission from the Commissioner of Financial Services Agency. | Article 86 Paragraph 1 Item 2 of the Ordinance | | | | | | | | | | | | | | | |
| Contingency reserves | The amount represents the value of contingency reserves, a component of policy reserves presented on the balance sheets. Pursuant to Article 69 Paragraph 1 Item 3 of the Ordinance, insurance companies are required to make provisions for contingency reserves against potential risks (i.e., insurance risk, third-sector insurance risk, risk of assumed yield and minimum guarantee risk) in order to fulfill future obligations that may arise under insurance policies. When there are mortality losses, interest losses and the outstanding balance of minimum guarantee premiums falling below the amount of the minimum guaranteed insurance benefits, insurance companies are allowed to reverse the reserves to cover these losses. Separately, insurance companies may reverse the reserves for other purposes due to unavoidable circumstances concerning their operations, financial conditions, etc. * For the terminology of insurance risk, third-sector insurance risk, risk of assumed yield and minimum guarantee risk, please refer to "Total amount of risk." | Article 86 Paragraph 1 Item 3 of the Ordinance | | | | | | | | | | | | | | | |
| General allowance for possible loan losses | The amount represents the value of the general allowance for possible loan losses, a component of the allowance for possible loan losses presented on the balance sheets. | Article 86 Paragraph 1 Item 4 of the Ordinance | | | | | | | | | | | | | | | |
| Net unrealized gains (losses) on available-for-sale securities / deferred gains (losses) on hedges (before tax effects) | The amount represents the total amount of the figures below before tax effects multiplied by 0.90 in case it is a positive figure and 1.00 in case it is a negative figure. A. Net unrealized gains (losses) on available-for-sale securities on the balance sheets B. Deferred gains (losses) on hedges on the balance sheets (limited to cases where net gains (losses) associated with hedged items are included in net gains (losses) on available-for-sale securities on the balance sheets) | Article 86 Paragraph 1 Item 5 of the Ordinance | | | | | | | | | | | | | | | |
| Net unrealized gains on real estate | If the difference between the fair value of real estate and its book value is positive, it is multiplied by 85%, if negative, it is multiplied by 100% and the resulting amount is presented. The difference between the fair value and book value of real estate includes the total amount of land revaluation differences presented on the balance sheets and deferred tax liabilities for land revaluation presented on the balance sheets. | Article 86 Paragraph 1 Item 6 of the Ordinance | | | | | | | | | | | | | | | |
| Excess of continued Zillmerized reserve | With regard to the following A, B and C, the components of policy reserves presented on the balance sheets, the amount represents the value of A after deduction of B and C. A. The total amount of insurance reserve funds and unearned insurance premiums B. Either the following (i) or (ii), whichever is greater. (i) The total amount of insurance reserve funds calculated using the method for amortizing expenses at the conclusion of insurance policies over the premium payment period or similar methods, and unearned insurance premiums. (ii) The amount of payments calculated based on the assumption that insurance policies expired without insurable incidents. C. The necessary amount of additional provisions for insurance reserve funds confirmed by the verification of an appointed actuary pursuant to Article 121 Paragraph 1 of the Act and by other verification measures, estimated based on the assumption that no additional provisions for insurance reserve funds subject to Article 69 Paragraph 5 of the Ordinance have been made. | Article 86 Paragraph 1 Item 7 of the Ordinance and Article 1 Paragraph 4 Item 1 of the Ministry of Finance Public Notice No. 50 of 1996 (hereinafter "the Public Notice No. 50") | | | | | | | | | | | | | | | |
| Qualifying subordinated debt | <p>The amount represents the value of qualifying subordinated debt, a component of loans payable presented on the balance sheets, as stated below.</p> <p style="text-align: right;">Millions of Yen</p> <table> <tr> <th>Items</th><th>As of March 31, 2023</th><th>As of March 31, 2024</th></tr> <tr> <td>The amount of qualifying subordinated debt ((i)+(ii)+(iii))</td><td>566,510</td><td>618,695</td></tr> <tr> <td>The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-a of the Public Notice No. 50 (i.e. perpetual subordinated debt) (i)</td><td>—</td><td>151,665</td></tr> <tr> <td>The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-b of the Public Notice No. 50 (i.e. subordinated debt with maturity dates) (ii)</td><td>566,510</td><td>467,030</td></tr> <tr> <td>The amount of exclusion (iii)</td><td>—</td><td>—</td></tr> </table> | Items | As of March 31, 2023 | As of March 31, 2024 | The amount of qualifying subordinated debt ((i)+(ii)+(iii)) | 566,510 | 618,695 | The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-a of the Public Notice No. 50 (i.e. perpetual subordinated debt) (i) | — | 151,665 | The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-b of the Public Notice No. 50 (i.e. subordinated debt with maturity dates) (ii) | 566,510 | 467,030 | The amount of exclusion (iii) | — | — | Article 86 Paragraph 1 Item 7 of the Ordinance and Article 1 Paragraph 4 Item 5 of the Public Notice No. 50 |
| Items | As of March 31, 2023 | As of March 31, 2024 | | | | | | | | | | | | | | | |
| The amount of qualifying subordinated debt ((i)+(ii)+(iii)) | 566,510 | 618,695 | | | | | | | | | | | | | | | |
| The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-a of the Public Notice No. 50 (i.e. perpetual subordinated debt) (i) | — | 151,665 | | | | | | | | | | | | | | | |
| The amount of the instrument as prescribed in Article 1 Paragraph 4 Item 5-b of the Public Notice No. 50 (i.e. subordinated debt with maturity dates) (ii) | 566,510 | 467,030 | | | | | | | | | | | | | | | |
| The amount of exclusion (iii) | — | — | | | | | | | | | | | | | | | |

| | | |
|---|---|---|
| Excess of continued Zillmerized reserve and qualifying subordinated debt not included in margin calculation | The amount represents the excess of the value of the total amount of excess of continued Zillmerized reserve and qualifying subordinated debt (excluding specified qualifying subordinated debt as prescribed in Article 1 Paragraph 6 of the Public Notice No. 50) over the amount of core capacity for the payment of insurance claims (the total amount of foundation funds, reserve for price fluctuation, contingency reserve, the unallocated portion of dividend reserves and net unrealized losses on available-for-sale securities after deduction of the amount of deferred tax assets and the balance of unamortized commission associated with reinsurance contracts as stipulated in Article 1 Paragraph 5 of the Public Notice No. 50 to be excluded). | Article 86 Paragraph 1 Item 7 of the Ordinance and Article 1 Paragraph 5 of the Public Notice No. 50 |
| Deduction clause | The amount represents the total amount of the following items. A. The amount represents the value of "intentionally held" capital instruments as specified by the general supervisory guidance for insurance companies among all the capital instruments held by the Company issued by other insurance companies and financial institutions. B. The amount represents the balance of unamortized commission associated with reinsurance contracts as stipulated in Article 1-3 of the Public Notice No.50. | Article 86 Paragraph 1 Item 7 of the Ordinance and Article 1-2 and 3 of the Public Notice No. 50 |
| Others | The amount represents the total amount of the following items. A. Exclusion from deferred tax assets. This is an amount equal to the excess of the value of 20% of the base amount for inclusion of deferred tax assets among the total amount of deferred tax assets (excluding the amount related to reserve for price fluctuation, policy reserves and valuation and translation adjustments) as prescribed in Article 1 Paragraph 1 of the Public Notice No. 50. B. Unallocated portion of dividend reserves. The unallocated portion of dividend reserves represents the excess of the value of policyholders' dividend reserves presented on the balance sheets (including policyholders' dividend reserves after deduction of the required amount of dividends for the following year), over the allocated portion as distribution of surplus to policyholders. C. Tax effect amounts. The tax effect amount represents the value of funds that can be sourced mainly from the reversal of voluntary surplus reserves in the expectation that they can be deployed as counter-measures against various risks. | Article 86 Paragraph 1 of the Ordinance and Article 1 Paragraph 1, Paragraph 4 Items 2 and 3, and Paragraph 7 of the Public Notice No. 50 |

◆Total amount of risk

Component items of the "total amount of risk" and their statutory grounds are shown below.

| Items | Description | Statutory grounds |
|-----------------------------|--|--------------------------------------|
| Insurance risk | The amount represents the value of insurance risk. The insurance risk refers to the "risk of actual insurable incidents occurring with higher frequency than normally anticipated" except for the risk associated with third-sector insurance. Insurance risk comprises the risks associated with death due to illness/accident, risks of pure endowment and other risks. | Article 87 Item 1 of the Ordinance |
| Third-sector insurance risk | The amount represents the value of third-sector insurance risk. The third-sector insurance risk refers to the "risk of actual insurable incidents occurring with higher frequency than normally anticipated" associated with third-sector insurance. The third-sector insurance risk comprises the risks measured by the stress test, risks associated with death due to accident, risks of hospitalization due to accident, risks of hospitalization due to illness and other risks. | Article 87 Item 1-2 of the Ordinance |
| Risk of assumed yield | The amount represents the value of risk of assumed yield. The risk of assumed yield refers to the "risk of not being able to secure an assumed yield that serves as the basis for calculating policy reserves." | Article 87 Item 2 of the Ordinance |
| Minimum guarantee risk | The amount represents the value of minimum guarantee risk. The minimum guarantee risk is related to insurance policies with separate accounts that guarantee a minimum amount of claims paid. It is defined as the "risk of which the value of assets held in separate accounts fall short of the minimum guaranteed amount of claims paid of said insurance policies at the time of paying the claims paid" and the "risk which arises from greater fluctuations in the value of assets held in separate accounts than could normally be anticipated." | Article 87 Item 2-2 of the Ordinance |
| Investment risk | The amount represents the value of investment risk. This investment risk refers to the "risk related to investment activity, which arises from greater fluctuations than normally anticipated in the price of securities and other assets held by the Company." Investment risk comprises the risks associated with price fluctuations, credit, credit spreads, subsidiaries, derivative transactions, reinsurance and reinsurance claim recovery. | Article 87 Item 3 of the Ordinance |
| Operational risk | The amount represents the value of operational risk. The operational risk refers to the "risk that occurs in business operations, which is greater than risks normally anticipated. This type of risk does not fall under the category of insurance risk, third-sector insurance risk, risk of assumed yield, minimum guarantee risk or investment risk." | Article 87 Item 4 of the Ordinance |

23 Internal reserves and surplus*1

Billions of Yen

| Classification | | As of March 31, 2023 | As of March 31, 2024 |
|---------------------------------|--|----------------------|----------------------|
| Internal reserves and surplus*1 | | 2,496.0 | 2,581.3 |
| Liabilities | Contingency reserves | 752.5 | 769.5 |
| | Reserve for price fluctuation | 849.5 | 907.8 |
| Net assets*2 | Fund for price fluctuation allowance | 255.0 | 255.0 |
| | Reserve for fund redemption + reserve for redemption of foundation funds | 639.0 | 649.0 |

*1 Total of contingency reserves, reserve for price fluctuation, fund for price fluctuation allowance, and reserve for fund redemption (including reserve for redemption of foundation funds).

*2 The amounts shown are after the appropriation of surplus.

24 Tangible Fixed Assets

a. Tangible fixed assets

(As of March 31, 2023)

Millions of Yen, %

| Classification | Beginning balance | Increase in the fiscal year | Decrease in the fiscal year | Depreciation in the fiscal year | Ending balance | Accumulated depreciation | Accumulated depreciation percentage |
|-----------------------------|-------------------|-----------------------------|-----------------------------|---------------------------------|----------------|--------------------------|-------------------------------------|
| Land | 356,840 | 50,298 | 22,051 [350] | — | 385,086 | — | — |
| Buildings | 177,432 | 42,051 | 8,651 [1,970] | 13,063 | 197,769 | 415,947 | 67.7 |
| Lease assets | 3,061 | 119 | 2 | 1,450 | 1,727 | 6,627 | 79.3 |
| Construction in progress | 22,200 | 43,904 | 60,935 | — | 5,169 | — | — |
| Other tangible fixed assets | 4,032 | 2,539 | 561 | 1,291 | 4,720 | 17,748 | 78.9 |
| Total | 563,567 | 138,913 | 92,203 | 15,805 | 594,472 | 440,324 | — |

(As of March 31, 2024)

Millions of Yen, %

| Classification | Beginning balance | Increase in the fiscal year | Decrease in the fiscal year | Depreciation in the fiscal year | Ending balance | Accumulated depreciation | Accumulated depreciation percentage |
|-----------------------------|-------------------|-----------------------------|-----------------------------|---------------------------------|----------------|--------------------------|-------------------------------------|
| Land | 385,086 | 48,000 | 757 [74] | — | 432,329 | — | — |
| Buildings | 197,769 | 25,305 | 4,244 [30] | 13,922 | 204,907 | 390,916 | 65.6 |
| Lease assets | 1,727 | 97 | 2 | 1,246 | 575 | 7,185 | 92.5 |
| Construction in progress | 5,169 | 69,441 | 68,280 | — | 6,331 | — | — |
| Other tangible fixed assets | 4,720 | 639 | 110 | 1,341 | 3,907 | 15,831 | 80.2 |
| Total | 594,472 | 143,484 | 73,395 | 16,510 | 648,051 | 413,933 | — |

(Notes) 1. Figures in [] under the "Decrease in the fiscal year" column indicate the amount of decrease due to impairment losses.

