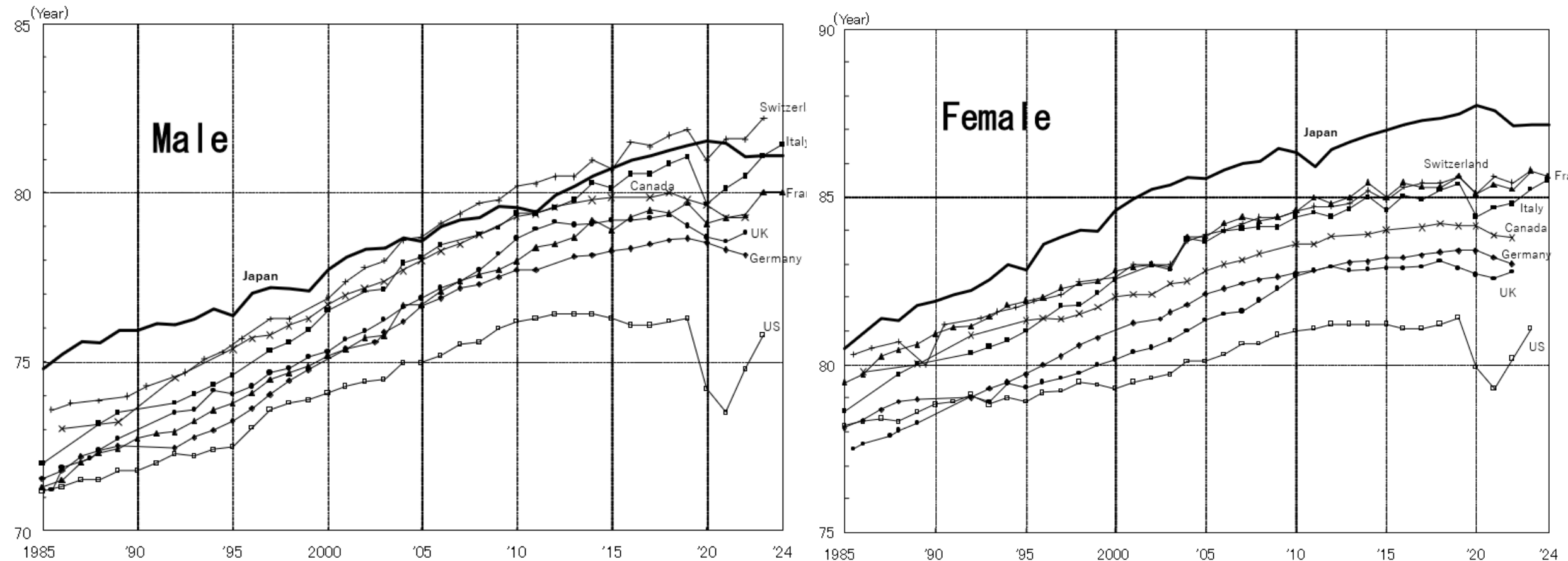


Mortality Experience of Japan and Daiichi Life's trends

- We present recent mortality trends based on national statistics and Daiichi Life's experience data.
- Trends before and after COVID-19 differ from those in Western countries.
- We share Daiichi Life's experience data on mortality and other metrics such as hospitalization.
- We discuss insights suggested by significant changes in hospitalization and related data.

Mortality Improvement: Changes in Life Expectancy

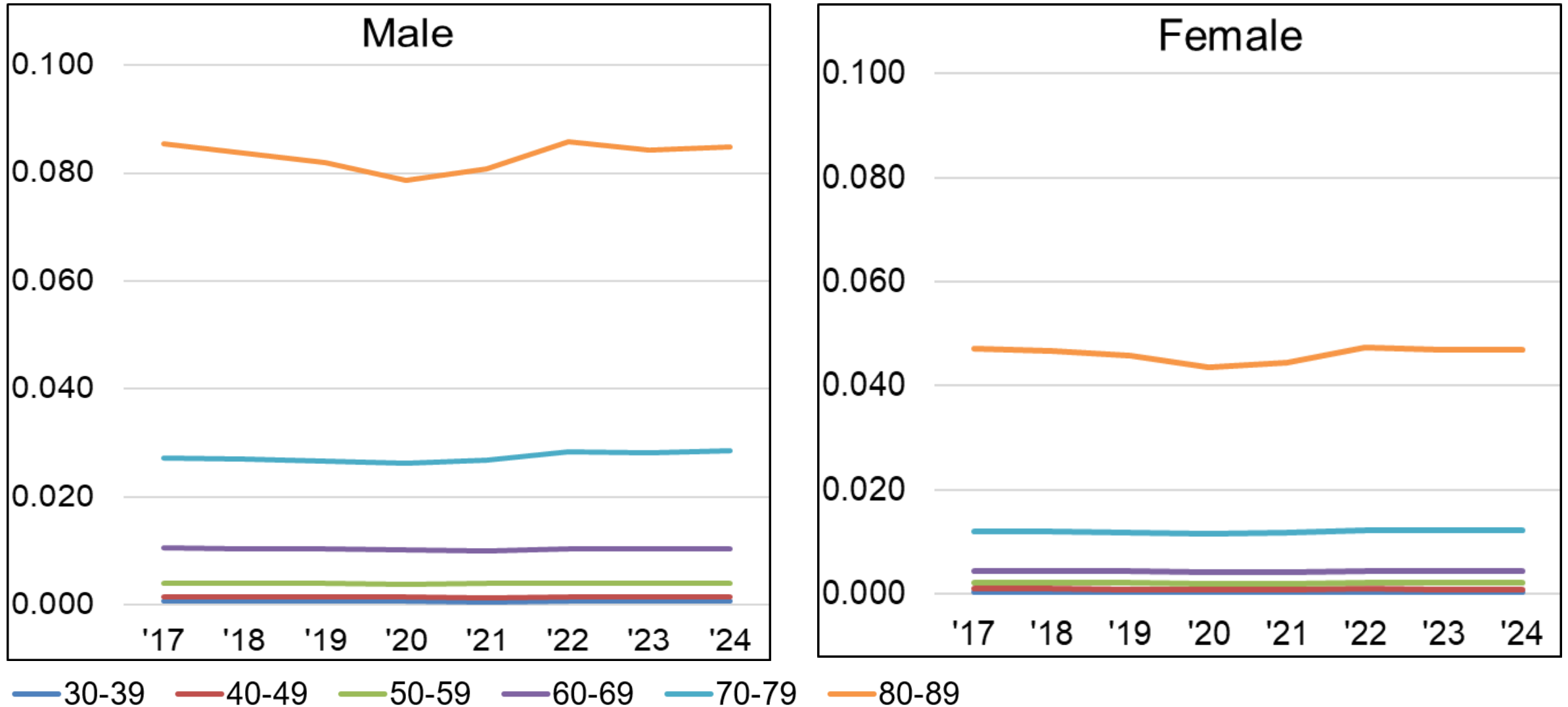
- All countries exhibit long-term trends of improving mortality rates.
- In 2020, COVID-19 caused declines in life expectancy in many countries, followed by a rapid recovery—particularly in the US, where the impact was more significant.
- In contrast, Japan's life expectancy actually improved in 2020 but has declined since then.



Source: Overview of the Abridged Life Table by the Ministry of Health, Labor and Welfare (United Nations (Demographic Yearbook) and other sources)

Note: Data for Germany prior to 1990 refer to former West Germany.

Mortality Trends in Japan

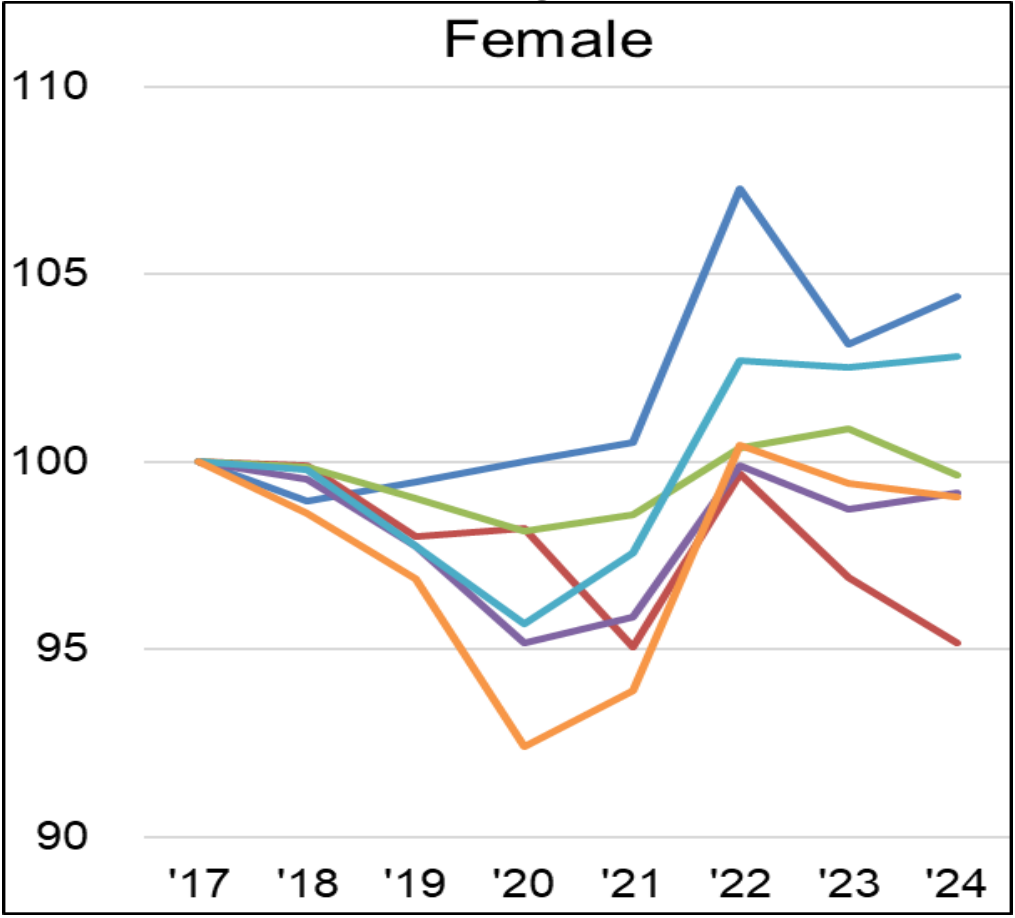
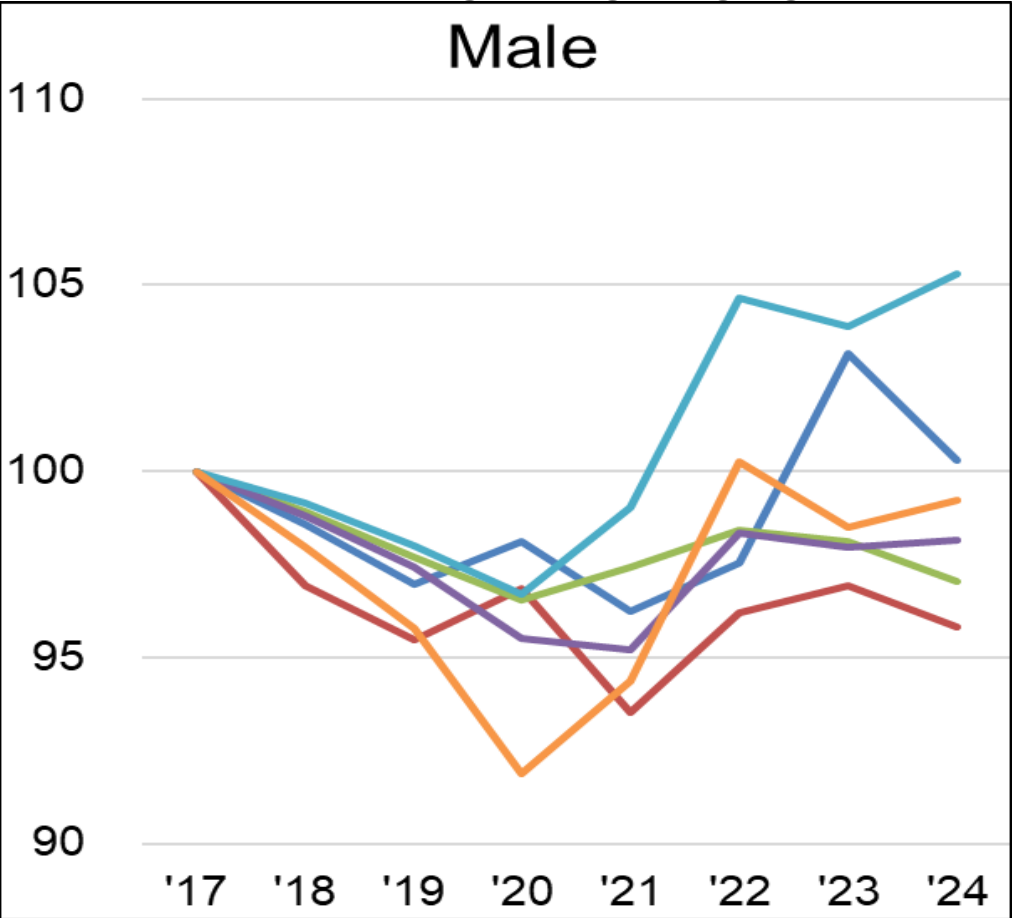


Note: The Abridged Life Table applies smoothing techniques, that reduce fluctuations in mortality rates by age.

