

Policy on Japan's Stewardship Code

Responsible Investment Unit

Daiichi Life Group, Inc. ("HD") expresses its deep support for and acceptance of the aims of the Principles for Responsible Institutional Investors (Japan's Stewardship Code) in connection with the responsible investment functions entrusted to it by Daiichi Life Insurance Co., Ltd. and Daiichi Frontier Life Insurance Co., Ltd. (collectively, the "Entrusting Companies").

HD conducts stewardship activities based on the responsible investment policies and related rules established by the Entrusting Companies and contributes to the sustainable growth and medium- to long-term enhancement of corporate value of investee companies.

Regarding Principles 1 to 7 of the Code, HD's policy is as follows.

Principle 1 Institutional investors should have a clear policy on how they fulfill their stewardship responsibilities, and publicly disclose it.

- HD fully supports the purport of Japan's Stewardship Code. We fulfill our stewardship responsibilities as an institutional investor in accordance with this Policy and the responsible investment policies, rules and other relevant regulations established by the Entrusting Companies.
- When we entrust investments to external asset managers, we request that the asset managers engage in stewardship activities. We also monitor the status of these activities after clearly specifying the principles and matters we require them to follow and implement.
- HD builds issues related to sustainability into investment policies and processes for all assets entrusted by the Entrusting Companies in order to strengthen the medium- to long-term resilience of portfolios.

* Details of specific initiatives are disclosed on the websites of HD and/or the Entrusting Companies.

Principle 2 Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

- HD has a policy for managing conflicts of interest and has established a framework for preventing such conflicts of interest. When carrying out stewardship activities,

including engagement with investee companies and exercising voting rights, we identify situations where conflicts of interest could arise and determine policies to ensure that the interests of HD's shareholders and the policyholders of the Entrusting Companies will not be unjustly harmed.

[Policy for the Management of Conflicts of Interest in Stewardship Activities]

- The Responsible Investment Unit, which is dedicated to stewardship activities, makes decisions regarding engagement activities and the exercise of voting rights from the viewpoint of maintaining or enhancing investee companies' corporate value and improving governance.
- The Domestic Responsible Investment Committee deliberates on the revision or abolition of this Policy and other important regulations, including the Voting Guidelines. The Committee also deliberates on significant voting matters that require case-by-case judgment and monitors voting outcomes from the viewpoint of conflicts of interest. As a rule, a majority of the Committee members are external experts. The Committee also includes the executive officer responsible for the Compliance Control Department of Daiichi Life Insurance Company, who oversees the management of conflicts of interest.

(Situations where conflicts of interest may typically arise)

- Cases where voting rights are exercised at an investee company that has business relationships with the Entrusting Companies or other group companies, including insurance contracts, investments or loans.
- Cases where voting rights are exercised at an investee company to which the Entrusting Companies or other group companies have proposed insurance contracts, investments, loans or other business transactions.

Reference: HD Policy for the Management of Conflicts of Interest

<https://www.daiichilife-group.com/en/coi.html>

Principle 3 Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.

- Through research by analysts and engagement, we endeavor to maintain an accurate understanding of investee companies in order to appropriately fulfill our stewardship responsibilities with a view to their sustainable growth.
- In conducting research and engagement, we undertake sufficient analysis not only of business strategies, financial strategies and shareholder return policies, but also of non-financial factors such as governance and environmental and social issues, thereby assessing medium- to long-term earnings growth potential and creditworthiness.

Principle 4 Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

- To support the enhancement of corporate value of investee companies from a medium- to long-term perspective, we continue engagement with investee companies regarding business strategies, financial strategies, shareholder return policies, governance and environmental and social issues, while seeking to develop a shared understanding and address identified issues.
- We regularly monitor the progress of issues identified through engagement and support investee companies in resolving those issues through additional engagement, the provision of information and other means.
- We conduct engagement independently; however, from the perspective of promoting the sustainable growth of investee companies, we may also collaborate with other institutional investors through initiatives and other frameworks after considering constructive approaches to engagement.
- We do not engage based on material non-public information. In the unlikely event that we receive such information, it will be managed appropriately in accordance with internal regulations.

* For inquiries regarding shares held by the Entrusting Companies, please contact the relevant Entrusting Company directly.

Principle 5 Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a

mechanical checklist; it should be designed to contribute to the sustainable growth of investee companies.

- The Responsible Investment Unit determines whether to vote for or against proposals in accordance with the Voting Guidelines established based on deliberations by the Domestic Responsible Investment Committee. For significant proposals, voting rights are exercised only after deliberation by the Committee and prior approval from the relevant Entrusting Company.
- We regularly review the Voting Guidelines from the viewpoint of maintaining or enhancing the medium- to long-term corporate value of investee companies and publicly disclose the details of such reviews.
- Regarding voting outcomes for listed domestic equities, we publicly disclose the results for each investee company and each proposal, in addition to providing aggregate voting statistics. For proposals that we oppose, we identify the relevant provisions of the Voting Guidelines that were not satisfied. Furthermore, where proposals are deemed to require particular explanation in light of conflicts of interest or the Voting Guidelines, we disclose the rationale for our voting decision regardless of whether the vote was cast in favor of or against the proposal.
- When we oppose a proposal by exercising, or intending to exercise, voting rights at the shareholders' meeting of a company subject to engagement, we endeavor to provide feedback to that company regarding the reasons for our decision.

* The Voting Guidelines and voting results are disclosed on the websites of HD and/or the Entrusting Companies.

Reference: In principle, when lending listed domestic equities, we avoid transactions that extend beyond the record date for voting rights in order to ensure that such rights are retained. Even in exceptional cases where such transactions are undertaken, they are subject to pre-determined lending limits.

Principle 6 Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.

- We periodically disclose information regarding stewardship activities, including engagement and voting activities, on the websites of HD and/or the Entrusting Companies.

Principle 7 To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.

- To ensure that stewardship activities are carried out based on an in-depth understanding of investee companies and their business environment, management promotes initiatives to establish the necessary organizational structure and develop highly skilled professionals with specialized expertise.
- To fulfill our stewardship responsibilities to a high standard, we regularly conduct self-assessments aimed at the continuous improvement of stewardship activities and disclose the results together with the outcomes of stewardship activities, including engagement with investee companies, on the websites of HD and/or the Entrusting Companies.