2. The balance of investment and rental properties was ¥469,084 million as of March 31, 2024.

b. Amount of real estate and numbers of buildings held for leasing

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Amount of real estate | 588,024 | 643,568 |
| For business operations | 184,668 | 174,860 |
| For lease | 403,356 | 468,707 |
| Number of buildings held for leasing | 84 | 82 |

25 Other Assets

(As of March 31, 2023)

Millions of Yen

| Type of asset | Acquisition cost | Increase in the fiscal year | Decrease in the fiscal year | Accumulated depreciation | Ending balance |
|-----------------|------------------|-----------------------------|-----------------------------|--------------------------|----------------|
| Deferred assets | 22,298 | 397 | 176 | 21,322 | 975 |
| Others | 12,932 | 76,644 | 92,524 | 0 | 12,932 |
| Total | 35,230 | 77,042 | 92,701 | 21,322 | 13,908 |

(As of March 31, 2024)

Millions of Yen

| Type of asset | Acquisition cost | Increase in the fiscal year | Decrease in the fiscal year | Accumulated depreciation | Ending balance |
|-----------------|------------------|-----------------------------|-----------------------------|--------------------------|----------------|
| Deferred assets | 22,397 | 125 | 203 | 21,499 | 898 |
| Others | 47,105 | 56,038 | 21,865 | 0 | 47,105 |
| Total | 69,502 | 56,164 | 22,069 | 21,499 | 48,003 |

26 Status of Public Sector Investment and Loans (General Account)

Millions of Yen

| Classification | | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------|---|----------------------------------|----------------------------------|
| Public bonds | National government bonds | — | — |
| | Local government bonds | — | — |
| | Public entity bonds | 497 | 485 |
| | Subtotal | 497 | 485 |
| Loans | Government-affiliated organizations | 446,056 | 370,188 |
| | Local organizations and public entities | 3,000 | 2,000 |
| | Subtotal | 449,056 | 372,188 |
| Total | | 449,553 | 372,673 |

(Note) Figures in the "Public bonds" and "Loans" columns in the above table indicate the amount of new public-sector investment underwriting and new loans for each fiscal year.

27 Status of Overseas Loans and Investments (General Account)

a. Breakdown by assets composition

● Foreign currency denominated assets

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|---|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Foreign bonds | 7,046,502 | 58.0 | 8,087,039 | 53.7 |
| Other foreign securities | 2,083,495 | 17.2 | 3,393,525 | 22.6 |
| Cash, deposits and others | 624,015 | 5.1 | 599,977 | 4.0 |
| Net foreign currency denominated assets | 9,754,013 | 80.3 | 12,080,542 | 80.3 |

● Foreign currency denominated assets with fixed yen value

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Loans | 236,846 | 2.0 | 232,867 | 1.5 |
| Cash, deposits and others | 3,244 | 0.0 | 3,235 | 0.0 |
| Net foreign currency denominated assets with fixed yen value | 240,091 | 2.0 | 236,103 | 1.6 |

● Yen-denominated assets

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|----------------------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Foreign bonds | 1,834,058 | 15.1 | 2,340,865 | 15.6 |
| Other foreign securities | 271,013 | 2.2 | 347,851 | 2.3 |
| Others | 40,272 | 0.3 | 42,312 | 0.3 |
| Net yen-denominated assets | 2,145,344 | 17.7 | 2,731,029 | 18.1 |

● Total

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| Overseas loans and investments | 12,139,449 | 100.0 | 15,047,675 | 100.0 |

(Note) "Foreign currency denominated assets with fixed yen value" are recorded under assets on the balance sheets at the fixed yen value which was determined at the time of settlement through foreign currency forward contracts, etc.

b. Overseas loans and investments by geographic area
(As of March 31, 2023)

Millions of Yen, %

| Classification | Foreign securities | | Foreign bonds | | Other foreign securities | | Loans to non-residents | |
|-----------------------------|--------------------|-------|---------------|-------|--------------------------|-------|------------------------|-------|
| | Amount | Share | Amount | Share | Amount | Share | Amount | Share |
| North America | 4,298,366 | 40.6 | 3,771,103 | 45.1 | 527,263 | 23.8 | 141,112 | 100.0 |
| Europe | 1,828,123 | 17.3 | 1,709,754 | 20.4 | 118,368 | 5.4 | — | — |
| Oceania | 630,571 | 6.0 | 630,571 | 7.5 | — | — | — | — |
| Asia | 161,532 | 1.5 | 2,019 | 0.0 | 159,512 | 7.2 | — | — |
| Central and South America | 3,450,631 | 32.6 | 2,043,421 | 24.4 | 1,407,210 | 63.6 | — | — |
| Middle East | — | — | — | — | — | — | — | — |
| Africa | 3,533 | 0.0 | 3,533 | 0.0 | — | — | — | — |
| International organizations | 209,692 | 2.0 | 209,692 | 2.5 | — | — | — | — |
| Total | 10,582,451 | 100.0 | 8,370,096 | 100.0 | 2,212,355 | 100.0 | 141,112 | 100.0 |

(As of March 31, 2024)

Millions of Yen, %

| Classification | Foreign securities | | Foreign bonds | | Other foreign securities | | Loans to non-residents | |
|-----------------------------|--------------------|-------|---------------|-------|--------------------------|-------|------------------------|-------|
| | Amount | Share | Amount | Share | Amount | Share | Amount | Share |
| North America | 6,083,550 | 44.9 | 5,116,322 | 51.1 | 967,227 | 27.3 | 154,522 | 100.0 |
| Europe | 2,262,239 | 16.7 | 2,053,678 | 20.5 | 208,560 | 5.9 | — | — |
| Oceania | 709,496 | 5.2 | 709,496 | 7.1 | — | — | — | — |
| Asia | 581,356 | 4.3 | 35,164 | 0.4 | 546,192 | 15.4 | — | — |
| Central and South America | 3,682,859 | 27.2 | 1,865,653 | 18.6 | 1,817,206 | 51.3 | — | — |
| Middle East | — | — | — | — | — | — | — | — |
| Africa | 3,510 | 0.0 | 3,510 | 0.0 | — | — | — | — |
| International organizations | 237,050 | 1.7 | 237,050 | 2.4 | — | — | — | — |
| Total | 13,560,063 | 100.0 | 10,020,877 | 100.0 | 3,539,186 | 100.0 | 154,522 | 100.0 |

(Notes) 1. This table has been compiled based on the nationality of the issuers.

c. Foreign currency dominated assets by currency

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------|----------------------|-------|----------------------|-------|
| | Amount | Share | Amount | Share |
| U.S. Dollar | 7,314,169 | 75.0 | 9,469,941 | 78.4 |
| Australian Dollar | 916,665 | 9.4 | 929,565 | 7.7 |
| Euro | 905,311 | 9.3 | 693,525 | 5.7 |
| Singapore Dollar | 41,183 | 0.4 | 462,258 | 3.8 |
| Canadian Dollar | 211,719 | 2.2 | 308,185 | 2.6 |
| New Zealand Dollar | 244,187 | 2.5 | 94,027 | 0.8 |
| Chinese Yuan | 50,381 | 0.5 | 55,249 | 0.5 |
| Vietnam Dong | 52,260 | 0.5 | 42,814 | 0.4 |
| Indonesia Rupiah | 15,722 | 0.2 | 15,724 | 0.1 |
| British Pound | 16 | 0.0 | 6,116 | 0.1 |
| Others | 2,394 | 0.0 | 3,133 | 0.0 |
| Total | 9,754,013 | 100.0 | 12,080,542 | 100.0 |

◆ Liabilities

1 Reserve for Outstanding Claims

Millions of Yen

| Classification | | As of March 31, 2023 | As of March 31, 2024 |
|---|-------------------------------------|----------------------|----------------------|
| Claims paid | Mortality insurance claims | 66,738 | 70,209 |
| | Accident insurance claims | 2,559 | 1,257 |
| | Serious disability insurance claims | 3,106 | 2,893 |
| | Maturity insurance amount | 1,034 | 2,087 |
| | Others | 1,002 | 1,123 |
| | Subtotal | 74,440 | 77,570 |
| Annuity payments | | 4,990 | 6,296 |
| Benefits payments | | 28,473 | 28,828 |
| Surrender benefits | | 5,287 | 5,309 |
| Payments of benefits left to accumulate at interest | | 4,429 | 4,827 |
| Total including other reserves | | 120,531 | 126,094 |

2 Policy Reserves

Millions of Yen

| Classification | | As of March 31, 2023 | As of March 31, 2024 |
|---|---------------------------|----------------------|----------------------|
| Policy reserves (excluding contingency reserves) | Individual life insurance | 15,233,783 | 15,518,233 |
| | [General account] | [15,176,780] | [15,452,999] |
| | [Separate account] | [57,003] | [65,233] |
| | Individual annuities | 9,419,215 | 9,493,494 |
| | [General account] | [9,378,807] | [9,455,563] |
| | [Separate account] | [40,407] | [37,931] |
| | Group insurance | 15,721 | 16,277 |
| | [General account] | [15,721] | [16,277] |
| | [Separate account] | [—] | [—] |
| | Group annuities | 2,699,982 | 2,790,981 |
| | [General account] | [2,020,094] | [2,019,230] |
| | [Separate account] | [679,888] | [771,751] |
| | Others | 184,269 | 173,503 |
| | [General account] | [184,269] | [173,503] |
| | [Separate account] | [—] | [—] |
| | Subtotal | 27,552,973 | 27,992,489 |
| | [General account] | [26,775,673] | [27,117,573] |
| | [Separate account] | [777,299] | [874,916] |
| Contingency reserves | | 752,500 | 769,500 |
| Total | | 28,305,473 | 28,761,989 |
| [General account] | | [27,528,173] | [27,887,073] |
| [Separate account] | | [777,299] | [874,916] |

3 Policy Reserve Balance

(As of March 31, 2023)

Millions of Yen

| Classification | Insurance reserve funds | Unearned insurance premiums | Refund reserve | Contingency reserves | Total |
|----------------|-------------------------|-----------------------------|----------------|----------------------|------------|
| Balance | 26,027,387 | 1,525,585 | — | 752,500 | 28,305,473 |

(As of March 31, 2024)

Millions of Yen

| Classification | Insurance reserve funds | Unearned insurance premiums | Refund reserve | Contingency reserves | Total |
|----------------|-------------------------|-----------------------------|----------------|----------------------|------------|
| Balance | 26,692,312 | 1,300,176 | — | 769,500 | 28,761,989 |

4 Policy Reserves for Individual Life Insurance and Annuities (by Policy Year)

a. Policy reserve valuation method and valuation ratio

| Classification | | As of March 31, 2023 | As of March 31, 2024 |
|--|---|--|--|
| Valuation method | Policies applicable to standard policy reserves | The method specified by the Commissioner of Financial Services Agency (Ministry of Finance Public Notice No. 48 of 1996) | The method specified by the Commissioner of Financial Services Agency (Ministry of Finance Public Notice No. 48 of 1996) |
| | Policies not applicable to standard policy reserves | Net level premium method | Net level premium method |
| Valuation ratio (excluding contingency reserves) | | 100.0% | 100.0% |

(Notes) 1. Individual life insurance and annuities are applicable to valuation method and ratio. The above figures do not include policy reserves for group insurance and annuities, workers' asset-formation insurance and annuities, medical life insurance, and assumed reinsurance.

2. For valuation ratio, policies applicable to standard policy reserves represent the ratio in accordance with the method prescribed in the Ministry of Finance Public Notice No. 48 of 1996. Policies not applicable to standard policy reserves represent the ratio for the insurance reserve funds calculated by the net level premium method and unearned insurance premiums.

b. Policy reserve balance (by policy year)

Millions of Yen

| Policy year | Policy reserve balance | Assumed rate |
|-------------|------------------------|---------------|
| - 1980 | 74,371 | 4.00% ~ 5.00% |
| 1981 - 1985 | 316,520 | 5.00% ~ 5.50% |
| 1986 - 1990 | 1,579,748 | 5.50% |
| 1991 - 1995 | 2,661,033 | 3.75% ~ 5.50% |
| 1996 - 2000 | 1,234,834 | 2.00% ~ 2.75% |
| 2001 - 2005 | 1,105,118 | 1.50% |
| 2006 - 2010 | 2,778,645 | 1.00% ~ 1.50% |
| 2011 | 881,887 | 1.00% ~ 1.50% |
| 2012 | 1,339,727 | 1.00% ~ 1.50% |
| 2013 | 841,783 | 0.50% ~ 1.00% |
| 2014 | 1,077,969 | 0.50% ~ 1.00% |
| 2015 | 1,523,778 | 0.50% ~ 1.00% |
| 2016 | 2,175,778 | 0.25% ~ 1.00% |
| 2017 | 1,092,628 | 0.25% ~ 3.75% |
| 2018 | 954,760 | 0.25% ~ 3.95% |
| 2019 | 929,707 | 0.25% ~ 3.55% |
| 2020 | 976,111 | 0.00% ~ 2.55% |
| 2021 | 1,011,086 | 0.00% ~ 3.35% |
| 2022 | 1,189,833 | 0.25% ~ 4.75% |
| 2023 | 1,163,236 | 0.25% ~ 5.10% |

(Notes) 1. Policy reserve balance represents policy reserves for individual life insurance and annuities, excluding policy reserves for separate accounts and contingency reserves.

