



July 21, 2016

Sumitomo Life Insurance Co.

Discovery Ltd.

SoftBank Corp.

Announcement of New Project: Japan Vitality Project

Making Japan healthier through Shared Value Insurance

Sumitomo Life Insurance Co. (President & CEO: Masahiro Hashimoto; hereinafter "Sumitomo Life"), South Africa financial services company, Discovery (Group Chief Executive: Adrian Gore; hereinafter "Discovery"), and SoftBank Corp. (President & CEO: Ken Miyauchi; hereinafter "SoftBank") today announced a strategic partnership that will start joint efforts for the Japan Vitality Project, which will include the joint development and the introduction of insurance products incorporated with Vitality, Discovery's globally recognised wellness programme, into the Japanese life insurance market in partnership between Sumitomo Life and Discovery, and joint development of the platform for collection of health related data and wellness activities<sup>1</sup> by utilising Internet of Things in partnership between Sumitomo Life and SoftBank.

Vitality is a world-class behavioural wellness solution that helps policyholders get healthier by giving them the tools, knowledge, access, and incentives to improve their health. The programme is based on sound clinical research and behavioural economics, and focuses on tackling key areas shown to stem the rise of NCDs viz. early detection and health screening, and behaviour modification. Vitality's shared value approach is based on incentivising policyholders to manage their wellness - Vitality is integrated into insurance product offerings, leveraging insights from behavioural economics in an immediate rewards system that drives positive behaviour change over the long term. The change in behaviour results in improved profitability for the insurer which in turn is used to fund the incentives that encourage behaviour change – thus creating a virtuous cycle. The impact from a clinical and actuarial perspective is significant. In this way, the model continues to drive shared value: it delivers better health and value for clients, superior actuarial dynamics for the insurer, and a healthier society at large. <sup>Note1</sup>

The purpose of the Japan Vitality Project is to contribute to improving the health of customers and lengthening the healthy life expectancy of Japan by encouraging customers to engage in ongoing health-enhancing activities through Discovery's global Vitality Program. Based on the concept of creating

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<sup>1</sup> All the necessary measures and internal controls and systems will be put in place to comply with Japanese Personal Information Protection Law and any relevant laws and regulations.

shared value between customers, society, and companies and their employees, the Project intends to early start services, pending approval of the relevant authorities.

Sumitomo Life possesses rich experience and excellent track records in the Japanese life insurance markets, Discovery is a global leader in incentivised wellness and SoftBank <sup>Note2</sup> will lend its cutting-edge and sophisticated technological capabilities in areas such as Internet of Things, which are essential for gathering data on wellness activities. Leveraging each company's strengths, the Project will develop a new market, create social value, and achieve business growth.

Note 1:

"Vitality" is a wellness program that supports members to lead healthier lives by encouraging health-enhancing activities.

As members engage with Vitality, they earn Vitality points which determine their Vitality status. The higher one's Vitality status, the higher the reward level and the larger the premium discount.

Members will receive personalized health goals and can easily log their activities using online and automated tools, which are integrated with the latest wearable technology, including a unique program that brings together Vitality with Apple's groundbreaking health and fitness companion, Apple Watch, to drive down insurance costs while promoting physical activity and overall better health.

Discovery Limited is a South African-founded financial services organisation that operates in the healthcare, life assurance, short-term insurance, savings and investment products and wellness markets. Founded in 1992, Discovery was guided by a clear core purpose – to make people healthier and to enhance and protect their lives. Underpinning this core purpose is the belief that through innovation, Discovery can be a powerful market disruptor.

The company, with headquarters in Johannesburg, South Africa, has expanded its operations globally and currently serves over 3.5 million Vitality members of in over a dozen markets globally including South Africa, the United Kingdom, the United States, Germany, China, Singapore and Australia. Discovery has entered an exclusive agreement with Sumitomo Life in Japan.

Note 2:

More than a partner company that offers rewards and discounts, SoftBank will provide products and know-how to Sumitomo Life needed to gather policyholders' health data and information on fitness activities. The company will also deliberate with Sumitomo Life on effective initiatives to utilize and combine each other's managerial resources in other business fields.

Overview of Discovery (as of the end of June 2015)

Company name	Discovery Ltd.
Date established	1992
Representative	Adrian Gore, Group Chief Executive
Headquarters	Sandton, Johannesburg, Gauteng, South Africa
Main performance indicators*1	Net insurance premium revenue: 700.0 billion JPY Profit for the year: 42.53 billion JPY
The number of in-force policies	More than 7 million
Employees*2	10,000

\*1: 1 rand = 7 JPY, including Health business

\*2: as of the end of June 2016

Overview of SoftBank (as of the end of March 2016)

Company name	SoftBank Corp.
Date established	1986
Representatives	Masayoshi Son, Chairman Ken Miyuchi, President & CEO
Headquarters	1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo, Japan
Main performance indicators*3	Operating Revenue: 3.1514 trillion JPY Current net income: 423.8 billion JPY Total Asset: 3.8418 trillion JPY
Number of main subscribers*4	32.038 million
Employees	17,200

\*3: The results of SoftBank Corp. as of the end of FY2015

\*4: Smartphone, mobile, tablet, mobile data transmitting devices and etc

Overview of Sumitomo Life (as of the end of March 2016)

Company name	Sumitomo Life Insurance Co.
Date established	1907
Representative	Masahiro Hashimoto, President and CEO
Headquarters	1-4-35 Shiromi, Chuo-ku, Osaka, Japan
Main performance indicators*5	Insurance premiums and other: 3.022 trillion JPY Core business profit: 308.2 billion JPY Total Assets: 27.6415 trillion JPY
Number of policies in force*6	11.31 million
Employees	42,245

\*5: The results of FY2015

\*6: Individual life insurance and individual annuities

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