Source: Overview of the Abridged Life Table by the Ministry of Health, Labor and Welfare

Mortality Trends in Japan

- For both males and females, national mortality rates improved until the onset of COVID-19 in 2020.
- Following the pandemic, mortality rates worsened across several years. Recently, slight improvements have been observed among younger age groups, but index levels remain elevated among the elderly.



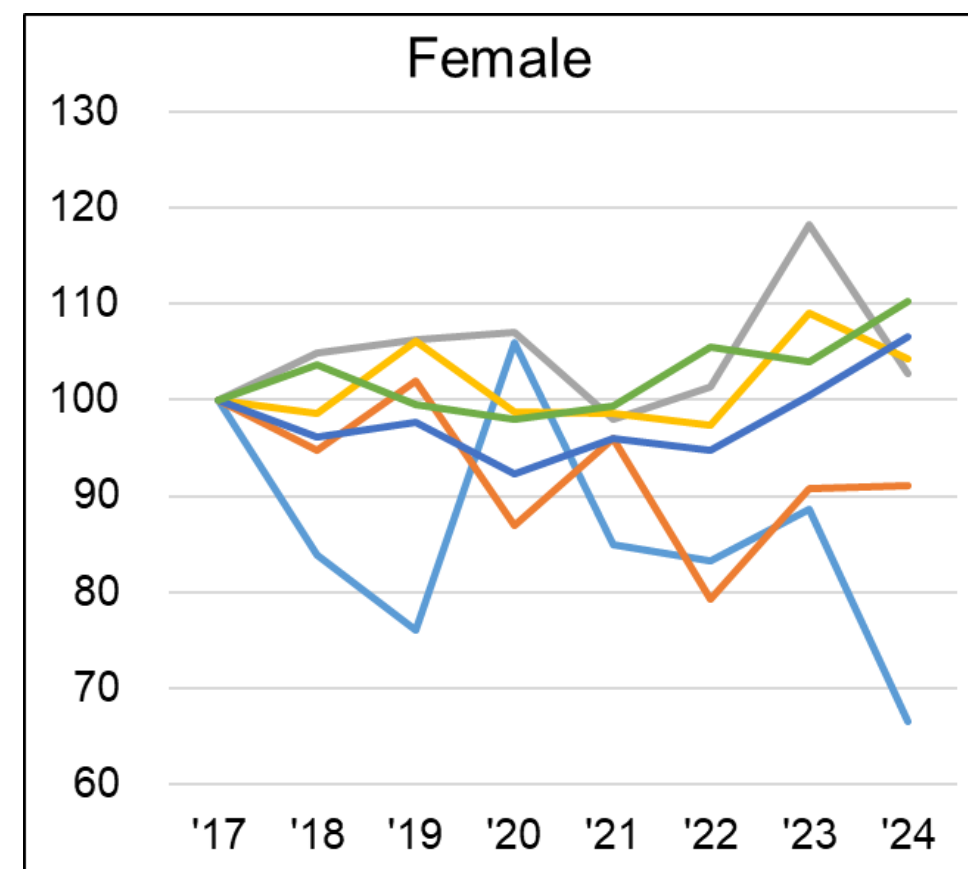
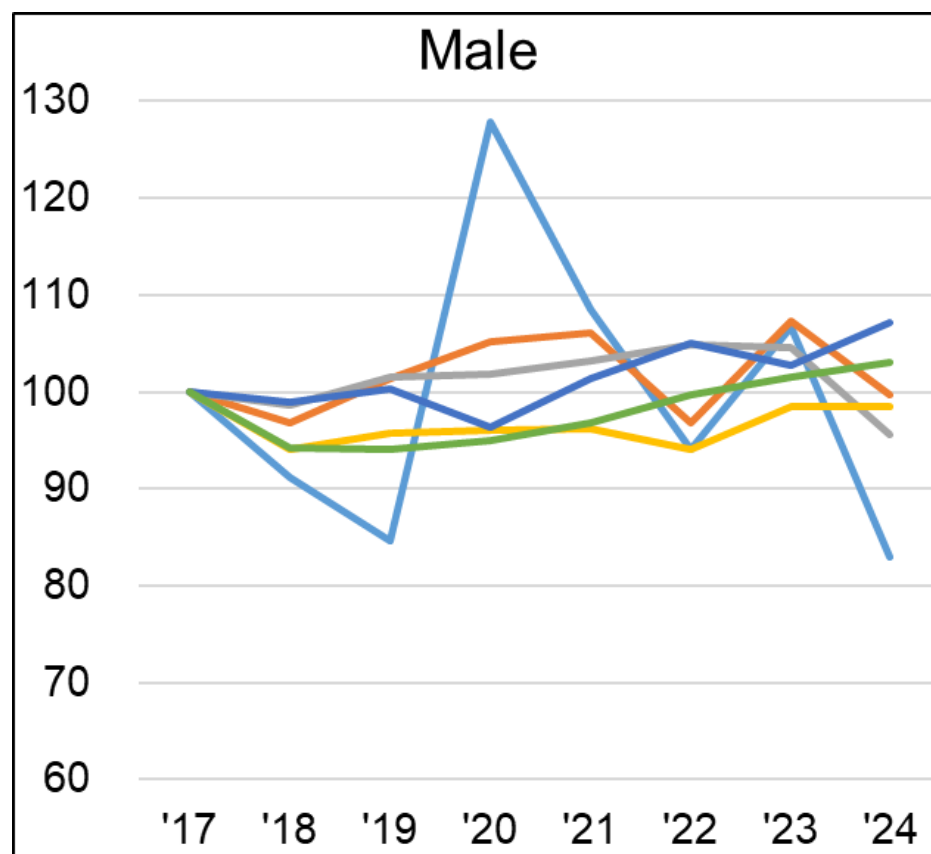
— 30-39 — 40-49 — 50-59 — 60-69 — 70-79 — 80-89

These charts show annual changes in mortality rates, indexed to 2017 as the baseline (set at 100)

Source: Overview of the Abridged Life Table by the Ministry of Health, Labor and Welfare

Mortality Trends of Daiichi Life(DL)

- Overall, DL's mortality rates improved before the onset COVID-19 in 2020.
- In 2020, for both males and females in 30s, mortality rates rose significantly.
- Mortality rates among elderly policyholders have increased following the pandemic.

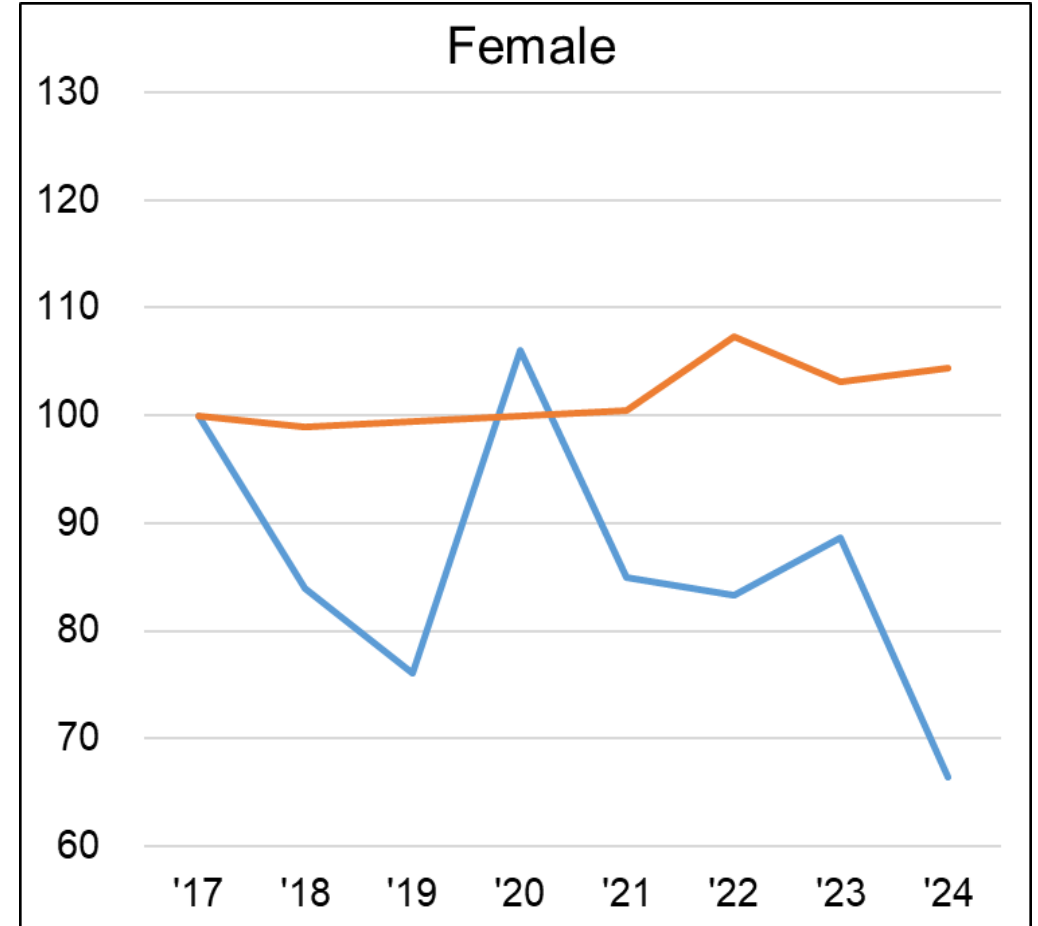
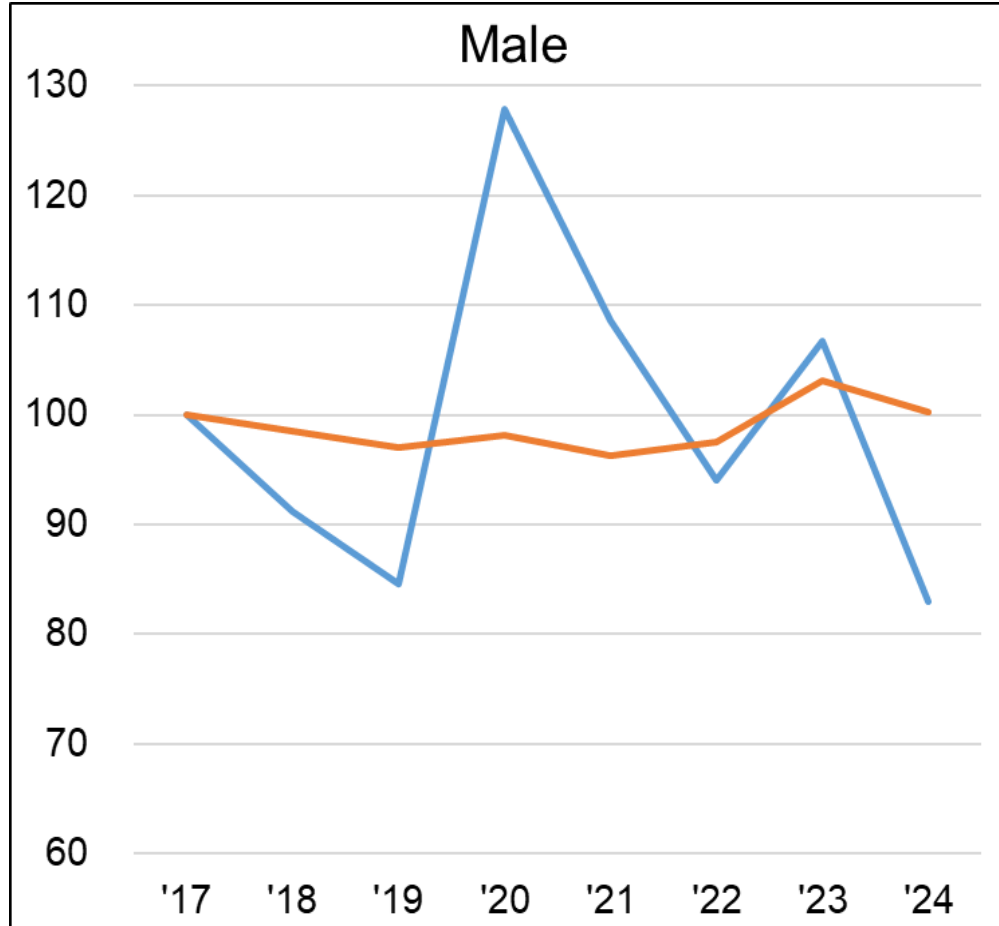