2. Assumed rate represents the main assumed rate on policy reserves for each policy year.

5 Reasonableness and Validity of Confirmation of Article 121 Paragraph 1 Item 1 of the Act (Limited to That Relating to Third-Sector Insurance)

- Method for assuring the appropriateness of the accumulation of policy reserves in the third sector
In light of risk profiles of the third-sector insurances, the Company classifies third-sector insurance policies into groups according to experience assumptions in principle. It verifies the certainty of performance in the payment of insurance claims and other benefits to these groups in the future based on the assumption that future periods will see higher frequency rates of insurable incidents or other negative situations. The verification is conducted in accordance with laws and regulations and if the Company identifies any insufficiency in provisions for policy reserves, it will take necessary steps, such as provisions for contingency reserves or additional policy reserves.
- Reasonableness and validity of established standards for risk frequency, etc., in the liability adequacy test and stress test
The Company estimates the risk frequency rate based on the claim payment index against anticipated occurrence frequency rate, as well as the trend in the actual results of past insurable incidents frequency rates.
The Company establishes the claim payment indices over the next 10 years for individual contract groups, classified according to experience assumptions in principle, with reference to the trend in the claim payment indices based on the recent results of insurable incidents frequency rates*.
Using the claim payment indices established through the above procedure as a benchmark, the Company computes claim payment indices with a certain level of probability (99% and 97.7%) of covering the risk of fluctuations in the index based on the past results and establishes risk frequency rates which do not fall below the previous year.
*The Company employs the past results that were logged in the period not longer than six months preceding the end of March 2024.
- Test results
The test verifies the possibility of insufficient reserves by subtracting P from A as explained below.
P: Total amount of benefits over the next 10 years, estimated using the anticipated occurrence frequency rate which is used for the calculation of policy reserves.
A: Total amount of benefits over the next 10 years, estimated using the aforementioned risk frequency rate (at a 99% of chance of covering the risk of fluctuation in the frequency rate).

If A exceeds P, the Company judges there are insufficient reserves.

The table below shows the ratio of A to P with regard to major types of insurance (figures represent the total value over the next 10 years, for the first year and 10th year).

●Results of the stress test (at a 99% of chance of covering the risk of fluctuation in the frequency rate)

| | Total over the next 10 years | | |
|---|------------------------------|----------|-----------|
| | | 1st year | 10th year |
| All groups total | 65.7% | 56.9% | 72.2% |
| Of which, the general medical riders group | 55.9% | 51.1% | 56.8% |
| Of which, the specified severe lifestyle disease coverage group | 53.0% | 47.4% | 54.2% |
| Of which, the lifestyle disability coverage group | 91.9% | 62.8% | 118.7% |

As a result of the stress test conducted at the closing of the fiscal year ended March 31, 2024, no group was found to have insufficient reserves.

The balance of insurance reserve funds additionally accumulated and earmarked for part of the third-sector insurances as of March 31, 2024 was ¥7,860 million.

⑥ Policy Reserve Balance of the General Account Calculation Method and Integers Used as the Basis for Calculations Related to Insurance Policies with Separate Accounts that Guarantee a Minimum Amount of Claims Paid

a. Policy reserve balance (General account)

Millions of Yen

| | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Policy reserve balance (General account) | — | — |

Notes: 1. Applicable to insurance policies (policies applicable to standard policy reserves) as defined in Article 68 of the Ordinance for Enforcement of the Insurance Business Act.
2. "Policy reserve balance (General account)" includes the insurance reserve fund related to minimum guarantees.
3. An amount of ¥1,683 million was deducted at March 31, 2024 as policy reserves corresponding to the reinsured portion as defined in Article 71, Paragraph 1 of the Ordinance for Enforcement of the Insurance Business Act.

b. Calculation method and integers used as the basis for calculations

| | | Variable insurance with minimum guarantee | Single-premium individual variable annuities with minimum guarantee (08) | Individual variable annuities (Lump-sum payment) | Individual variable annuities with minimum guarantee (Lump-sum payment) (16) |
|--|---------------------------|---|---|---|---|
| Calculation method | | Alternative method as defined in the Ministry of Finance Public Notice No. 48 of 1996 (Scenario testing method) | Alternative method as defined in the Ministry of Finance Public Notice No. 48 of 1996 (Scenario testing method) | Alternative method as defined in the Ministry of Finance Public Notice No. 48 of 1996 (Factor table method) | Standard method as defined in the Ministry of Finance Public Notice No. 48 of 1996 |
| Integers used as the basis for calculation | Assumed rate of mortality | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996* | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996* | Assumed rate of accidental death Apply (0.000504) only | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996 |
| | Discount rate | | | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996 | |
| | Expected return rate | | | | |
| | Volatility | | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996. But 0.3% on domestic short-term assets (This rate is defined in the Statement of calculation procedures for insurance premiums and policy reserves). | The rate as defined in the Ministry of Finance Public Notice No. 48 of 1996. | 18.4% (This rate is defined in the Statement of calculation procedures for insurance premiums and policy reserves). |

* - In accordance with the Statement of calculation procedures for insurance premiums and policy reserves, the Company applied the assumed rate of mortality defined in Paragraph 1 Item 2-a of the said Public Notice to the contracts concluded on April 1, 2007.
- In accordance with the Statement of calculation procedures for insurance premiums and policy reserves, the Company applied the assumed rate of mortality defined in Paragraph 1 Item 2-b of the said Public Notice after adjusting the rate on the basis of age last birthday, to the contracts concluded on or after April 2, 2007.

⑦ Policyholders' dividend reserves

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| Beginning balance | 202,448 | 12,073 | 1,296 | 46 | 355 | 6 | 216,226 |
| Transfer from surplus in the previous fiscal year | 16,261 | 2,051 | 36,948 | 2,909 | 0 | 139 | 58,310 |
| Interest accrued during the fiscal year | 26 | 0 | 0 | — | 0 | 0 | 26 |
| Dividend payments to policyholders during the fiscal year | 18,375 | 889 | 36,580 | 2,863 | 50 | 136 | 58,895 |
| Ending balance | 200,360 | 13,235 | 1,664 | 92 | 304 | 9 | 215,667 |
| | [195,483] | [10,573] | [325] | [—] | [302] | [5] | [206,690] |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| Beginning balance | 200,360 | 13,235 | 1,664 | 92 | 304 | 9 | 215,667 |
| Transfer from surplus in the previous fiscal year | 16,113 | 2,702 | 38,161 | [36] | 0 | 127 | 57,067 |
| Interest accrued during the fiscal year | 24 | 0 | 0 | — | 0 | 0 | 25 |
| Dividend payments to policyholders during the fiscal year | 20,609 | 1,207 | 37,188 | 50 | 48 | 117 | 59,221 |
| Ending balance | 195,889 | 14,731 | 2,637 | 5 | 255 | 20 | 213,538 |
| | [191,069] | [11,651] | [386] | [—] | [253] | [4] | [203,366] |

(Note) The numbers in [] indicate accumulated dividends reserved.

8 Allowance for Possible Loan Losses and Other Reserves

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | | Beginning balance | Ending balance | Increase (decrease) in the fiscal year | Reasons for recording: |
|------------------------------------|---|-------------------|----------------|--|--|
| Allowance for possible loan losses | General allowance for possible loan losses | 682 | 619 | (62) | Allowance for possible loan losses is recorded to cover bad-debt loss. |
| | Specific allowance for possible loan losses | 242 | 247 | 4 | |
| | Allowance for specific overseas debt | — | — | — | |
| Accrued retirement benefits | | — | — | — | Accrued retirement benefits are recorded based on "Accounting Standard for Retirement Benefits." |
| Reserve for price fluctuations | | 971,947 | 849,526 | (122,420) | Reserve for price fluctuations is recorded based on the provisions of Article 115 of the Insurance Business Act. |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | | Beginning balance | Ending balance | Increase (decrease) in the fiscal year | Reasons for recording: |
|------------------------------------|---|-------------------|----------------|--|--|
| Allowance for possible loan losses | General allowance for possible loan losses | 619 | 541 | (78) | Allowance for possible loan losses is recorded to cover bad-debt loss. |
| | Specific allowance for possible loan losses | 247 | 263 | 15 | |
| | Allowance for specific overseas debt | — | — | — | |
| Accrued retirement benefits | | — | — | — | Accrued retirement benefits are recorded based on "Accounting Standard for Retirement Benefits." |
| Reserve for price fluctuations | | 849,526 | 907,826 | 58,300 | Reserve for price fluctuations is recorded based on the provisions of Article 115 of the Insurance Business Act. |

9 Status of Specific Allowance for Possible Loan Losses

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Amount of provision | 277 | 291 |
| Amount of reversal (Excluding reversal accompanying write-off) | 263 | 264 |
| Net provision | 14 | 27 |

10 Status of Allowance for Specific Overseas Debt

a. Allowance for specific overseas debt

Omitted as there are no ending balances for March 31, 2023 and 2024.

b. Balance of debt by creditor countries

Omitted as there are no ending balances for March 31, 2023 and 2024.

11 Loans etc. payable by Due Date

(As of March 31, 2023)

Millions of Yen

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years (including loans payable with no fixed maturity) | Total |
|-----------------|---------------|------------------------|-------------------------|-------------------------|--------------------------|--|---------|
| Loans payable | — | — | — | — | — | 170,000 | 170,000 |
| Corporate bonds | — | — | — | — | — | 396,510 | 396,510 |

(As of March 31, 2024)

Millions of Yen

| Classification | Within 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years to 7 years | Over 7 years to 10 years | Over 10 years (including loans payable with no fixed maturity) | Total |
|-----------------|---------------|------------------------|-------------------------|-------------------------|--------------------------|--|---------|
| Loans payable | — | — | — | — | — | 170,000 | 170,000 |
| Corporate bonds | — | — | — | — | — | 448,695 | 448,695 |

◆ Net Assets

1 Status of Foundation Funds (Kikin)

We solicit foundation funds for the purpose of further strengthening our financial base. Total foundation funds (the total of foundation funds and reserve for fund redemption of foundation funds) as of March 31, 2024 was ¥689.0 billion.

● Foundation funds contributors (as of March 31, 2024)

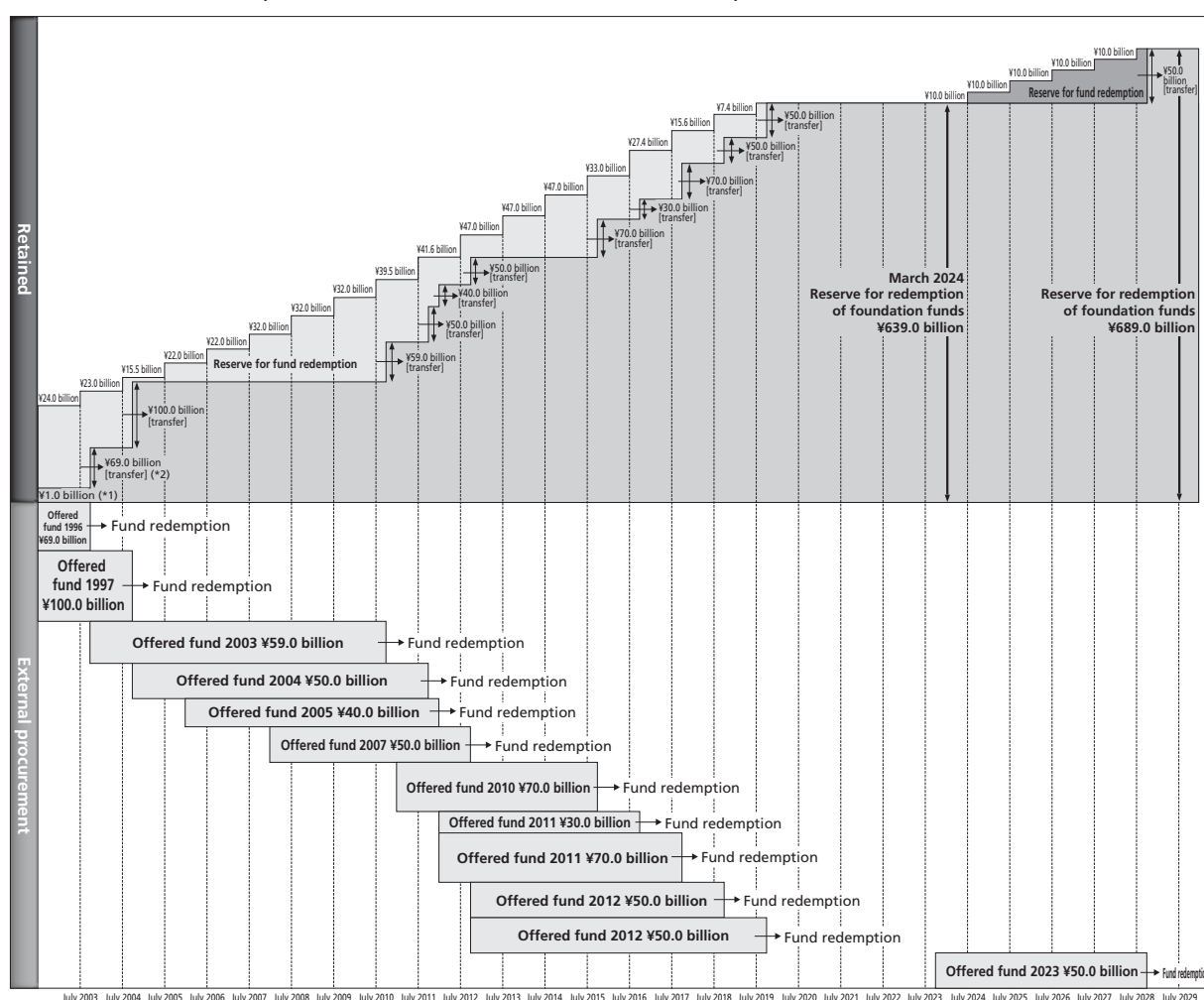
(Millions of yen, %)

| Name of foundation funds contributor | Status of foundation funds contributions to the Company | |
|--|---|--|
| | Amount of foundation funds contributions | Proportion of foundation funds contributions |
| Sumitomo Life 2023 Fund Securitization Co., Ltd. | 50,000 | 100.0 |

(Note) Sumitomo Life 2023 Fund Securitization Co., Ltd. issued bonds secured by foundation fund receivables. The net proceeds are used to purchase foundation fund receivables. The Company has not acquired the common stock of Sumitomo Life 2023 Fund Securitization Co., Ltd.

● Fund redemption schedule

The following diagram shows the scheduled accumulation of reserve for fund redemption, transfer to the reserve for fund redemption of foundation funds and fund redemption.



*1 The minimum fund amount as stipulated in the Insurance Business Act is ¥1.0 billion.

*2 Under the provisions of Article 56 of the Insurance Business Act, upon fund redemption, it is required to accumulate an equivalent amount of reserve for fund redemption of foundation funds as retained surplus. The Company systematically accumulates "reserve for fund redemption," which is a voluntary reserve, in preparation for the redemption of foundation funds. The "reserve for fund redemption" is transferred to the "reserve for fund redemption of foundation funds" at the time of fund redemption.

◆ Insurance-related Income

1 Insurance Premiums

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---------------------------------------|----------------------------------|----------------------------------|
| Individual life insurance | 1,460,498 | 1,404,159 |
| (Lump-sum payment) | 562,522 | 561,998 |
| (Annual payment) | 103,998 | 73,217 |
| (Semiannual payment) | 3,480 | 3,047 |
| (Monthly payment) | 790,497 | 765,895 |
| Individual annuities | 469,468 | 497,933 |
| (Lump-sum payment) | 71,254 | 147,244 |
| (Annual payment) | 107,619 | 68,431 |
| (Semiannual payment) | 2,810 | 2,635 |
| (Monthly payment) | 287,784 | 279,621 |
| Group insurance | 94,343 | 96,948 |
| Group annuities | 175,888 | 167,238 |
| Total including other premiums | 2,213,957 | 2,178,902 |

(Note) Annual payment represent amounts which include payment made once a year, and semiannual payment represent amounts which include payments made twice a year.

2 Claims Paid

a. Amount

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|----------------|
| Mortality | 369,639 | 3,542 | 42,920 | — | — | 9 | 416,111 |
| Accident | 11,030 | 15 | 127 | — | 104 | 5 | 11,283 |
| Serious disability | 5,370 | 35 | 3,363 | — | — | — | 8,769 |
| Maturity | 104,440 | 6 | — | — | 2,111 | — | 106,558 |
| Others | 4,670 | 0 | — | — | — | — | 4,670 |
| Total | 495,151 | 3,599 | 46,411 | — | 2,215 | 15 | 547,393 |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|----------------|
| Mortality | 398,384 | 3,376 | 42,796 | — | — | 50 | 444,607 |
| Accident | 6,093 | 8 | 75 | — | 27 | — | 6,205 |
| Serious disability | 5,717 | 30 | 3,037 | — | — | — | 8,784 |
| Maturity | 74,525 | 0 | — | — | 2,360 | — | 76,887 |
| Others | 5,049 | 1 | — | — | — | — | 5,050 |
| Total | 489,770 | 3,415 | 45,910 | — | 2,388 | 50 | 541,534 |

b. Number of policies

(Fiscal year ended March 31, 2023)

Number of policies

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| Mortality | 77,905 | 543 | 40,034 | — | — | 108 | 118,590 |
| Accident | 1,744 | 2 | 189 | — | 5 | 1 | 1,941 |
| Serious disability | 816 | 4 | 2,560 | — | — | — | 3,380 |
| Maturity | 23,898 | 30 | — | — | 1,504 | — | 25,432 |
| Others | 8,822 | 1 | — | — | — | — | 8,823 |
| Total | 113,185 | 580 | 42,783 | — | 1,509 | 109 | 158,166 |

(Fiscal year ended March 31, 2024)

Number of policies

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| Mortality | 82,266 | 501 | 39,857 | — | — | 143 | 122,767 |
| Accident | 1,212 | 2 | 184 | — | 1 | — | 1,399 |
| Serious disability | 918 | 3 | 2,467 | — | — | — | 3,388 |
| Maturity | 17,223 | 25 | — | — | 1,527 | — | 18,775 |
| Others | 9,633 | 2 | — | — | — | — | 9,635 |
| Total | 111,252 | 533 | 42,508 | — | 1,528 | 143 | 155,964 |

③ Annuity Payments

a. Amount

(Fiscal year ended March 31, 2023)

Millions of Yen

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| — | 372,445 | 349 | 48,616 | 3,145 | — | 424,557 |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| — | 379,574 | 359 | 49,370 | 2,953 | — | 432,258 |

b. Number of policies

(Fiscal year ended March 31, 2023)

Number of policies

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| — | 589,080 | 16,236 | 1,978,487 | 10,899 | — | 2,594,702 |

(Fiscal year ended March 31, 2024)

Number of policies

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| — | 595,523 | 15,230 | 1,948,826 | 10,349 | — | 2,569,928 |

④ Benefits Payments

a. Amount

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| Death benefits | 50,988 | 12,283 | 6 | — | 164 | — | 63,443 |
| Hospitalization benefits | 132,868 | 648 | 162 | — | — | 94 | 133,774 |
| Surgical benefits | 31,367 | 597 | — | — | — | 9 | 31,974 |
| Disability benefits | 4,708 | 9 | 22 | — | 9 | — | 4,750 |
| Survival benefits | 46,133 | 305 | — | — | 353 | — | 46,792 |
| Others | 5,264 | 0 | 0 | 102,748 | 53 | 2 | 108,069 |
| Total | 271,331 | 13,844 | 192 | 102,748 | 580 | 106 | 388,804 |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| Death benefits | 47,837 | 14,108 | 5 | — | 134 | — | 62,085 |
| Hospitalization benefits | 64,794 | 462 | 81 | — | — | 25 | 65,363 |
| Surgical benefits | 32,318 | 567 | — | — | — | 1 | 32,887 |
| Disability benefits | 4,821 | 17 | 35 | — | — | — | 4,874 |
| Survival benefits | 44,024 | 330 | — | — | 302 | — | 44,656 |
| Others | 6,214 | 1 | 0 | 106,609 | 43 | 1 | 112,870 |
| Total | 200,009 | 15,487 | 123 | 106,609 | 480 | 28 | 322,738 |

b. Number of policies

(Fiscal year ended March 31, 2023)

Number of policies

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| Death benefits | 23,287 | 4,520 | 469 | — | 70 | — | 28,346 |
| Hospitalization benefits | 1,944,464 | 12,998 | 3,991 | — | — | 43,014 | 2,004,467 |
| Surgical benefits | 438,615 | 7,364 | — | — | — | 3,001 | 448,980 |
| Disability benefits | 61,143 | 126 | 94 | — | 1 | — | 61,364 |
| Survival benefits | 105,035 | 1,314 | — | — | 118 | — | 106,467 |
| Others | 41,372 | 8 | 94 | 499,824 | 123 | 66 | 541,487 |
| Total | 2,613,916 | 26,330 | 4,648 | 499,824 | 312 | 46,081 | 3,191,111 |

(Fiscal year ended March 31, 2024)

Number of policies

| Classification | Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|--------------------------|---------------------------|----------------------|-----------------|-----------------|--|-----------------|-----------|
| Death benefits | 24,767 | 4,902 | 375 | — | 42 | — | 30,086 |
| Hospitalization benefits | 884,826 | 6,498 | 2,976 | — | — | 8,416 | 902,716 |
| Surgical benefits | 466,156 | 7,023 | — | — | — | 2,044 | 475,223 |
| Disability benefits | 62,206 | 119 | 107 | — | — | — | 62,432 |
| Survival benefits | 100,360 | 1,002 | — | — | 99 | — | 101,461 |
| Others | 55,186 | 30 | 89 | 529,170 | 129 | 74 | 584,678 |
| Total | 1,593,501 | 19,574 | 3,547 | 529,170 | 270 | 10,534 | 2,156,596 |

5 Surrender Benefits

(Fiscal year ended March 31, 2023)

Millions of Yen

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| 380,311 | 118,142 | — | 36,483 | 16,686 | — | 551,624 |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Individual life insurance | Individual annuities | Group insurance | Group annuities | Workers' asset-formation insurance and annuities | Other insurance | Total |
|---------------------------|----------------------|-----------------|-----------------|--|-----------------|---------|
| 387,744 | 124,767 | — | 22,827 | 19,276 | — | 554,615 |

◆ Investment-related Income

1 Investment Income (General Account)

Millions of Yen, %

| Classification | Fiscal year ended March 31, 2023 | | Fiscal year ended March 31, 2024 | |
|--|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
| | | Rate of increase (decrease) | | Rate of increase (decrease) |
| Interest, dividends, and other income | 761,129 | 114.0 | 859,455 | 112.9 |
| Gains on money held in trust | 287 | 75.5 | 2,861 | 997.0 |
| Gains on sales of securities | 358,718 | 535.2 | 144,673 | 40.3 |
| Gains on redemption of securities | 1,120 | 63.6 | 3,398 | 303.3 |
| Foreign exchange gains | 80,608 | 81.5 | 187,958 | 233.2 |
| Reversal of allowance for possible loan losses | 48 | — | 51 | 105.4 |
| Other investment income | 1,100 | 40.3 | 728 | 66.2 |
| Total | 1,203,013 | 143.1 | 1,199,128 | 99.7 |

2 Investment Expenses (General Account)

Millions of Yen, %

| Classification | Fiscal year ended March 31, 2023 | | Fiscal year ended March 31, 2024 | |
|---|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
| | | Rate of increase (decrease) | | Rate of increase (decrease) |
| Interest expenses | 21,778 | 210.1 | 28,965 | 133.0 |
| Losses on trading securities | — | — | 22 | — |
| Losses on sales of securities | 344,998 | 507.0 | 115,774 | 33.6 |
| Losses on valuation of securities | 2,690 | 27.9 | 3,992 | 148.4 |
| Losses on redemption of securities | 75 | — | 5 | 7.7 |
| Losses on derivative financial instruments | 161,882 | — | 289,919 | 179.1 |
| Depreciation of real estate for investments | 8,950 | 106.2 | 9,758 | 109.0 |
| Other investment expenses | 48,275 | 305.0 | 21,408 | 44.3 |
| Total | 588,650 | 524.0 | 469,848 | 79.8 |

3 Interest, Dividends, and Other Income (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| Interest on deposits | 9,883 | 18,623 |
| Interest and dividends on securities | 673,754 | 753,948 |
| Interest on domestic bonds | 223,774 | 226,078 |
| Domestic stock dividends | 67,588 | 74,956 |
| Interest and dividends on foreign securities | 367,472 | 443,830 |
| Interest on loans | 27,127 | 32,512 |
| Interest on industrial and consumer loans | 18,113 | 24,051 |
| Rent revenue from real estate | 32,485 | 34,941 |
| Total including other income | 761,129 | 859,455 |

4 Analysis of Interest, Dividends, and Other Income (General Account)

Millions of Yen

| Fiscal Year ended March 31, 2024 | Increase (decrease) in balance | Increase (decrease) in interests | Total increase (decrease) |
|---------------------------------------|--------------------------------|----------------------------------|---------------------------|
| Interest, dividends, and other income | 9,551 | 88,774 | 98,326 |
| Cash, deposits and call loans | 551 | 8,634 | 9,185 |
| Securities | 6,283 | 73,910 | 80,193 |
| Loans | 1,739 | 3,645 | 5,385 |
| Real estate | 3,629 | (1,173) | 2,456 |

5 Gains on Sales of Securities (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| Domestic bonds including national government bonds | 9,971 | 20,322 |
| Domestic stocks and others | 142,723 | 35,820 |
| Foreign securities | 206,023 | 88,531 |
| Total including other gains on sales of securities | 358,718 | 144,673 |

6 Gains on Disposal of Fixed Assets (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|-----------------------------|----------------------------------|----------------------------------|
| Tangible fixed assets | 1,399 | 334 |
| Land | 356 | 135 |
| Buildings | 1,033 | 199 |
| Lease assets | — | — |
| Other assets | 9 | — |
| Intangible fixed assets | 46 | 1,193 |
| Others | — | — |
| Total | 1,445 | 1,528 |
| Real estate for investments | 931 | 1,241 |

7 Losses on Sales of Securities (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---|----------------------------------|----------------------------------|
| Domestic bonds including national government bonds | 15,206 | 6,430 |
| Domestic stocks and others | 5,896 | 10,857 |
| Foreign securities | 323,894 | 98,486 |
| Total including other losses on sales of securities | 344,998 | 115,774 |

8 Losses on Valuation of Securities (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| Domestic stocks and others | 2,625 | 3,992 |
| Foreign securities | 65 | — |
| Total including other losses on valuations of securities | 2,690 | 3,992 |

9 Write-off of Loans (General Account)

No loans have been written off in the fiscal year ended March 31, 2023 and 2024.