— 30-39 — 40-49 — 50-59 — 60-69 — 70-79 — 80-89

Note: Unlike the Abridged Life Table, Daiichi Life's mortality rates are not smoothed, resulting in greater year-to-year fluctuations.
 ※ Annual changes with 2017 set as the baseline (100)

Mortality Trends: Daiichi Life vs. Japan (Ages: 30-39)

- For both males and females, mortality rates increased at Daiichi Life in 2020 mainly due to suicides. Afterwards, rates improved from 2021 onward, showing a trend opposite to that of the national statistics.
- Mortality rates rose again in 2023 after the pandemic, then improved in 2024.



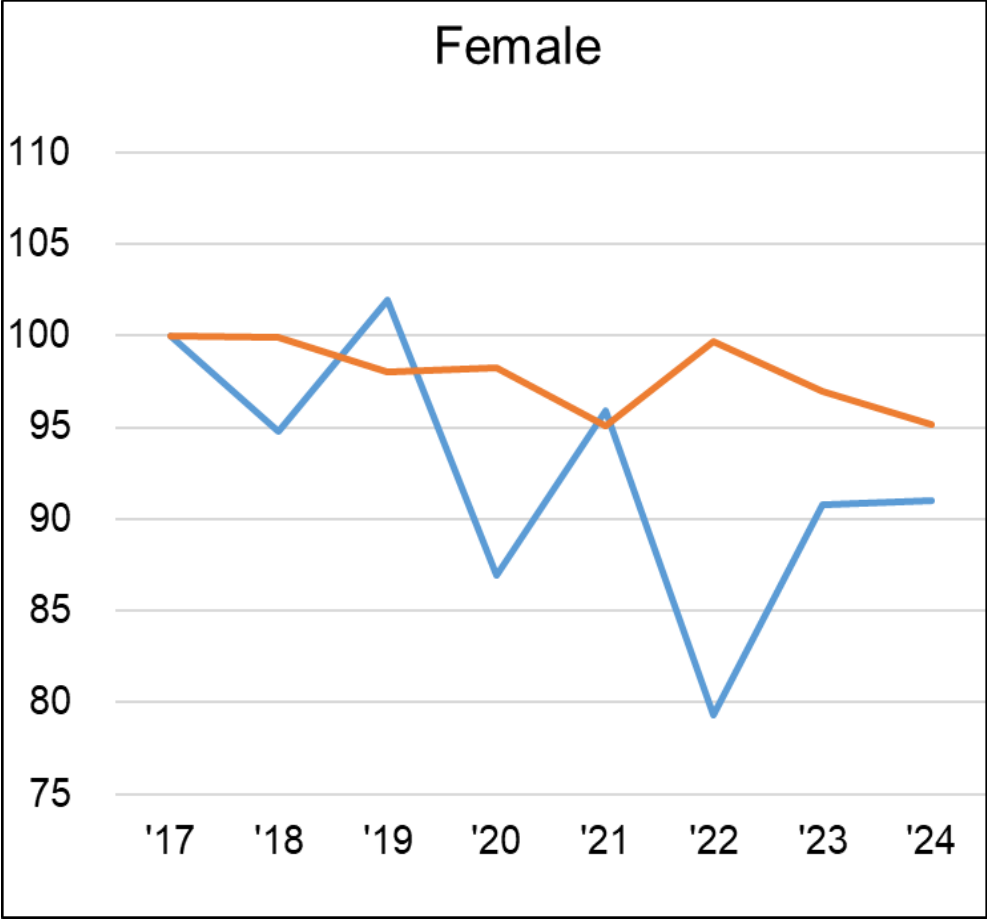
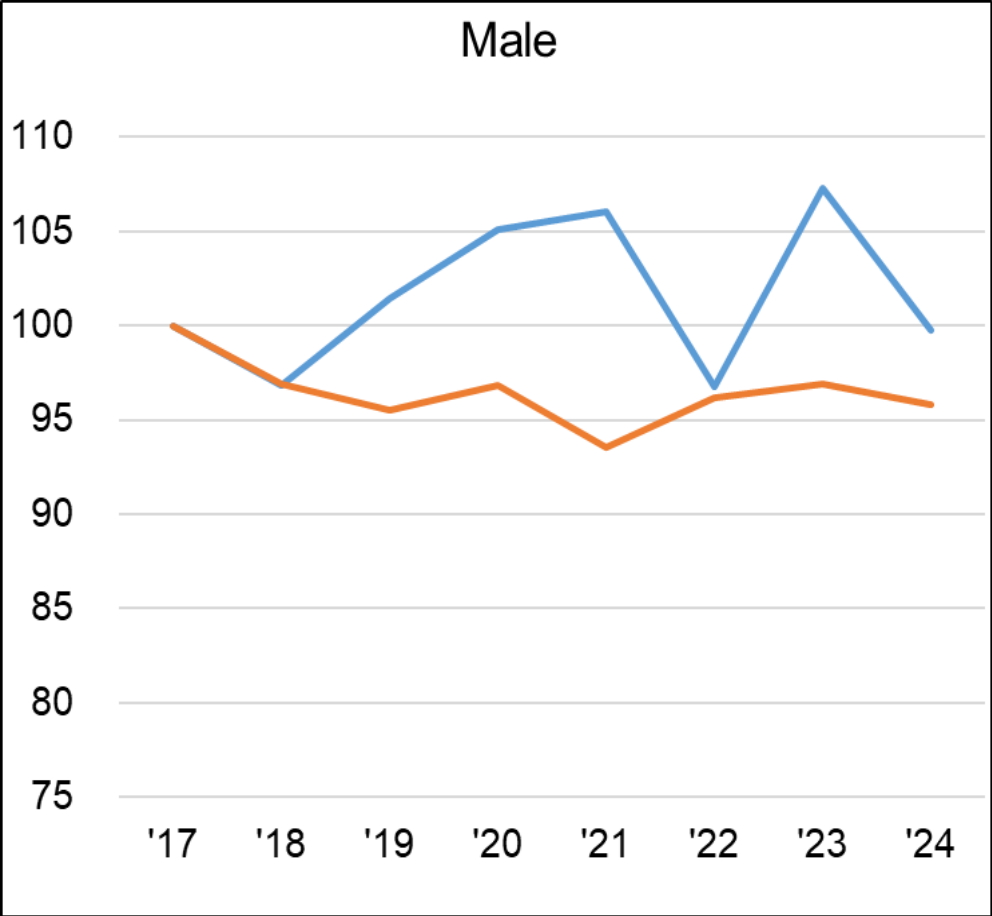
— DL — Japan

Note: Daiichi Life's mortality rates appear more volatile due to sample size differences and the smoothing applied in the Abridged Life Table. 7

※Annual changes with 2017 set as the baseline (100)

Mortality Trends: Daiichi Life vs. Japan (Ages: 40-49)

- For males, mortality rates had been worsening before the COVID-19 pandemic. However, they showed improvement in 2022, exhibiting greater volatility than national statistics.
- For females, while volatility is also high, the overall trend has been one of improvement.



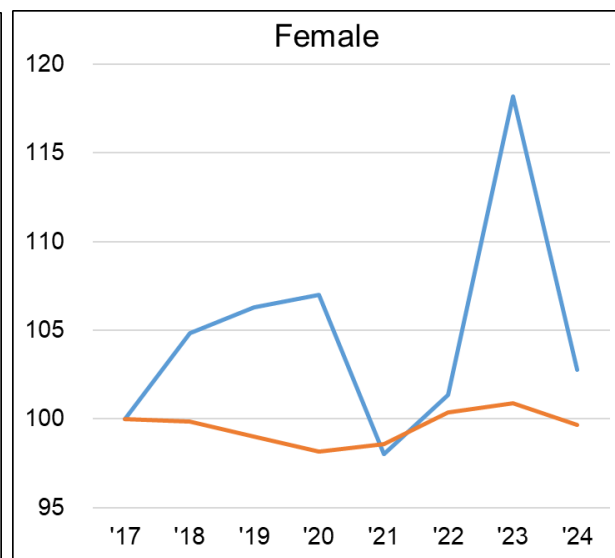
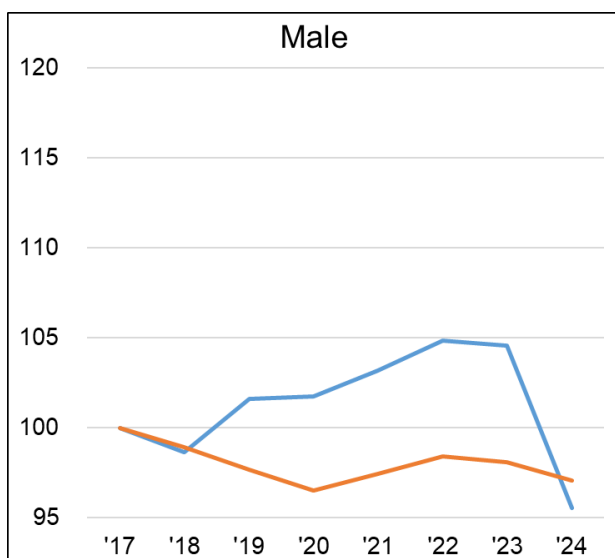
— DL — Japan

Note: Daiichi Life’s mortality rates appear more volatile due to sample size differences and the smoothing applied in the Abridged Life Table. 8
※Annual changes with 2017 set as the baseline (100)

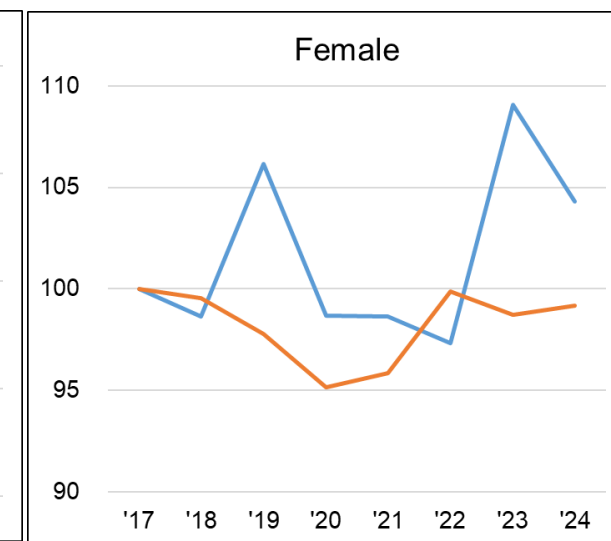
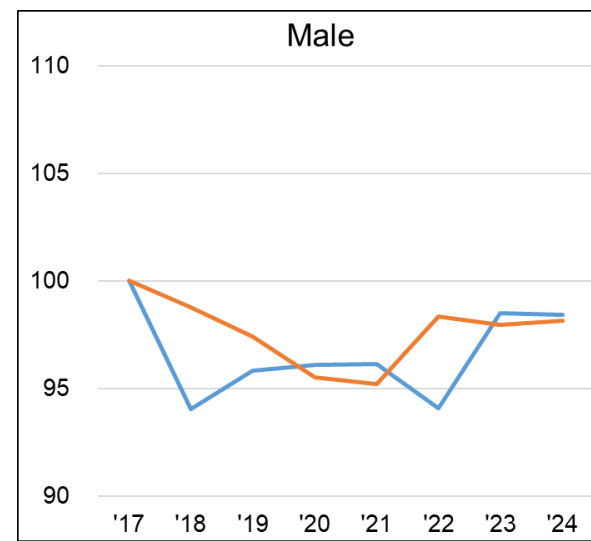
Mortality Trends: Daiichi Life vs. Japan (Ages: 50-69)

- For males and females in their 50s, national statistics showed improvement before COVID-19, while company data indicated an increasing trend.
- After the pandemic, both national and company data followed similar patterns. The company showed significant improvement in 2024.
- The company's female mortality rates increased in 2019 and 2023 due to malignant neoplasms.

Ages: 50-59



Ages: 60-69



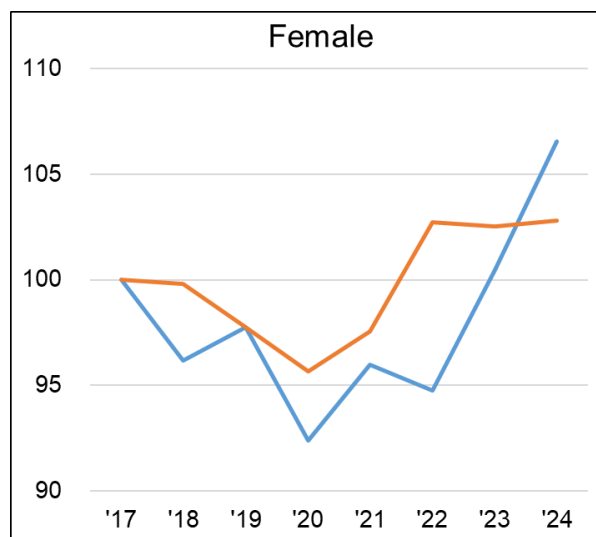
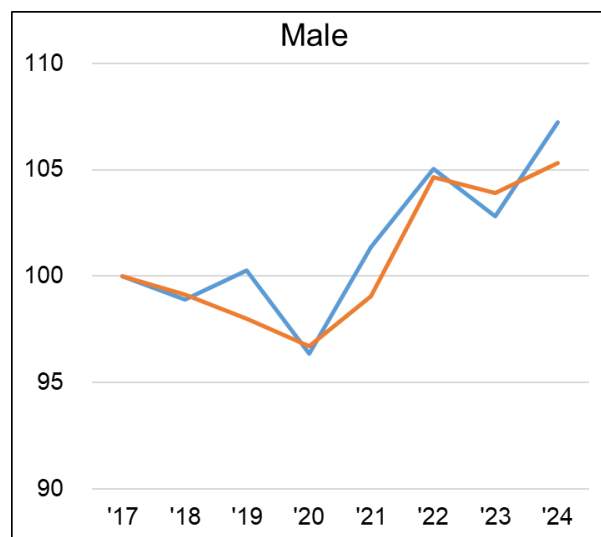
— DL — Japan

Note: Daiichi Life's mortality rates appear more volatile due to sample size differences and the smoothing applied in the Abridged Life Table.
※Annual changes with 2017 set as the baseline (100)

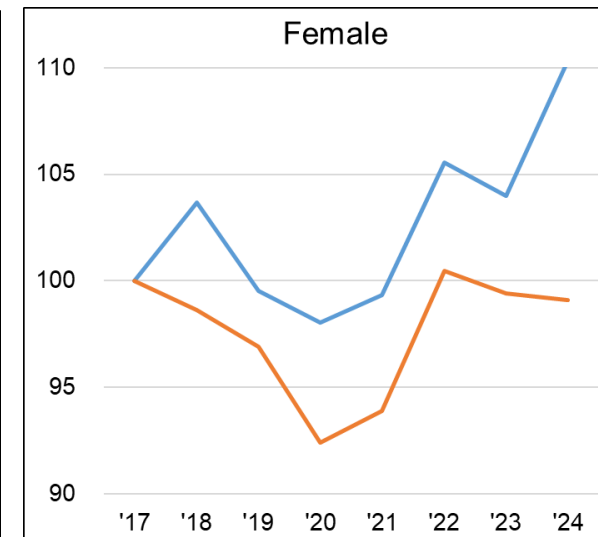
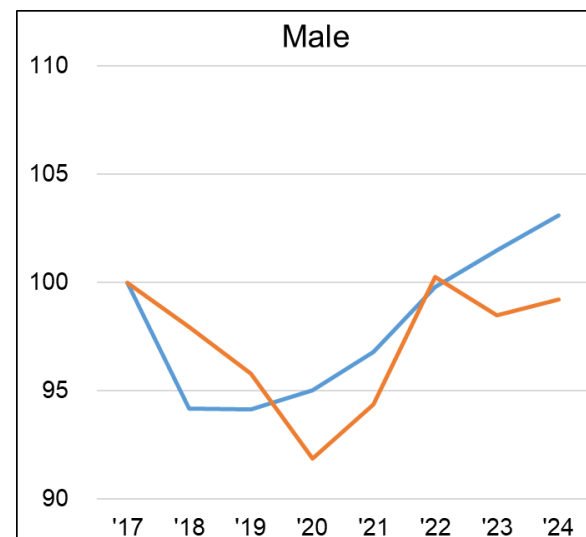
Mortality Trends: Daiichi Life vs. Japan (Ages: 70-)

- For people in their 70s and older, The company's mortality trends have followed similar patterns to national statistics.
- However, in 2024, mortality rates at the company worsened in the 70s and the 80s.

Ages: 70-79



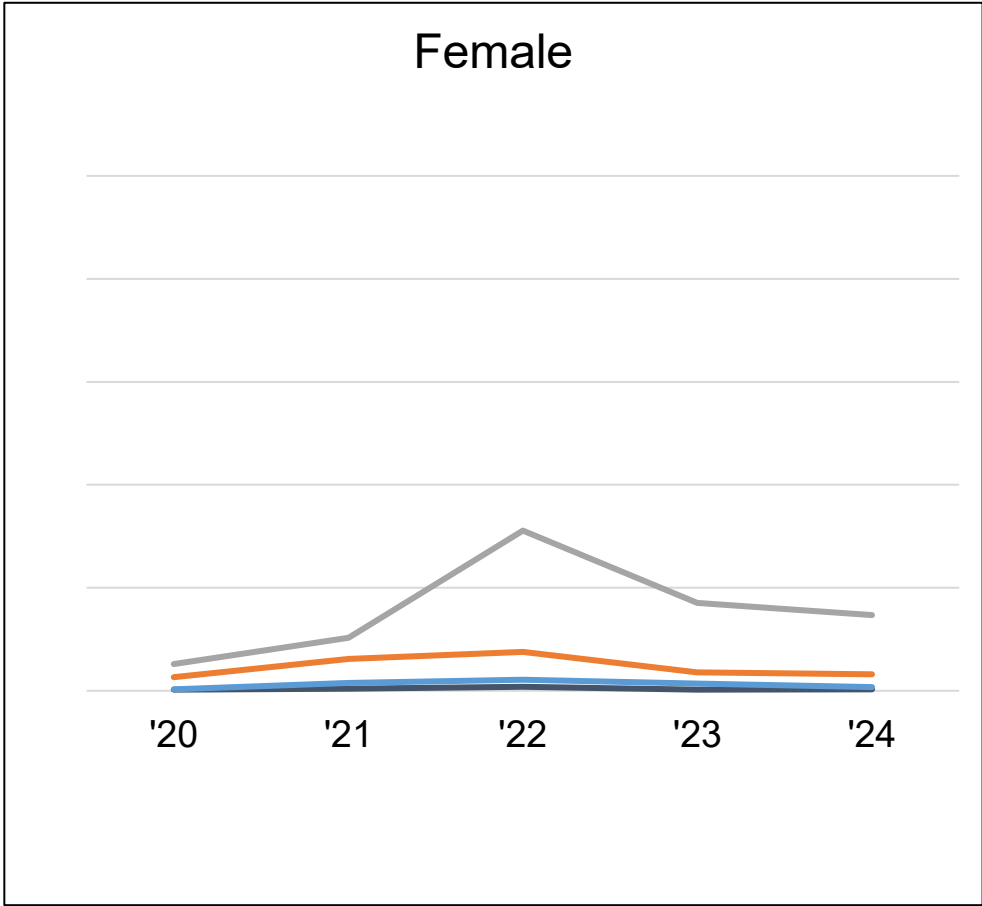
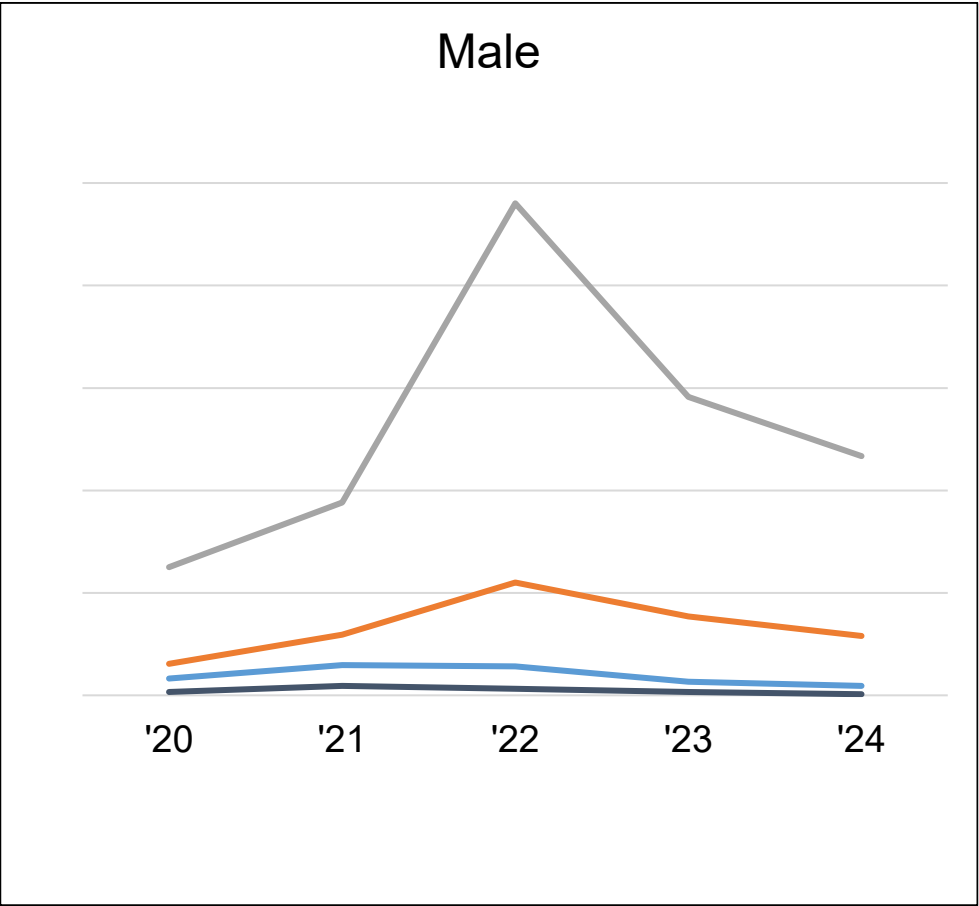
Ages: 80-89