10 Depreciation of Real Estate for Investments (General Account)

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | Acquisition cost | Depreciation in the fiscal year | Accumulated depreciation | Ending balance | Accumulated depreciation percentage |
|--------------------------------|------------------|---------------------------------|--------------------------|----------------|-------------------------------------|
| Tangible fixed assets | 392,394 | 8,807 | 266,108 | 126,286 | 67.8% |
| Buildings | 391,366 | 8,763 | 265,249 | 126,117 | 67.7% |
| Other tangible fixed assets | 1,028 | 44 | 858 | 169 | 83.5% |
| Intangible fixed assets | 13 | 0 | 6 | 7 | 46.8% |
| Others | 1,774 | 142 | 960 | 814 | 54.1% |
| Total | 394,183 | 8,950 | 267,075 | 127,107 | 67.7% |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | Acquisition cost | Depreciation in the fiscal year | Accumulated depreciation | Ending balance | Accumulated depreciation percentage |
|--------------------------------|------------------|---------------------------------|--------------------------|----------------|-------------------------------------|
| Tangible fixed assets | 399,179 | 9,591 | 262,045 | 137,133 | 65.6% |
| Buildings | 397,873 | 9,497 | 261,042 | 136,831 | 65.6% |
| Other tangible fixed assets | 1,305 | 93 | 1,003 | 302 | 76.8% |
| Intangible fixed assets | 14 | 0 | 7 | 7 | 50.8% |
| Others | 1,874 | 166 | 1,122 | 752 | 59.8% |
| Total | 401,068 | 9,758 | 263,175 | 137,893 | 65.6% |

11 Losses on Disposal of Fixed Assets (General Account)

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--------------------------------|----------------------------------|----------------------------------|
| Tangible fixed assets | 668 | 504 |
| Land | 12 | 46 |
| Buildings | 498 | 435 |
| Lease assets | 2 | 2 |
| Other assets | 153 | 19 |
| Intangible fixed assets | 23 | — |
| Others | 11 | 17 |
| Total | 703 | 521 |
| Real estate for investments | 485 | 417 |

◆ Others

1 Depreciation

(Fiscal year ended March 31, 2023)

Millions of Yen

| Classification | Acquisition cost | Depreciation in the fiscal year | Accumulated depreciation | Ending balance | Accumulated depreciation percentage |
|--------------------------------|------------------|---------------------------------|--------------------------|----------------|-------------------------------------|
| Tangible fixed assets | 252,145 | 6,997 | 174,215 | 77,929 | 69.0% |
| Buildings | 222,350 | 4,300 | 150,698 | 71,651 | 67.7% |
| Lease assets | 8,354 | 1,450 | 6,627 | 1,727 | 79.3% |
| Other tangible fixed assets | 21,440 | 1,247 | 16,890 | 4,550 | 78.7% |
| Intangible fixed assets | 170,320 | 11,910 | 133,827 | 36,492 | 78.5% |
| Others | 20,523 | 24 | 20,361 | 161 | 99.2% |
| Total | 442,989 | 18,932 | 328,405 | 114,584 | 74.1% |

(Fiscal year ended March 31, 2024)

Millions of Yen

| Classification | Acquisition cost | Depreciation in the fiscal year | Accumulated depreciation | Ending balance | Accumulated depreciation percentage |
|--------------------------------|------------------|---------------------------------|--------------------------|----------------|-------------------------------------|
| Tangible fixed assets | 224,144 | 6,918 | 151,887 | 72,257 | 67.7% |
| Buildings | 197,950 | 4,424 | 129,874 | 68,076 | 65.6% |
| Lease assets | 7,761 | 1,246 | 7,185 | 575 | 92.5% |
| Other tangible fixed assets | 18,433 | 1,247 | 14,828 | 3,604 | 80.4% |
| Intangible fixed assets | 189,410 | 11,549 | 145,357 | 44,052 | 76.7% |
| Others | 20,522 | 29 | 20,377 | 145 | 99.2% |
| Total | 434,077 | 18,498 | 317,622 | 116,454 | 73.1% |

2 Operating Expenses

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| Marketing operations | 113,176 | 113,103 |
| Marketing administration | 60,283 | 60,197 |
| General and administrative expenses | 162,954 | 159,272 |
| Total | 336,414 | 332,573 |

(Note) Of contributions to the Life Insurance Policyholders Protection Corporation of Japan included in general and administrative expenses, protection fund contributions were nil in both the fiscal years ended March 31, 2023 and 2024.

3 Tax Expenses

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|----------------------------------|
| National tax | 16,629 | 16,590 |
| Consumption tax | 14,908 | 14,850 |
| Special corporate enterprise tax | 1,533 | 1,510 |
| Documentary stamp tax | 177 | 184 |
| Registration and license tax | 10 | 44 |
| Other national tax | 0 | 0 |
| Local tax | 11,624 | 11,520 |
| Local consumption tax | 4,204 | 4,188 |
| Corporate enterprise tax | 5,263 | 5,208 |
| Fixed asset tax | 1,718 | 1,710 |
| Real-estate acquisition tax | — | — |
| Corporate income tax | 436 | 413 |
| Other local tax | 0 | 0 |
| Total | 28,253 | 28,111 |

4 Lease Transactions

<Lease transactions (lessee side)>

[Finance leases not transferring ownership that have been recorded based on normal lease transaction methods]

- a. Pro forma information relating to acquisition cost, accumulated depreciation, and book value of leased assets at the end of the fiscal year

Omitted as there are no ending balances for March 31, 2023 and 2024.

- b. Future minimum lease payments balance as of the end of the fiscal year

Omitted as there are no ending balances for March 31, 2023 and 2024.

- c. Lease fees paid, depreciation and interest expenses

Omitted as there are no ending balances for March 31, 2023 and 2024.

- d. Calculation method for depreciation and interest

| | |
|--|--|
| Calculation method for depreciation | Depreciation of the acquisition cost equivalent calculated on a straight-line method over the lease period |
| Calculation method for interest expenses | Interest calculated by applying interest method to accrued lease payments over the lease period |

◆ Policy Amount-related Statistics

1 Amount of Policy in Force by Coverage Type

Thousand policies, Millions of Yen

| Classification | | | Number of policies and amount in force | | | |
|--------------------------|--|-----------------------------|--|--------------|----------------------|--------------|
| | | | As of March 31, 2023 | | As of March 31, 2024 | |
| | | | Policies | Amount | Policies | Amount |
| Death protection | Death protection due to illness/accident | Individual life insurance | 7,842 | 50,733,700 | 7,742 | 47,671,697 |
| | | Individual annuities | — | — | — | — |
| | | Group insurance | 22,003 | 33,367,202 | 21,851 | 33,316,127 |
| | | Group annuities | — | — | — | — |
| | | Total including other types | 29,855 | 84,182,468 | 29,601 | 81,099,174 |
| | Death protection due to accident | Individual life insurance | [6,362] | [14,062,299] | [6,046] | [13,761,590] |
| | | Individual annuities | [25] | [109,874] | [22] | [99,580] |
| | | Group insurance | [2,322] | [848,513] | [2,273] | [827,449] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [8,718] | [15,167,308] | [8,350] | [14,814,743] |
| | Death protection due to specific causes | Individual life insurance | [0] | [0] | [0] | [0] |
| | | Individual annuities | [—] | [—] | [—] | [—] |
| | | Group insurance | [61] | [27,350] | [60] | [23,236] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [70] | [108,915] | [69] | [134,586] |
| Pure endowment | Maturity and survival benefits | Individual life insurance | 183 | 324,734 | 170 | 299,289 |
| | | Individual annuities | 2,592 | 12,925,497 | 2,549 | 12,693,241 |
| | | Group insurance | 0 | 105 | 0 | 76 |
| | | Group annuities | — | — | — | — |
| | | Total including other types | 2,781 | 13,264,220 | 2,724 | 13,005,348 |
| | Annuity | Individual life insurance | [—] | [—] | [—] | [—] |
| | | Individual annuities | [3,109] | [1,797,360] | [3,065] | [1,773,597] |
| | | Group insurance | [5] | [343] | [5] | [326] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [3,124] | [1,800,843] | [3,079] | [1,776,866] |
| | Others | Individual life insurance | — | — | — | — |
| | | Individual annuities | 516 | 1,578,527 | 515 | 1,583,025 |
| | | Group insurance | 5 | 2,182 | 4 | 2,043 |
| | | Group annuities | 6,390 | 2,699,982 | 6,322 | 2,790,981 |
| | | Total including other types | 6,966 | 4,451,048 | 6,894 | 4,536,781 |
| Hospitalization coverage | Coverage for hospitalization due to accident | Individual life insurance | [4,412] | [25,857] | [4,279] | [24,860] |
| | | Individual annuities | [70] | [336] | [64] | [304] |
| | | Group insurance | [1,215] | [1,100] | [1,190] | [1,067] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [5,907] | [27,362] | [5,734] | [26,298] |
| | Coverage for hospitalization due to illness | Individual life insurance | [4,411] | [25,784] | [4,278] | [24,796] |
| | | Individual annuities | [69] | [329] | [62] | [297] |
| | | Group insurance | [14] | [63] | [14] | [63] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [4,703] | [26,245] | [4,556] | [25,225] |
| | Coverage for hospitalization due to other causes | Individual life insurance | [7,353] | [271,206] | [7,038] | [281,659] |
| | | Individual annuities | [28] | [234] | [25] | [215] |
| | | Group insurance | [64] | [69] | [64] | [69] |
| | | Group annuities | [—] | [—] | [—] | [—] |
| | | Total including other types | [7,622] | [271,512] | [7,298] | [281,946] |

- (Notes) 1. Figures in [] represent additional coverage attached to primary policies and rider coverage. However, the portion of death protection due to illness/accident in term riders is recorded under primary coverage.
2. Numbers of policies in group insurance and group annuities represent respective number of insured persons.
3. Amounts in the "others" column of pure endowment show corresponding policy reserves.
4. The amounts of hospitalization coverage show the amount of daily hospital benefits.
5. In individual annuities and group insurance, the "maturity and survival benefits" column shows the number of policies signed prior to the start of annuity payments and annuity resources at the start of annuity payments, while the "annuity" column shows the annual annuity payments and "others" column shows the number of policies signed after the start of annuity payments and corresponding policy reserves.
6. The amount of total including other types in coverage for hospitalization due to illness shows the sum of primary coverage portion and additional coverage portion.
7. "Coverage for hospitalization due to other causes" columns represent insurance covers in respect of specific illness or accidents including adult disease medical rider, traffic accident rider, and group term insurance work-related accident rider.

Number of Policies

| Classification | | Number of policies in force | |
|---------------------|-----------------------------|-----------------------------|----------------------|
| | | As of March 31, 2023 | As of March 31, 2024 |
| Disability coverage | Individual life insurance | 5,484,843 | 5,257,824 |
| | Individual annuities | 22,685 | 20,774 |
| | Group insurance | 2,070,774 | 2,016,158 |
| | Group annuities | — | — |
| | Total including other types | 7,578,302 | 7,294,756 |
| Surgical coverage | Individual life insurance | 5,100,769 | 4,875,676 |
| | Individual annuities | 86,774 | 78,584 |
| | Group insurance | — | — |
| | Group annuities | — | — |
| | Total including other types | 5,246,189 | 5,010,931 |

② Annualized Premiums

a. Policies in force

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|---|----------------------|-----------------------------|----------------------|-----------------------------|
| | | Rate of increase (decrease) | | Rate of increase (decrease) |
| Individual life insurance | 1,483,082 | (0.2) | 1,477,741 | (0.4) |
| Individual annuities | 776,597 | (0.9) | 785,044 | 1.1 |
| Total | 2,259,679 | (0.4) | 2,262,785 | 0.1 |
| Living benefits, medical coverage, and others | 561,112 | 0.5 | 562,784 | 0.3 |

b. New policies (new policies acquired plus net increase by conversion)

Millions of Yen, %

| Classification | Fiscal year ended March 31, 2023 | | Fiscal year ended March 31, 2024 | |
|---|----------------------------------|-----------------------------|----------------------------------|-----------------------------|
| | | Rate of increase (decrease) | | Rate of increase (decrease) |
| Individual life insurance | 86,126 | 13.1 | 74,090 | (14.0) |
| Individual annuities | 23,316 | (5.4) | 34,015 | 45.9 |
| Total | 109,443 | 8.6 | 108,106 | (1.2) |
| Living benefits, medical coverage, and others | 32,789 | (7.1) | 30,115 | (8.2) |

(Notes) 1. The amount of annualized premium is the annual premium amount calculated by multiplying factor according to the premium payment method to a single premium payment amount (for lump-sum payment, the amount is the total premium divided by the insured period).
2. Annualized premiums for living benefits represent total amounts of work disability and nursing care benefits, dementia benefits, specified illness benefits, severe chronic disease benefits and benefits of premium waiver riders.
3. Annualized premiums for medical coverage represent hospitalization benefits, surgical benefits and other benefits.