— DL — Japan

Note: Daiichi Life's mortality rates appear more volatile due to sample size differences and the smoothing applied in the Abridged Life Table.
※Annual changes with 2017 set as the baseline (100)

COVID-19 Mortality Rates of Daiichi Life



(Ages) — -60 — 60-69 — 70-79 — 80-89

COVID-19 Mortality Rates in the Abridged Life Table(‰)

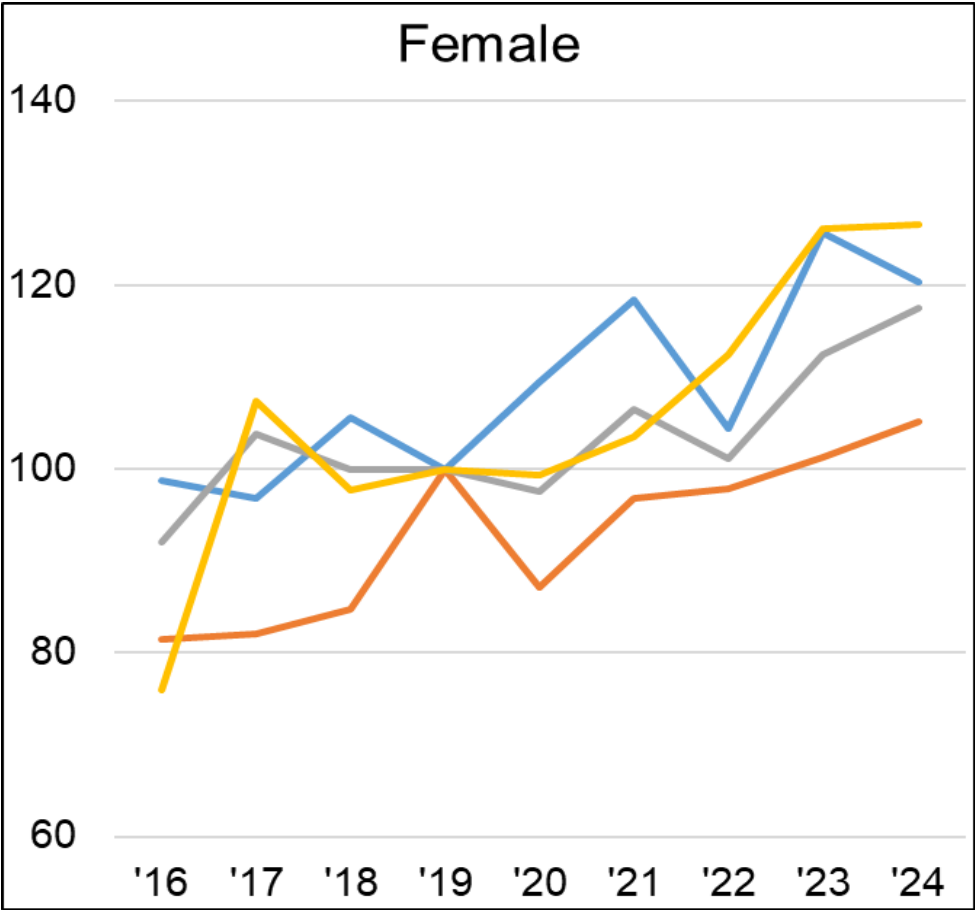
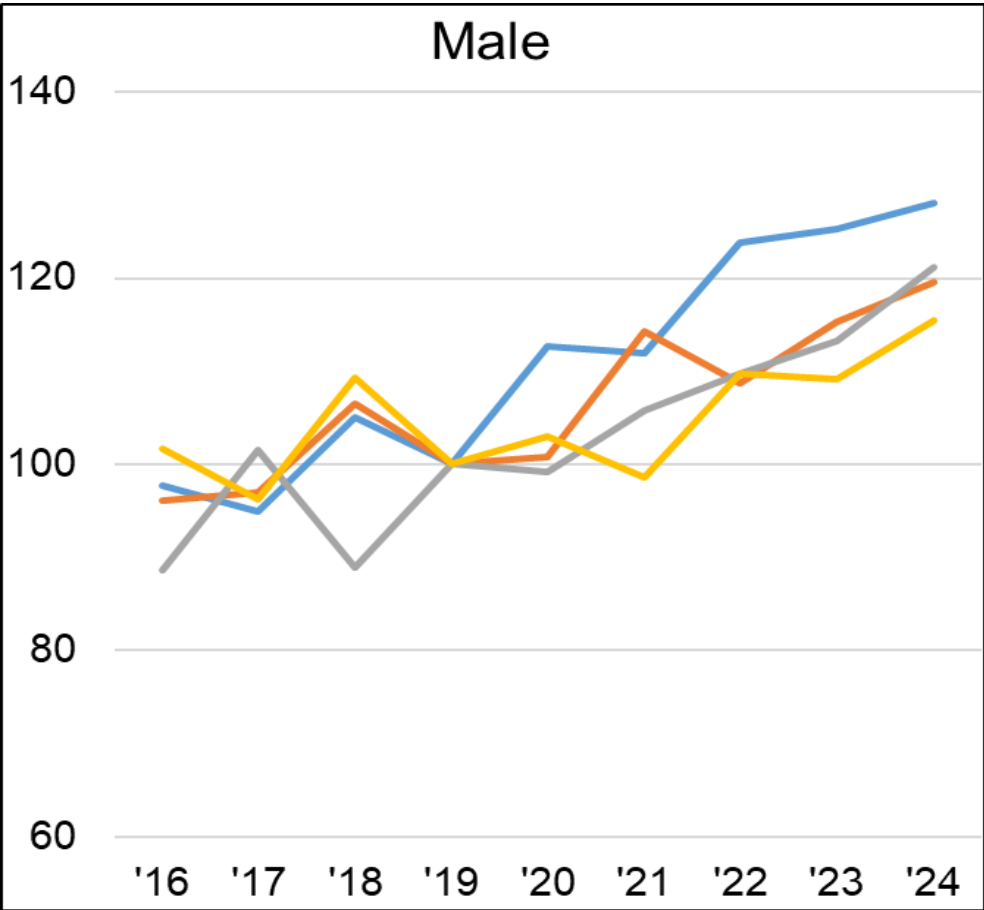
Male	'20	'21	'22	'23	'24
65	2.90	12.10	35.00	28.40	27.90
75	2.90	11.80	37.60	30.50	30.20

Female	'20	'21	'22	'23	'24
65	2.00	9.60	31.40	24.60	20.90
75	2.10	9.50	32.60	25.40	21.60

Source: Overview of the Abridged Life Table by the Ministry of Health, Labor and Welfare

Critical Illness Trends at Daiichi Life

- For males, the rate remained relatively stable before COVID-19. After the pandemic, cancer screening rates increased, and the index also rose. For females, similarly stable pre-COVID, but rates rose post-pandemic—especially in the 30s and 40s due to cancer benefits for specific female cancers, and in the 60s due to other factors.



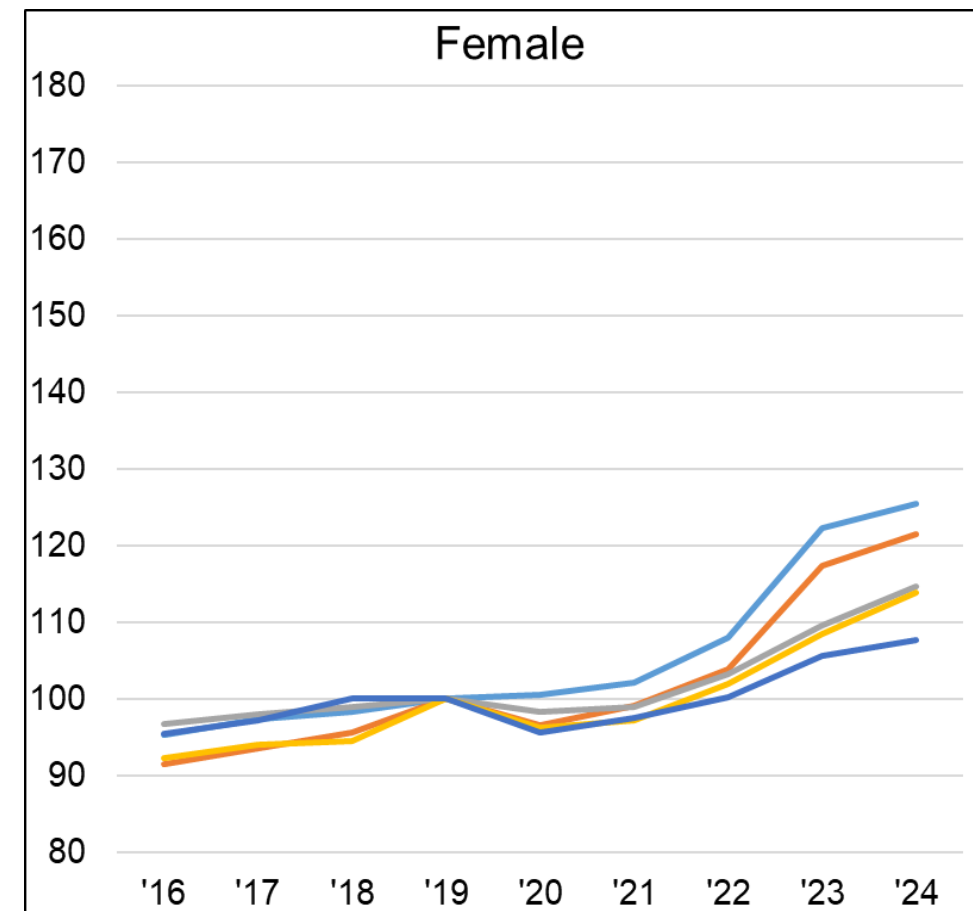
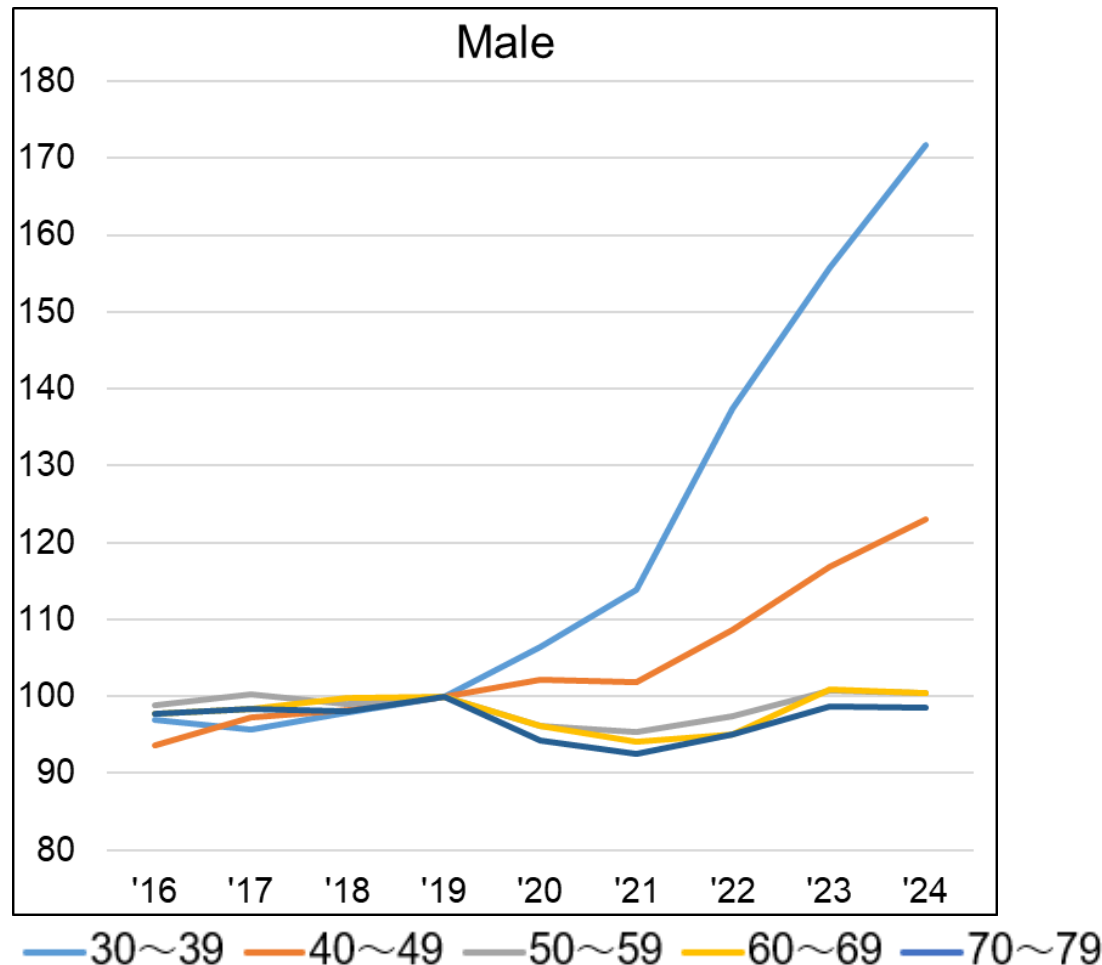
— 30~39 — 40~49 — 50~59 — 60~69

Note: DL's products also cover nursing care and physical disability as well as critical illness

※Annual changes with 2019 set as the baseline (100)

Hospitalization Benefit Trends at Daiichi Life

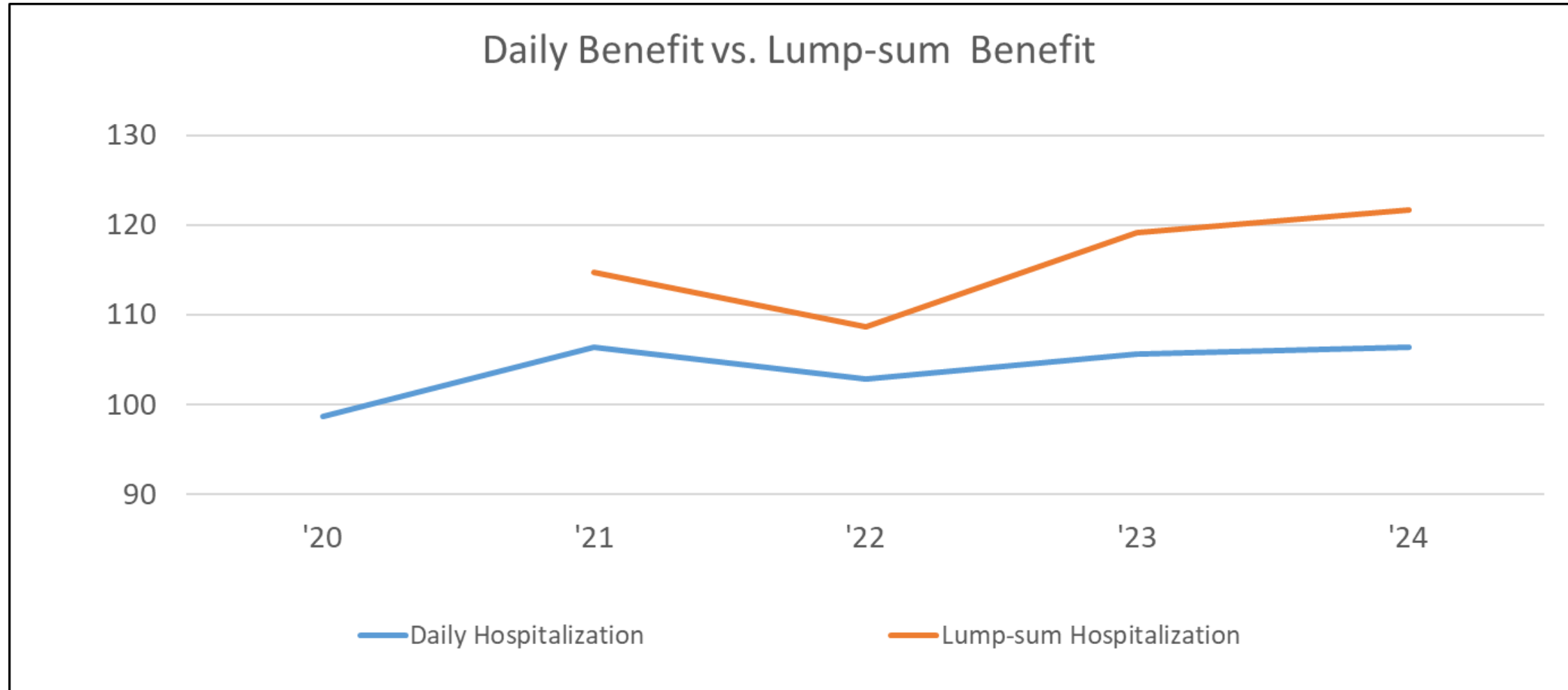
- For males in their 50s–70s, rates stayed stable post-pandemic. In younger ages, rates rose post-COVID, likely due to increased cancer screening and diagnoses.
- For females, rates rose in the 30s due to childbirth-related hospitalizations and surgeries.



※These charts show trends in loss ratio for hospitalization benefits (excluding deemed hospitalization) at Daiichi Life, with 2019 as set to 100.

Daily Hospitalization Benefit and Lump-sum Hospitalization Benefit

- The worsening trend in hospitalization benefits is more pronounced among younger age groups, likely due to the relative attractiveness of lump-sum product and low premiums for younger policyholders.

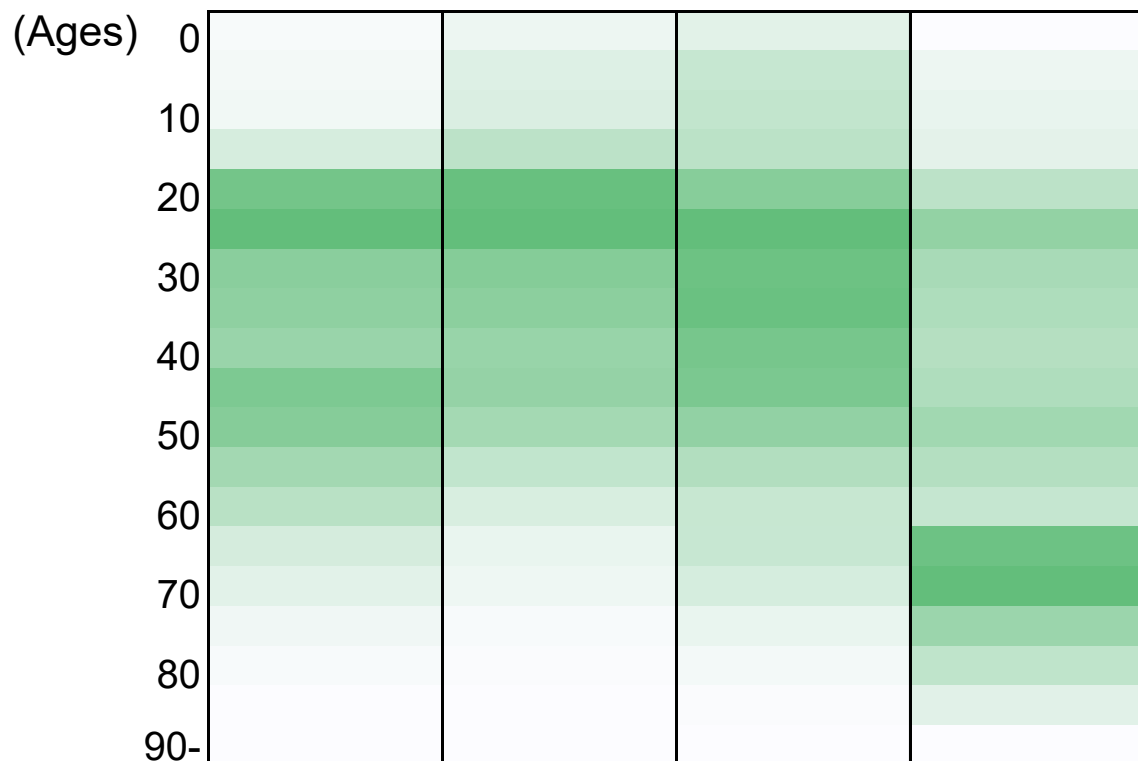


Note: Daiichi Life launched lump-sum hospitalization benefit products in FY2020.
※Annual changes with 2019 as the baseline (A/E ratio for daily benefits set at 100)

Impact of Deemed Hospitalization

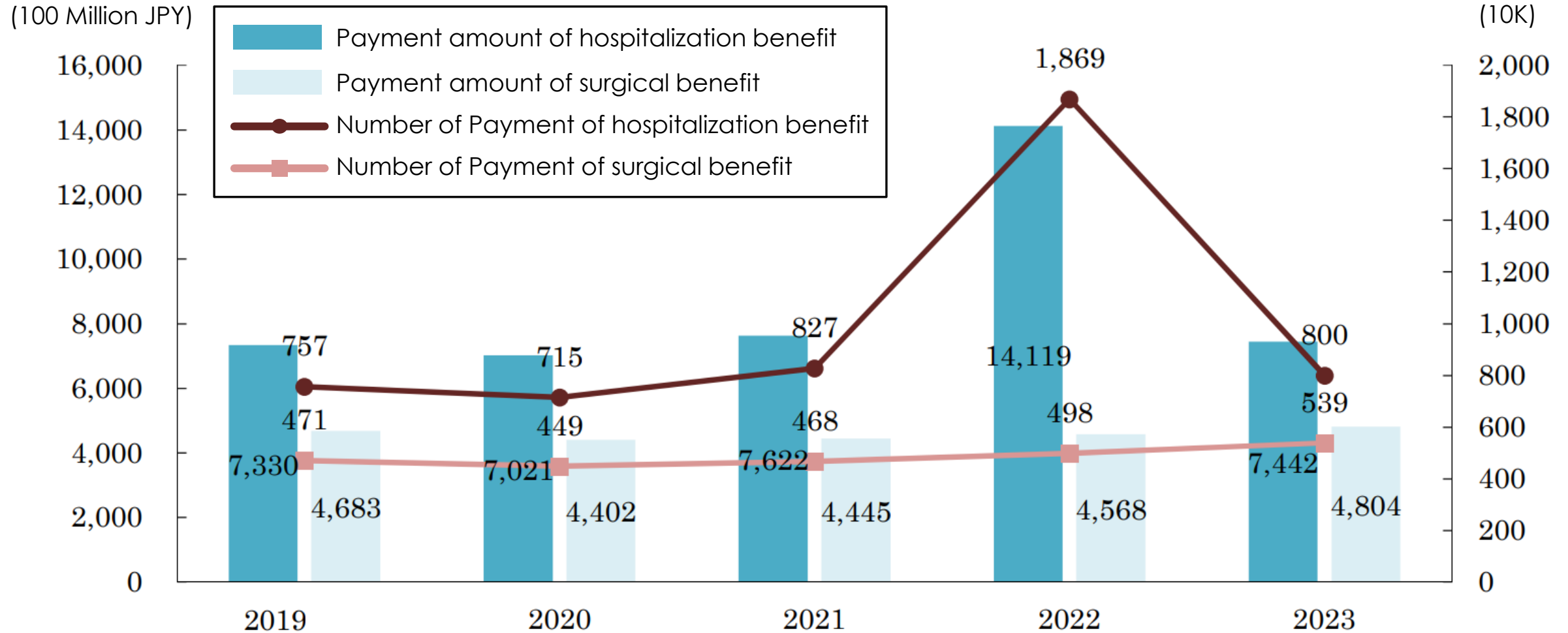
Payment Amount for Deemed Hospitalization

	2020	2021	2022	2023
BillionJPY	1	9	100	2



- Deemed hospitalization increased sharply in 2022.
- While regular hospitalization benefits increase sharply from the 50s onward, deemed hospitalization is higher from the 20s onward and declines after the 50s.
- Deemed Hospitalization** was a temporary insurance measure in Japan during COVID-19. Patients recovering at home or in hotels—due to hospital overcrowding—were treated as if they were hospitalized, allowing them to claim hospitalization benefits from private insurers. A positive test result from a medical institution or public health center was required. This helped alleviate financial burdens but resulted in a surge of claims. From September 2022, eligibility was limited to high-risk groups (e.g., elderly, pregnant women, or those receiving treatment), in line with the government's transition toward treating COVID-19 like seasonal flu.