③ Policies in Force and New Policies

a. Policies in force

Thousand policies, Millions of Yen, %

| Classification | As of March 31, 2023 | | | | As of March 31, 2024 | | | |
|---------------------------|----------------------|-----------------------------|------------|-----------------------------|----------------------|-----------------------------|------------|-----------------------------|
| | Policies | Rate of increase (decrease) | Amount | Rate of increase (decrease) | Policies | Rate of increase (decrease) | Amount | Rate of increase (decrease) |
| Individual life insurance | 8,026 | (0.5) | 51,058,435 | (5.6) | 7,912 | (1.4) | 47,970,986 | (6.0) |
| Individual annuities | 3,109 | (1.2) | 14,504,025 | (1.7) | 3,065 | (1.4) | 14,276,267 | (1.6) |
| Group insurance | — | — | 33,369,489 | 0.2 | — | — | 33,318,247 | (0.2) |
| Group annuities | — | — | 2,699,982 | (0.6) | — | — | 2,790,981 | 3.4 |

(Notes) 1. The amount of individual annuities is the total of (a) annuity resources at the start of annuity payments for policies signed prior to the start of annuity payments, and (b) policy reserves for policies signed after the start of annuity payments.
2. The amount of group annuities is the amount of the policy reserves.
3. The group insurance for three major diseases does not provide death protection, so it is not recorded in the policies in force of group insurance above. The insurance amounts for three major diseases of the group insurance policies for three major diseases were ¥338,975 million and ¥387,588 million as of March 31, 2023 and 2024, respectively.

b. New policies (new policies acquired plus net increase by conversion)

Thousand policies, Millions of Yen, %

| Classification | Fiscal year ended March 31, 2023 | | | | | | Fiscal year ended March 31, 2024 | | | | | |
|---------------------------|----------------------------------|-----------------------------|---------|-----------------------------|--------------|----------------------------|----------------------------------|-----------------------------|---------|-----------------------------|--------------|----------------------------|
| | Policies | Rate of increase (decrease) | Amount | Rate of increase (decrease) | New policies | Net increase by conversion | Policies | Rate of increase (decrease) | Amount | Rate of increase (decrease) | New policies | Net increase by conversion |
| Individual life insurance | 671 | (1.6) | 931,650 | 94.7 | 1,515,129 | (583,479) | 719 | 7.2 | 495,221 | (46.8) | 1,282,429 | (787,207) |
| Individual annuities | 91 | (3.8) | 360,073 | (9.8) | 363,136 | (3,063) | 93 | 1.9 | 398,058 | 10.5 | 406,767 | (8,708) |
| Group insurance | — | — | 81,427 | (6.4) | 81,427 | — | — | — | 32,818 | (59.7) | 32,818 | — |
| Group annuities | — | — | 52 | 3.8 | 52 | — | — | — | 16 | (69.6) | 16 | — |

(Notes) 1. Number of policies is a total of numbers of new policies acquired, new policies by conversion and new policies after rider replacement.
2. Net increase by conversion includes net increase by rider replacement.
3. Net increase by the acquisition of new policies and conversion in individual annuities represents the annuity resources at the start of annuity payments.
4. New policies in group annuities show the first time premium revenues.
5. The group insurance for three major diseases does not provide death protection, so it is not recorded in the new policies of group insurance above. The insurance amounts for three major diseases of new policies of group insurance for three major diseases were ¥54,390 million and ¥52,153 million in the fiscal years ended March 31, 2023 and 2024, respectively.

4 Trends and Transitions of Policies in Force

Thousand policies, Millions of Yen

| Classification | | | As of March 31, 2023 | | | As of March 31, 2024 | | |
|---------------------------|-------------------------------|---|----------------------|------------------|---------------------|----------------------|------------------|---------------------|
| | | | Policies | Insurance amount | Annualized premiums | Policies | Insurance amount | Annualized premiums |
| Individual life insurance | Mortality insurance | Whole life insurance | 1,725 | 9,689,433 | 419,796 | 1,709 | 9,565,600 | 414,516 |
| | | Whole life insurance substandard disclosure | 137 | 119,568 | 21,374 | 132 | 115,373 | 20,406 |
| | | Whole life insurance covering nursing care | 99 | 449,410 | 11,817 | 99 | 444,075 | 11,742 |
| | | Whole life insurance with variable assumed interest rate | 131 | 809,900 | 64,079 | 123 | 759,098 | 59,177 |
| | | Whole life insurance denominated in designated currency | 128 | 1,067,258 | 70,282 | 185 | 1,570,559 | 94,575 |
| | | Total whole life insurance including other types | 2,273 | 12,358,681 | 594,041 | 2,300 | 12,671,645 | 606,953 |
| | | Whole life insurance with term rider | 1,064 | 7,318,167 | 102,783 | 997 | 6,305,136 | 89,372 |
| | | Whole life insurance with variable accumulation rate | 2,384 | 21,721,199 | 490,806 | 2,295 | 19,658,444 | 479,406 |
| | | Term life insurance | 54 | 1,477,997 | 28,906 | 51 | 1,420,404 | 27,988 |
| | | Total term life insurance including other types | 97 | 1,617,276 | 31,408 | 91 | 1,544,638 | 30,352 |
| | | Riders combination insurance | 661 | 5,672,418 | 92,588 | 703 | 5,636,290 | 98,440 |
| | | Medical whole life insurance | 583 | 123,047 | 79,916 | 610 | 135,800 | 87,039 |
| | | Medical term life insurance | 460 | 255,070 | 27,256 | 456 | 258,594 | 27,837 |
| | | Total including other types | 7,586 | 49,623,740 | 1,422,401 | 7,513 | 46,711,457 | 1,422,712 |
| | Life and mortality insurance | Endowment insurance | 128 | 513,865 | 21,668 | 113 | 439,947 | 19,292 |
| | | Endowment insurance with term rider | 11 | 121,285 | 1,390 | 8 | 91,821 | 1,082 |
| | | Term life insurance with survival benefits | 113 | 379,719 | 15,597 | 105 | 348,735 | 14,469 |
| | | Juvenile insurance | 181 | 388,002 | 21,252 | 167 | 351,392 | 19,506 |
| | | Total including other types | 435 | 1,409,970 | 59,910 | 395 | 1,238,476 | 54,351 |
| | | Pure endowment | 4 | 24,724 | 770 | 3 | 21,052 | 677 |
| | Subtotal (1) | | | 8,026 | 51,058,435 | 1,483,082 | 7,912 | 47,970,986 |
| Individual annuities | Individual fixed annuities | Individual annuities | 479 | 2,446,515 | 173,616 | 464 | 2,376,065 | 184,079 |
| | | Annuities focused on survival coverage | 2,456 | 11,430,871 | 518,821 | 2,421 | 11,208,088 | 515,268 |
| | | Individual annuities denominated in designated currency | 35 | 209,360 | 23,008 | 42 | 270,286 | 28,198 |
| | | Individual annuities denominated in designated currency with variable assumed interest rate | 37 | 135,113 | 6,773 | 46 | 163,780 | 7,994 |
| | | Total including other types | 3,042 | 14,370,177 | 745,132 | 3,007 | 14,171,904 | 758,408 |
| | Individual variable annuities | | 66 | 133,848 | 31,464 | 57 | 104,363 | 26,636 |
| | Subtotal (2) | | | 3,109 | 14,504,025 | 776,597 | 3,065 | 14,276,267 |
| (1) + (2) Total | | | 11,135 | 65,562,461 | 2,259,679 | 10,977 | 62,247,254 | 2,262,785 |

Thousand policies, Millions of Yen

| Classification | | As of March 31, 2023 | | As of March 31, 2024 | |
|------------------------------------|---|----------------------|------------|----------------------|------------|
| | | Policies | Amount | Policies | Amount |
| Group insurance | Group term life insurance | 8,112 | 5,119,731 | 8,045 | 4,982,835 |
| | General welfare group term life insurance | 3,759 | 9,754,900 | 3,757 | 9,778,777 |
| | Group credit life insurance | 9,797 | 18,462,935 | 9,671 | 18,525,695 |
| | Consumer credit group insurance | 35 | 4,941 | 33 | 4,444 |
| | Group whole life insurance | 0 | 34 | 0 | 24 |
| | Life insurance for sustainers of disabled | 37 | 24,658 | 35 | 24,349 |
| | Group insurance for three major diseases | 299 | 338,975 | 342 | 387,588 |
| | Annuities rider | 5 | 2,287 | 5 | 2,119 |
| Subtotal | | 22,009 | 33,369,489 | 21,856 | 33,318,247 |
| Group annuities | Corporate pension plans | 0 | 272 | 0 | 269 |
| | New corporate pension plans | 4,141 | 77,203 | 4,130 | 77,187 |
| | Insured contributory pension plans | 2,248 | 784,068 | 2,192 | 777,456 |
| | Employees' pension fund insurance | 0 | 107 | — | — |
| | Defined benefit corporate pension plans | — | 1,717,661 | — | 1,814,629 |
| | Defined contribution pension plans | — | 120,669 | — | 121,437 |
| Subtotal | | 6,390 | 2,699,982 | 6,322 | 2,790,981 |
| Workers' asset formation insurance | | 44 | 153,841 | 41 | 145,221 |
| Workers' asset formation annuities | | 15 | 30,396 | 13 | 28,250 |
| Medical life insurance | | 149 | 67 | 143 | 66 |
| Assumed reinsurance | | 67 | 81,565 | 65 | 111,350 |

Thousand policies, Millions of Yen

| Classification | | As of March 31, 2023 | | As of March 31, 2024 | |
|-------------------------------------|--|----------------------|-----------|----------------------|-----------|
| | | Policies | Amount | Policies | Amount |
| Hospitalization/ accident riders | Accident rider with extra premium | 1,187 | 4,868,033 | 1,117 | 4,505,082 |
| | Accident coverage rider | 0 | 1,465 | 0 | 664 |
| | Personal accident rider | 2,428 | 8,307,659 | 2,277 | 7,750,102 |
| | Accident injury rider | 3,067 | 159,283 | 2,992 | 155,425 |
| | General medical rider | 2,598 | 16,038 | 2,533 | 15,486 |
| | Hospitalization due to accident rider | 708 | 4,148 | 617 | 3,614 |
| | Hospitalization due to illness rider | 821 | 4,577 | 725 | 4,030 |
| | Hospitalization due to adult disease rider | 1,334 | 6,032 | 1,232 | 5,550 |
| | Hospitalization due to other causes rider | 6,036 | 265,342 | 5,822 | 276,274 |
| | Advanced medical treatment rider | 3,453 | — | 3,396 | — |
| | Cancer diagnosis rider | 2,140 | 1,306,787 | 2,159 | 1,314,938 |
| | Cancer medication rider | 2,229 | 134,558 | 2,248 | 134,188 |

(Notes) 1. Number of policies for group insurance, group annuities, workers' asset formation insurance, workers' asset formation annuities, medical life insurance and assumed reinsurance each represents respective number of insured persons.

2. Number of policies for life insurance for sustainers of disabled is not included in the subtotal. Also, the amount for the group insurance for three major diseases represents the insurance amount for three major diseases, and is not included in the subtotal.

3. The "Insurance amount" and "Amount" columns show principal amounts of coverage.

a. Individual annuities and group insurance (with annuities rider) show the sum of annuity resources at the start of annuity payments for policies signed prior to the start of annuity payments and the policy reserve for policies signed after the start of annuity payments.

b. Group annuities and workers' asset formation insurance show respective policy reserves.

c. Workers' asset formation annuities show the sum of annuity resources at the start of annuity payments for policies signed prior to the start of annuity payments and the policy reserve for policies signed after the start of annuity payments, while workers' asset formation funding annuities show policy reserves.

d. Medical life insurance shows the amount of daily hospital benefit.

4. The amount of annualized premium is the annual premium amount calculated by multiplying factor according to the premium payment method to a single premium payment amount (for lump-sum payment, the amount is the total premium divided by the insured period).

5. Amount of accident injury rider shows the amount of benefit, while hospitalization riders show daily hospital benefit.

6. Accident coverage rider includes traffic accident rider.

7. Hospitalization due to illness rider includes substandard medical rider.

8. Cancer diagnosis rider includes continuing coverage of cancer diagnosis rider.

5 Trends and Transitions of New Policies (New Policies Acquired plus Net Increase by Conversion)

Thousand policies, Millions of Yen

| Classification | | | Fiscal year ended March 31, 2023 | | | Fiscal year ended March 31, 2024 | | | |
|---------------------------|-------------------------------|---|----------------------------------|------------------|---------------------|----------------------------------|------------------|---------------------|---------|
| | | | Policies | Insurance amount | Annualized premiums | Policies | Insurance amount | Annualized premiums | |
| Individual life insurance | Mortality insurance | Whole life insurance | 68 | 311,810 | 27,429 | 62 | 279,233 | 20,604 | |
| | | Whole life insurance substandard disclosure | 9 | 9,461 | 1,471 | 7 | 7,489 | 1,145 | |
| | | Whole life insurance covering nursing care | 6 | 21,255 | 606 | 4 | 13,244 | 390 | |
| | | Whole life insurance denominated in designated currency | 51 | 286,528 | 20,110 | 66 | 315,998 | 20,324 | |
| | | Total whole life insurance including other types | 136 | 629,263 | 49,628 | 141 | 616,168 | 42,476 | |
| | | Whole life insurance with variable accumulation rate | 250 | 2,343,561 | 48,652 | 249 | 1,946,663 | 51,460 | |
| | | Term life insurance | 1 | 52,148 | 1,242 | 1 | 51,577 | 1,270 | |
| | | Total term life insurance including other types | 4 | 55,691 | 1,353 | 4 | 54,521 | 1,375 | |
| | | Riders combination insurance | 151 | 1,139,600 | 18,264 | 152 | 1,199,808 | 22,010 | |
| | | Medical whole life insurance | 46 | 9,969 | 6,778 | 97 | 32,195 | 17,174 | |
| | | Medical term life insurance | 65 | 39,197 | 4,176 | 60 | 43,598 | 4,613 | |
| | | Total including other types | 654 | 4,217,319 | 128,853 | 704 | 3,892,980 | 139,111 | |
| | Life and mortality insurance | Endowment insurance | 6 | 23,557 | 1,449 | 7 | 23,696 | 1,483 | |
| | | Term life insurance with survival benefits | 5 | 16,875 | 715 | 3 | 12,327 | 519 | |
| | | Juvenile insurance | 4 | 7,830 | 559 | 3 | 5,702 | 404 | |
| | | Total including other types | 16 | 48,263 | 2,725 | 14 | 41,726 | 2,407 | |
| | Pure endowment | | | — | — | — | — | — | — |
| | Subtotal (1) | | | 671 | 4,265,583 | 131,578 | 719 | 3,934,706 | 141,519 |
| Individual annuities | Individual fixed annuities | Individual annuities | — | — | — | 14 | 88,812 | 17,086 | |
| | | Annuities focused on survival coverage | 61 | 236,383 | 11,952 | 54 | 212,593 | 8,207 | |
| | | Individual annuities denominated in designated currency | 15 | 76,889 | 8,901 | 13 | 71,014 | 7,333 | |
| | | Individual annuities denominated in designated currency with variable assumed interest rate | 14 | 49,863 | 2,548 | 10 | 34,347 | 1,660 | |
| | | Total including other types | 91 | 363,136 | 23,402 | 93 | 406,767 | 34,288 | |
| | Individual variable annuities | | | — | — | — | — | — | — |
| | Subtotal (2) | | | 91 | 363,136 | 23,402 | 93 | 406,767 | 34,288 |
| (1) + (2) Total | | | 762 | 4,628,719 | 154,981 | 812 | 4,341,474 | 175,807 | |

Thousand policies, Millions of Yen

| Classification | | Fiscal year ended March 31, 2023 | | Fiscal year ended March 31, 2024 | |
|------------------------------------|---|----------------------------------|---------------|----------------------------------|---------------|
| | | Policies | Amount | Policies | Amount |
| Group insurance | Group term life insurance | 13 | 32,102 | 13 | 10,934 |
| | General welfare group term life insurance | 15 | 49,325 | 18 | 20,721 |
| | Group credit life insurance | — | — | 2 | 1,163 |
| | Group insurance for three major diseases | 41 | 54,390 | 47 | 52,153 |
| | Subtotal | 70 | 81,427 | 81 | 32,818 |
| Group annuities | Insured contributory pension plans | 0 | 0 | 1 | 2 |
| | Defined benefit corporate pension plans | — | 45 | — | 8 |
| | Defined contribution pension plans | — | 6 | — | 4 |
| | Subtotal | 0 | 52 | 1 | 16 |
| Workers' asset formation insurance | | 0 | 39 | 0 | 4 |
| Workers' asset formation annuities | | 0 | 6 | 0 | 0 |
| Medical life insurance | | — | — | — | — |

- (Notes) 1. Number of policies for group insurance, group annuities, workers' asset formation insurance, worker's asset formation annuities and medical life insurance each represents respective number of insured persons.
2. The amount for the group insurance for three major diseases represents the insurance amount for three major diseases, and is not included in the subtotal.
3. The "Insurance amount" and "Amount" columns show principal amounts of coverage.
- a. Individual annuities show annuity resources at the start of annuity payments.
- b. Group annuities and workers' asset formation insurance show the first time premium revenues.
- c. Workers' asset formation annuities show the annuity resources at the start of annuity payments, while workers' asset formation funding annuities show the first time premium revenues.
- d. Medical life insurance show the amount of daily hospital benefit.
4. The amount of annualized premium is the annual premium amount calculated by multiplying factor according to the premium payment method to a single premium payment amount (for lump-sum payment, the amount is the total premium divided by the insured period).
5. Individual life insurance and individual annuities include increases due to conversion as well as rider replacement.

◆ Indicators Related to Separate Accounts

① Status of the balance of assets held in separate accounts

Millions of Yen

| Classification | As of March 31, 2023 | As of March 31, 2024 |
|-------------------------------|----------------------|----------------------|
| | Amount | Amount |
| Individual variable insurance | 58,299 | 66,305 |
| Individual variable annuities | 43,759 | 41,215 |
| Group annuities | 688,460 | 774,278 |
| Total of separate accounts | 790,519 | 881,798 |

② Status of the separate accounts of individual variable insurance and individual variable annuities

a. Overview of investment of fiscal 2023

Stock markets at home and abroad rose on the back of factors such as strong results from semiconductor-related stocks. The domestic stock market was boosted also by the strengthening of shareholder returns demanded by the Tokyo Stock Exchange and the continued accommodative monetary stance of the Bank of Japan. Domestic long-term interest rates rose during the first half of the fiscal year, mainly due to the effective expansion of the allowable range of fluctuation for long-term rates by the Bank of Japan. In the latter half of the fiscal year, after falling in line with U.S. interest rates, this fall was tempered by expectations of a return to normal monetary policy. Long-term interest rates in the U.S. rose in the first half of the fiscal year against the backdrop of concerns over the possibility of prolonged monetary tightening due to inflation. The rates fell in the second half, mainly due to the decision by the Federal Reserve Bank (FRB) to keep interest rates on hold, but expectations of an early rate cut faded towards the end of the fiscal year, dampened by an awareness of persistent high inflation, and the fall in rates became less emphatic. In the first half of the fiscal year, the yen depreciated against the U.S. dollar due to the FRB's monetary tightening, while the Bank of Japan continued its monetary easing policy and the gap between domestic and foreign interest rates widened. The yen appreciated against the U.S. dollar for a period in the second half of the fiscal year, as investors incorporated the possibility of a change in the FRB's monetary policy, but a consciousness of the resilience of the U.S. economy and the continuation of the Bank of Japan's accommodative stance helped to push the U.S. dollar back higher against the yen towards the end of the fiscal year.

In these circumstances, the Company managed funds held in separate accounts for individual variable insurance policies, basically taking a slightly increased share of domestic and foreign stocks, while reducing the share of domestic and foreign bonds. Furthermore, the Company sold some of its domestic and foreign stocks when the stock markets were rising, and bought stocks when the stock markets were falling in anticipation of a rebound in the prices of those stocks. As a result, the investment yield was positive. Among separate accounts for individual variable annuities which were primarily managed by investment trusts, the Company invested in incorporated investment trusts.

b. Policies in force

● Individual variable insurance

Number of policies, Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|---|----------------------|---------|----------------------|---------|
| | Policies | Amount | Policies | Amount |
| Individual variable insurance (Defined term type) | 7 | 30 | 4 | 21 |
| Individual variable insurance (Whole life type) | 44,702 | 233,611 | 42,936 | 227,115 |
| Total | 44,709 | 233,641 | 42,940 | 227,137 |

(Note) Policies in force include term life insurance riders.

● Individual variable annuities

Number of policies, Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|-------------------------------|----------------------|---------|----------------------|---------|
| | Policies | Amount | Policies | Amount |
| Individual variable annuities | 66,094 | 133,848 | 57,701 | 104,363 |

c. Breakdown of assets held in separate accounts

● Individual variable insurance

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|------------------------------------|----------------------|-------------------|----------------------|-------------------|
| | Amount | Composition ratio | Amount | Composition ratio |
| Cash, deposits and call loans | 826 | 1.4 | 1,334 | 2.0 |
| Securities | 55,474 | 95.2 | 64,010 | 96.5 |
| Domestic bonds | 15,351 | 26.3 | 19,016 | 28.7 |
| Domestic stocks | 17,434 | 29.9 | 20,128 | 30.4 |
| Foreign securities | 22,689 | 38.9 | 24,865 | 37.5 |
| Foreign bonds | 5,994 | 10.3 | 6,345 | 9.6 |
| Other foreign securities | 16,694 | 28.6 | 18,520 | 27.9 |
| Other securities | — | — | — | — |
| Loans | — | — | — | — |
| Others | 1,998 | 3.4 | 959 | 1.4 |
| Allowance for possible loan losses | — | — | — | — |
| Total | 58,299 | 100.0 | 66,305 | 100.0 |

●Individual variable annuities

Millions of Yen, %

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|------------------------------------|----------------------|-------------------|----------------------|-------------------|
| | Amount | Composition ratio | Amount | Composition ratio |
| Cash, deposits and call loans | 4,173 | 9.5 | 3,665 | 8.9 |
| Securities | 36,711 | 83.9 | 34,184 | 82.9 |
| Domestic bonds | 12,585 | 28.8 | 10,788 | 26.2 |
| Domestic stocks | 3,877 | 8.9 | 3,793 | 9.2 |
| Foreign securities | 16,595 | 37.9 | 16,557 | 40.2 |
| Foreign bonds | 15,487 | 35.4 | 15,591 | 37.8 |
| Other foreign securities | 1,108 | 2.5 | 966 | 2.3 |
| Other securities | 3,652 | 8.3 | 3,044 | 7.4 |
| Loans | — | — | — | — |
| Others | 2,874 | 6.6 | 3,365 | 8.2 |
| Allowance for possible loan losses | — | — | — | — |
| Total | 43,759 | 100.0 | 41,215 | 100.0 |

d. Investment income and expenses

●Individual variable insurance

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| | Amount | Amount |
| Interest, dividends, and other income | 1,076 | 1,026 |
| Gains on sales of securities | 2,988 | 5,990 |
| Gains on redemption of securities | — | — |
| Gains on valuation of securities | 12,355 | 18,951 |
| Foreign exchange gains | 34 | 17 |
| Gains on derivative financial instruments | 59 | 150 |
| Other investment income | 2 | 2 |
| Losses on sales of securities | 1,247 | 733 |
| Losses on redemption of securities | 17 | 24 |
| Losses on valuation of securities | 14,573 | 11,893 |
| Foreign exchange losses | 21 | 16 |
| Losses on derivative financial instruments | 14 | 169 |
| Other investment expenses | 0 | 0 |
| Net investment income | 641 | 13,301 |

(Note) ¥12,355 million gains on valuation of securities for the fiscal year ended March 31, 2023 include ¥1,358 million reversal for gains on valuation of securities, while ¥14,573 million losses on valuation of securities include ¥13,397 million reversal for losses on valuation of securities.
¥18,951 million gains on valuation of securities for the fiscal year ended March 31, 2024 include ¥1,176 million reversal for gains on valuation of securities, while ¥11,893 million losses on valuation of securities include ¥10,997 million reversal for losses on valuation of securities.

●Individual variable annuities

Millions of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--|----------------------------------|----------------------------------|
| | Amount | Amount |
| Interest, dividends, and other income | 680 | 1,146 |
| Gains on sales of securities | 1,882 | 1,407 |
| Gains on redemption of securities | — | — |
| Gains on valuation of securities | 3,619 | 4,738 |
| Foreign exchange gains, net | 20 | 8 |
| Gains on derivative financial instruments, net | 211 | 64 |
| Other investment income | 1 | 2 |
| Losses on sales of securities | 818 | 268 |
| Losses on redemption of securities | 12 | 22 |
| Losses on valuation of securities | 5,713 | 3,331 |
| Foreign exchange losses | 14 | 2 |
| Losses on derivative financial instruments | 146 | 96 |
| Other investment expenses | 446 | 91 |
| Net investment income | (736) | 3,553 |

(Note) ¥3,619 million gains on valuation of securities for the fiscal year ended March 31, 2023 include ¥866 million reversal for gains on valuation of securities, while ¥5,713 million losses on valuation of securities include ¥5,045 million reversal for losses on valuation of securities.
¥4,738 million gains on valuation of securities for the fiscal year ended March 31, 2024 include ¥668 million reversal for gains on valuation of securities, while ¥3,331 million losses on valuation of securities include ¥2,753 million reversal for losses on valuation of securities.

e. Fair value information of securities

●Trading securities

<Individual variable insurance>

Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------|----------------------|--|----------------------|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | Balance sheet amount | Net valuation gains (losses) included in statement of income |
| Trading securities | 55,474 | 9,821 | 64,010 | 16,879 |

<Individual variable annuities>

Millions of Yen

| Classification | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------------|----------------------|--|----------------------|--|
| | Balance sheet amount | Net valuation gains (losses) included in statement of income | Balance sheet amount | Net valuation gains (losses) included in statement of income |
| Trading securities | 36,711 | 2,084 | 34,184 | 3,491 |

●Fair value information of money held in trusts for trading

<Individual variable insurance>

Omitted as there are no ending balances for March 31, 2023 and 2024.