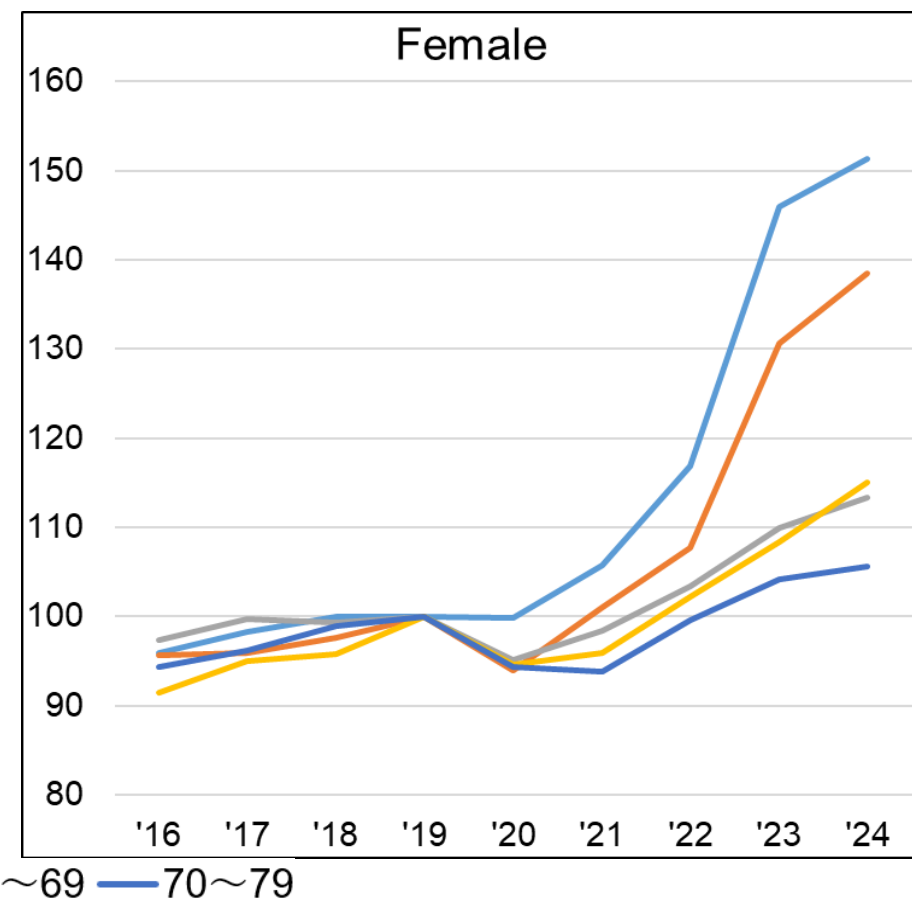
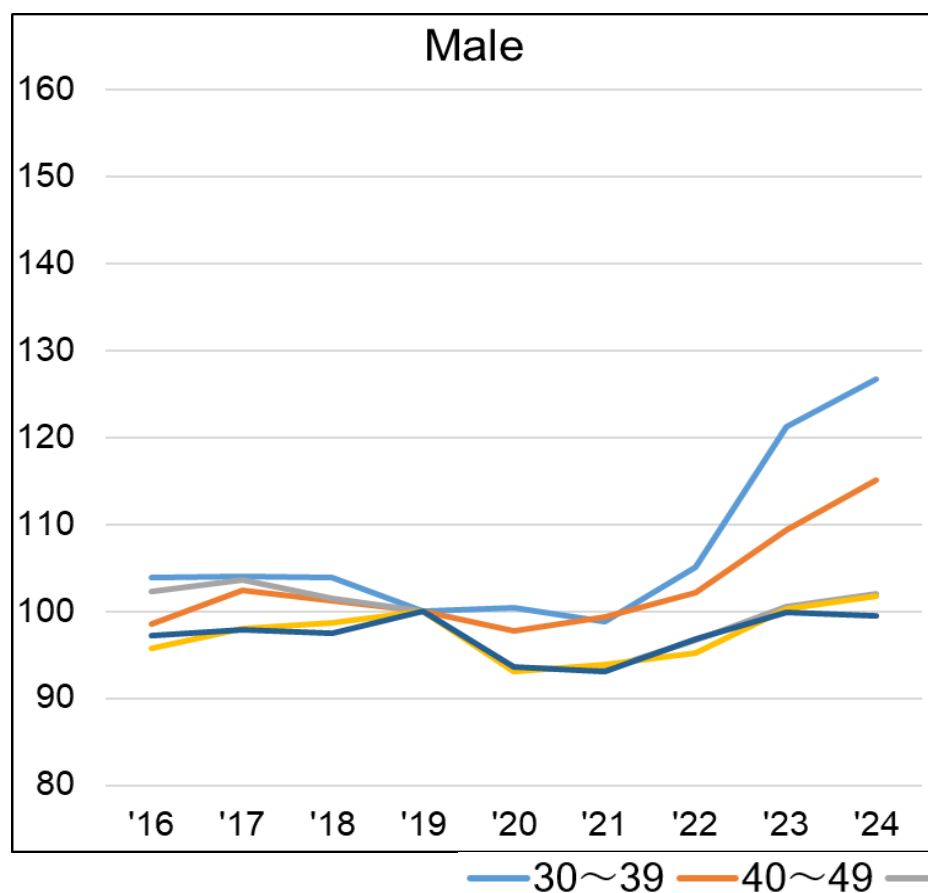
Payment of Hospitalization and Surgical Benefits (Life Insurance Association of Japan)



*including Deemed Hospitalization

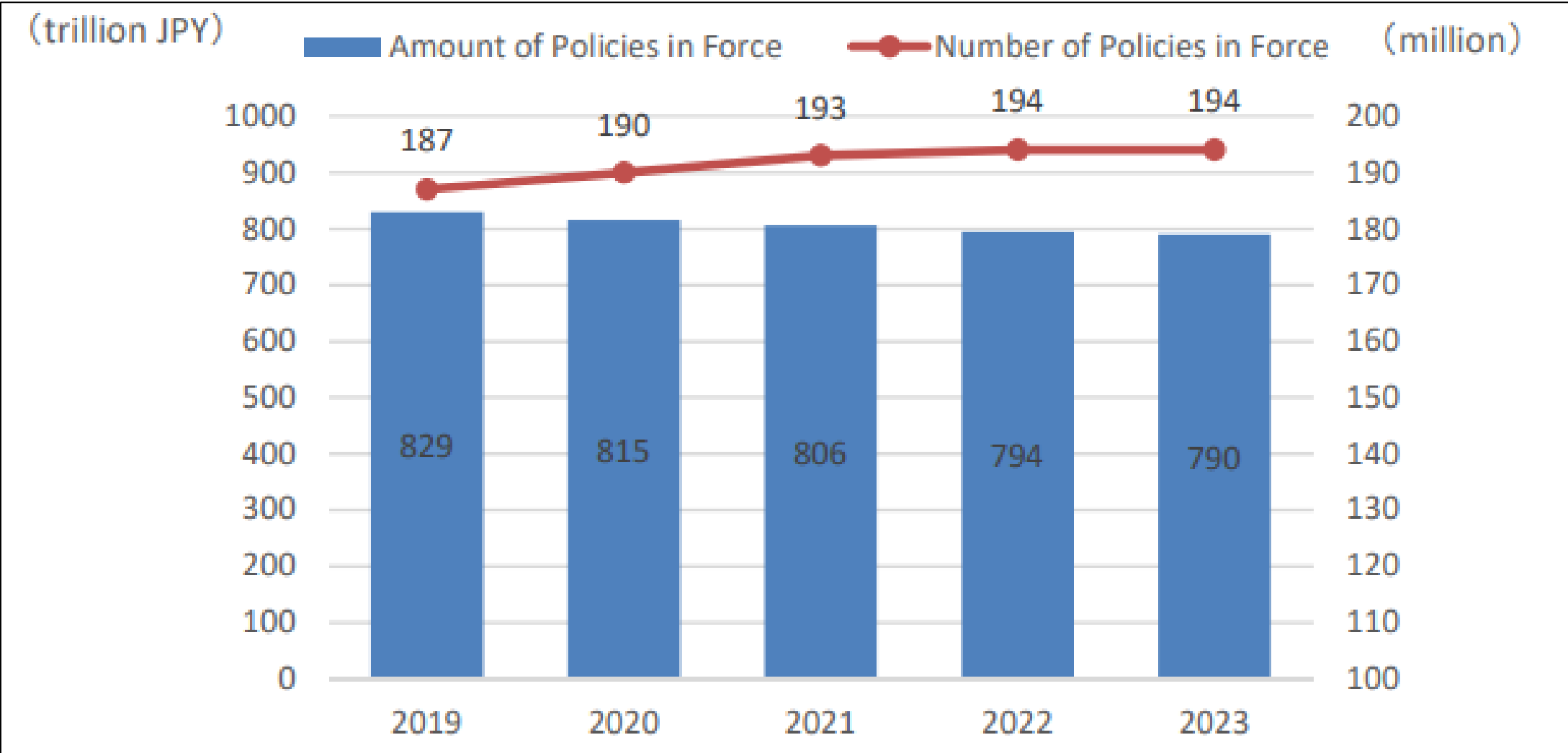
Surgical Benefit Trends at Daiichi Life

- For female, after the pandemic, the rate increased, especially in the 30s and 40s. Since April 2022, infertility treatment has been covered by Public health insurance system in Japan, and the increase in payments for infertility treatment is the main reason.