<Individual variable annuities>

Omitted as there are no ending balances for March 31, 2023 and 2024.

f. Fair value information of derivative transactions

●Breakdown of net gains (losses) (with and without hedge accounting applied)

<Individual variable insurance>

Millions of Yen

| Classification | As of March 31, 2023 | | | | | | As of March 31, 2024 | | | | | |
|------------------------------|----------------------|------------------|---------------|--------------|--------|-------|----------------------|------------------|---------------|--------------|--------|-------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | — | — | — | — | — | — | — | — | — | — | — | — |
| Hedge accounting not applied | — | (0) | — | — | — | (0) | — | — | 4 | — | — | 4 |
| Total | — | (0) | — | — | — | (0) | — | — | 4 | — | — | 4 |

(Note) The net gains (losses) without hedge accounting applied are recorded on the statements of income.

<Individual variable annuities>

Millions of Yen

| Classification | As of March 31, 2023 | | | | | | As of March 31, 2024 | | | | | |
|------------------------------|----------------------|------------------|---------------|--------------|--------|-------|----------------------|------------------|---------------|--------------|--------|-------|
| | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total | Interest-related | Currency-related | Stock-related | Bond-related | Others | Total |
| Hedge accounting applied | — | — | — | — | — | — | — | — | — | — | — | — |
| Hedge accounting not applied | — | 0 | 7 | — | — | 7 | — | — | (4) | — | — | (4) |
| Total | — | 0 | 7 | — | — | 7 | — | — | (4) | — | — | (4) |

(Note) The net gains (losses) without hedge accounting applied are recorded on the statements of income.

●Interest-related

<Individual variable insurance>

Omitted as there are no ending balances for March 31, 2023 and 2024.

<Individual variable annuities>

Omitted as there are no ending balances for March 31, 2023 and 2024.

●Currency-related

<Individual variable insurance>

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------------|------------------------------------|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Over-the-counter transactions | Foreign currency forward contracts | | | | | | |
| | Sold (U.S. dollar) | 142 | — | (2) | — | — | — |
| | (Euro) | — | — | — | — | — | — |
| | Bought (U.S. dollar) | 142 | — | (2) | — | — | — |
| | (Euro) | — | — | — | — | — | — |
| Total | | 142 | — | 2 | — | — | — |

(Note) Regarding assets and liabilities which are denominated in foreign currencies but have fixed settlement in yen under foreign currency forward contracts and are reported in yen amounts in the balance sheets, those foreign currency forward contracts are excluded from the table above.

<Individual variable annuities>

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|-------------------------------|------------------------------------|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Over-the-counter transactions | Foreign currency forward contracts | | | | | | |
| | Sold (U.S. dollar) | 64 | — | (1) | — | — | — |
| | (Euro) | — | — | — | — | — | — |
| | Bought (U.S. dollar) | 64 | — | (1) | — | — | — |
| | (Euro) | — | — | — | — | — | — |
| Total | | 64 | — | 1 | — | — | — |

(Note) Regarding assets and liabilities which are denominated in foreign currencies but have fixed settlement in yen under foreign currency forward contracts and are reported in yen amounts in the balance sheets, those foreign currency forward contracts are excluded from the table above.

●Stock-related

<Individual variable insurance>

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|------------------------------|---------------------|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Exchange-traded transactions | Stock index futures | | | | | | |
| | Sold | — | — | — | 994 | — | 4 |
| Total | | — | — | — | — | — | 4 |

<Individual variable annuities>

Millions of Yen

| Classification | Type | As of March 31, 2023 | | | As of March 31, 2024 | | |
|------------------------------|---------------------|------------------------------------|------------|-----------------------|------------------------------------|------------|-----------------------|
| | | Notional amount/ contract value | Fair value | Net gains (losses) | Notional amount/ contract value | Fair value | Net gains (losses) |
| | | | | | | | |
| | | Over 1 year | | | Over 1 year | | |
| Exchange-traded transactions | Stock index futures | | | | | | |
| | Sold | — | — | — | — | — | — |
| Total | | 449 | 7 | 7 | 362 | (4) | (4) |

●Bond-related

<Individual variable insurance>

Omitted as there are no ending balances for March 31, 2023 and 2024.

<Individual variable annuities>

Omitted as there are no ending balances for March 31, 2023 and 2024.

●Others

<Individual variable insurance>

Omitted as there are no ending balances for March 31, 2023 and 2024.

<Individual variable annuities>

Omitted as there are no ending balances for March 31, 2023 and 2024.

③ Separate Account for Group Annuities

a. Entrusted fund in separate account for group annuities

Number of policies, Billion of Yen

| | As of March 31, 2023 | | As of March 31, 2024 | |
|--------------|----------------------|--------------------|----------------------|--------------------|
| | Cases | Fair value balance | Cases | Fair value balance |
| First treaty | 1,445 | 680.8 | 1,436 | 772.6 |
| Total | 1,445 | 680.8 | 1,436 | 772.6 |

(Notes) 1. Number of cases refers to the number of groups with positive fair value balance at each year-end.

2. Separate account first treaty involves joint management of the contract fund from more than one group annuities.

b. Trend of fair value balance of separate account first treaty

Billion of Yen

| | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Comprehensive account A | 131.9 | 161.4 |
| Comprehensive account M | 175.0 | 214.1 |
| Comprehensive account S | 113.0 | 94.7 |
| Yen-denominated bonds account A | 83.9 | 87.6 |
| Yen-denominated bonds account P | 28.6 | 25.9 |
| Yen-denominated stocks account A | 6.5 | 15.3 |
| Yen-denominated stocks account B | 9.9 | 12.1 |
| Yen-denominated stocks account E | 1.6 | 3.3 |
| Yen-denominated stocks account P | 48.3 | 51.7 |
| Yen-denominated stocks account V | 1.2 | 3.6 |
| Foreign currency denominated bonds account A | 17.0 | 18.9 |
| Foreign currency denominated bonds account B | 8.3 | 11.4 |
| Foreign currency denominated stocks account A | 48.8 | 61.5 |
| Short-term funds account A | 6.3 | 10.3 |
| Total | 680.8 | 772.6 |

c. Investment return ratio of separate account first treaty

%

| | As of March 31, 2023 | As of March 31, 2024 |
|---|----------------------|----------------------|
| Comprehensive account A | 2.20 | 25.65 |
| Comprehensive account M | (2.77) | 9.48 |
| Comprehensive account S | (5.03) | 4.55 |
| Yen-denominated bonds account A | (1.52) | (1.95) |
| Yen-denominated bonds account P | (1.61) | (2.20) |
| Yen-denominated stocks account A | 5.84 | 42.20 |
| Yen-denominated stocks account B | 9.91 | 27.22 |
| Yen-denominated stocks account E | 3.74 | 39.27 |
| Yen-denominated stocks account P | 5.77 | 41.29 |
| Yen-denominated stocks account V | 9.41 | 55.46 |
| Foreign currency denominated bonds account A | (0.28) | 15.56 |
| Foreign currency denominated bonds account B | (10.57) | (3.50) |
| Foreign currency denominated stocks account A | 2.03 | 43.03 |
| Short-term funds account A | 0.00 | 0.00 |

(Notes) 1. Figures indicate the rate of increase in unit prices.

◆ Business Indicators

1 Average Policy Coverage (Individual Life Insurance)

Thousands of Yen

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---|----------------------------------|----------------------------------|
| Average policy coverage for new policies | 3,797 | 3,942 |
| Average policy coverage for policies in force | 6,361 | 6,062 |

(Note) Average policy coverage for new policies excludes converted policies.

2 Percentage of New Policies (Compared with Beginning of the Same Fiscal Year)

%

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---------------------------|----------------------------------|----------------------------------|
| Individual life insurance | 2.8 | 2.5 |
| Individual annuities | 2.5 | 2.8 |
| Group insurance | 0.2 | 0.1 |

(Note) Converted policies are excluded.

3 Rate of Cancellation and Expiration (Compared with Beginning of the Same Fiscal Year)

%

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---------------------------|----------------------------------|----------------------------------|
| Individual life insurance | 3.8 | 3.8 |
| Individual annuities | 2.0 | 2.3 |
| Group insurance | 0.1 | 0.1 |

4 Average Annual Premium of New Individual Life Insurance Policy (With Monthly Payments)

Yen

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 112,715 | 113,290 |

(Note) Converted policies are excluded.

5 Mortality Rate (Primary Individual Life Insurance Policies)

a. Number of policies

%

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 10.71 | 11.28 |

b. Insurance amount

%

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 8.24 | 9.12 |

6 Incidence of Events Covered by Riders (Individual Life Insurance plus Individual Annuities)

%

| Classification | | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|--------------------------------------|---|----------------------------------|----------------------------------|
| Accidental death | Ratio of the number of policies | 0.29 | 0.22 |
| | Ratio of the amount of claims on policies | 0.34 | 0.24 |
| Disability | Ratio of the number of policies | 0.34 | 0.36 |
| | Ratio of the amount of claims on policies | 0.12 | 0.13 |
| Hospitalization due to accident | Ratio of the number of policies | 7.37 | 7.84 |
| | Ratio of the amount of claims on policies | 173 | 182 |
| Hospitalization due to illness | Ratio of the number of policies | 223.70 | 102.84 |
| | Ratio of the amount of claims on policies | 2,519 | 1,371 |
| Hospitalization due to adult disease | Ratio of the number of policies | 27.36 | 30.96 |
| | Ratio of the amount of claims on policies | 517 | 568 |
| Surgery due to illness or injury | Ratio of the number of policies | 92.01 | 102.56 |
| Surgery due to adult disease | Ratio of the number of policies | 33.96 | 36.77 |

7 Percentage of Operating Expense (Operating Expenses as a Percentage of Premium Revenues)

%

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 15.2 | 15.3 |

8 The Number of Major Insurance Companies that Accepted Reinsurance Agreements

Number of insurance companies

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 8 | 9 |
| [2] | [2] |

(Note) Figures in [] indicate third-sector insurances paid that stipulate no coverage by policy reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

9 The Ratio of Reinsurance Premiums to Total Premiums Written by the Top Five Insurance Companies Using Reinsurance

%

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 99.6 | 100.0 |
| [100.0] | [100.0] |

(Note) Figures in [] indicate third-sector insurances paid that stipulate no coverage by policy reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

10 The Ratio of Insurance Companies Which Accepted Reinsurance Agreements by Ratings Assessed

%

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|---------------------------------|----------------------------------|----------------------------------|
| Over A- | 100.0 [100.0] | 100.0 [100.0] |
| Over BBB- | — [—] | — [—] |
| Others (Including no rating) | — [—] | — [—] |
| Total | 100.0 [100.0] | 100.0 [100.0] |

(Notes) 1. Ratings are classified as follows:

- S&P Global (S&P) ratings are used as criterion, while insurers without S&P ratings are classified as "Others (Including no rating)."
- Ratings are based on the ratings at each fiscal year-end.

- Figures in [] indicate third-sector insurances paid that stipulate no coverage by policy reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

11 Unreceived Reinsurance Claims

Millions of Yen

| Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|----------------------------------|----------------------------------|
| 53 | 256 |
| [5] | [12] |

(Note) Figures in [] indicate third-sector insurances paid that stipulate no coverage by policy reserves in accordance with Article 71 of the Ordinance for Enforcement of the Insurance Business Act.

12 The Ratio of Insured Amount to Earned Premium Classified by Grounds for Third-Sector Insurance Benefits or Type of Insurance

%

| Classification | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 |
|-----------------------------|----------------------------------|----------------------------------|
| Third-sector incidence rate | 49.9 | 39.3 |
| Medical care | 60.6 | 40.5 |
| Cancer | 39.1 | 40.3 |
| Nursing care | 34.3 | 35.3 |
| Others | 39.0 | 36.4 |

(Notes) 1. Figures are classified into main categories belonging to the third-sector benefits, by type of insurance (or rider).
2. Payments for insured incidents is the sum of "payments such as claims and benefits," "matching provision for reserve for outstanding claims" and "operating expenses, etc. related to claims paid."
3. Earned premium is the simple average of annualized premium of the beginning-of-the-year policies in force and that of year-end policies in force.
4. For the types of insurance (rider) that combine living benefits/medical coverage and death protection, etc., the portion corresponding to death protection is included in both payments for insured incidents and earned premiums.

13 Loan Interest Rates

%

| Type of loan | General loans Prime rate (long-term prime rate loans) | | Type of loan | General loans Prime rate (long-term prime rate loans) | |
|----------------------------------|---|------|----------------------------------|---|------|
| Fiscal year ended March 31, 2023 | April 8 | 1.10 | Fiscal year ended March 31, 2024 | April 11 | 1.40 |
| | May 10 | 1.10 | | May 10 | 1.40 |
| | June 10 | 1.20 | | June 9 | 1.30 |
| | July 8 | 1.20 | | July 11 | 1.30 |
| | August 10 | 1.20 | | August 10 | 1.40 |
| | September 9 | 1.25 | | September 8 | 1.45 |
| | October 12 | 1.25 | | October 11 | 1.50 |
| | November 10 | 1.25 | | November 10 | 1.60 |
| | December 9 | 1.25 | | December 8 | 1.50 |
| | January 11 | 1.40 | | January 10 | 1.40 |
| | February 10 | 1.50 | | February 9 | 1.50 |
| | March 10 | 1.45 | | March 8 | 1.60 |



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