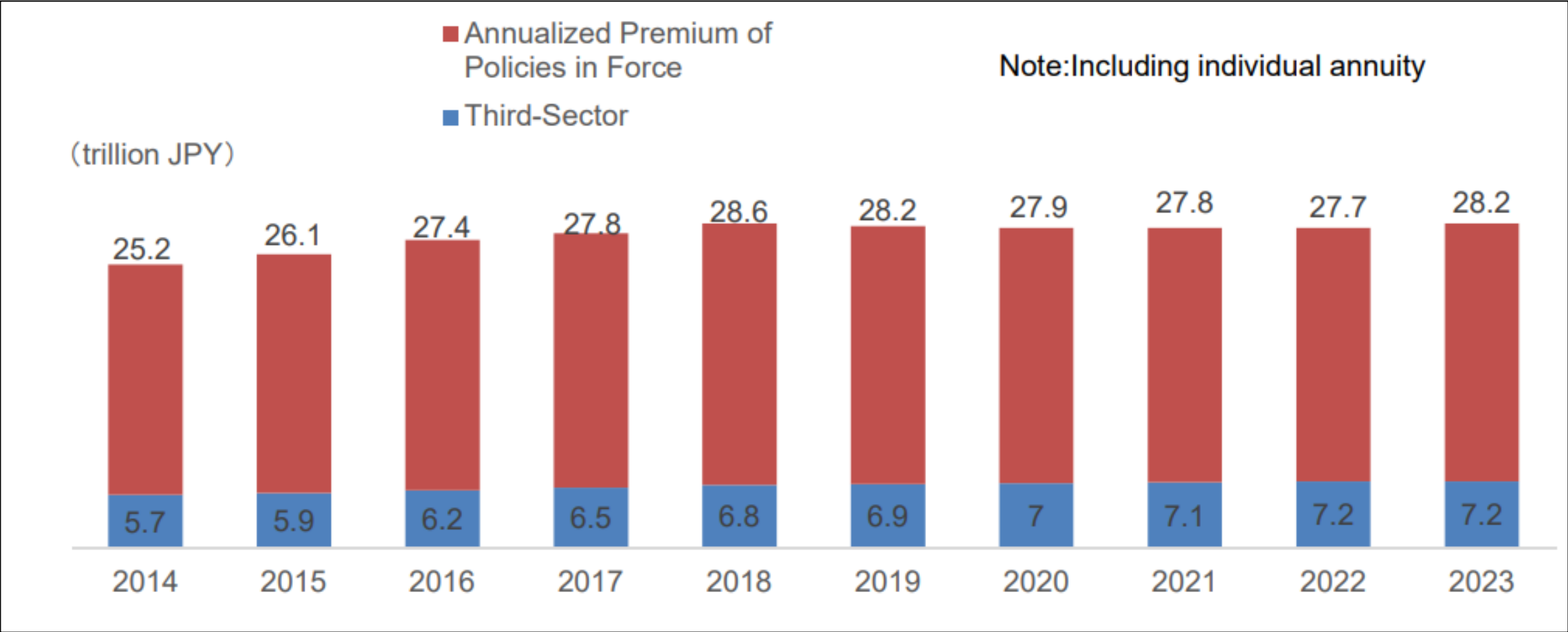


※Annual changes with 2019 set as the baseline (100)

Trends of Individual Life Insurance Business of Japan ①



Trends of Individual Life Insurance Business of Japan ②

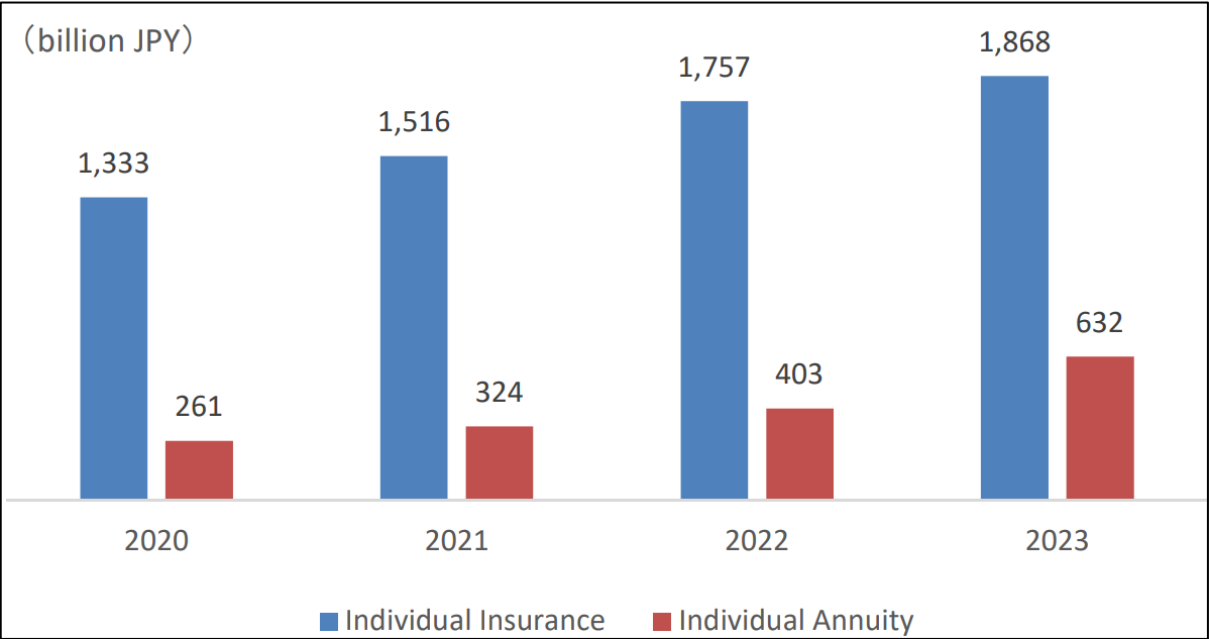


Note: In the third sector, annualized premium includes premiums allocated for health insurance benefits (hospitalization cost, surgery cost, etc.), living benefits (specified diseases, long-term care, etc.), and premium waiver benefit (by reason of specified diseases and long-term care, but excludes disability).

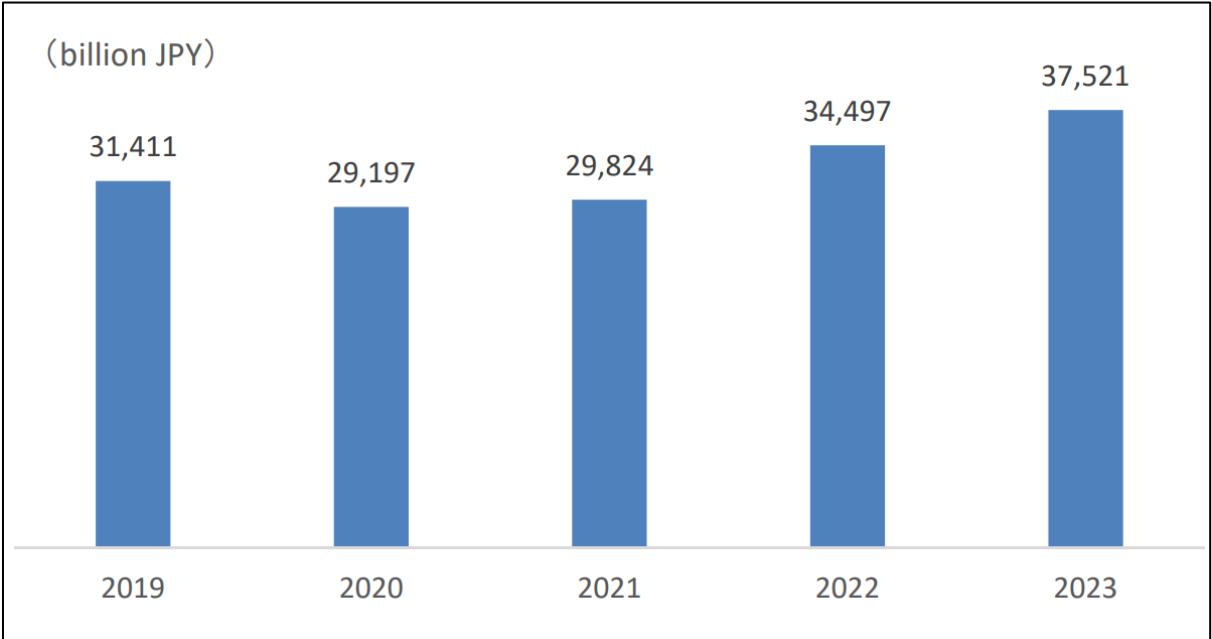
For products with low death benefits, such as health insurance, annualized premium is often used as a key performance indicator instead of the total amount of insurance in force.

Trends of Individual Life Insurance Business of Japan ③

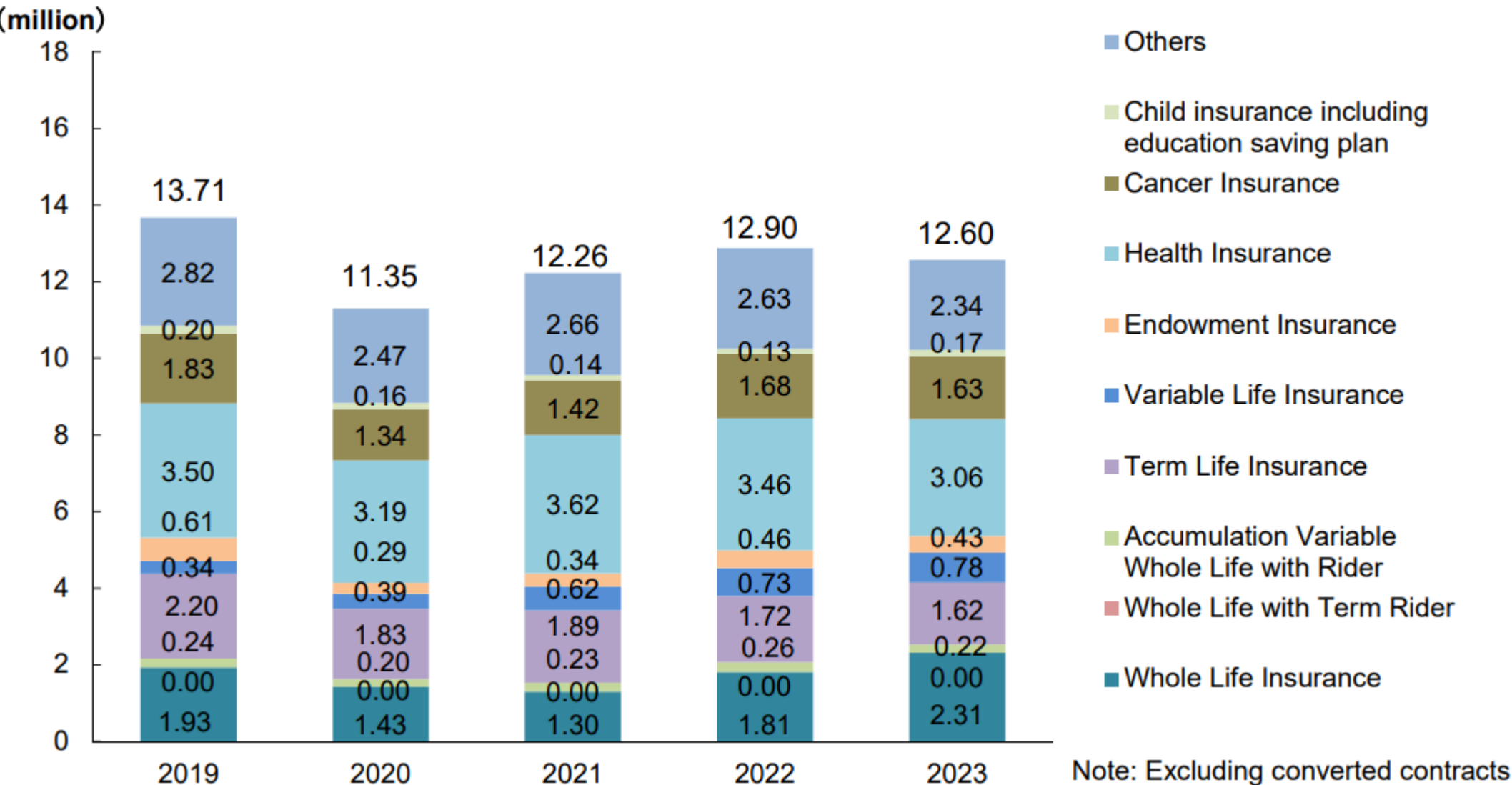
The annualized premium of new policies



Premium income

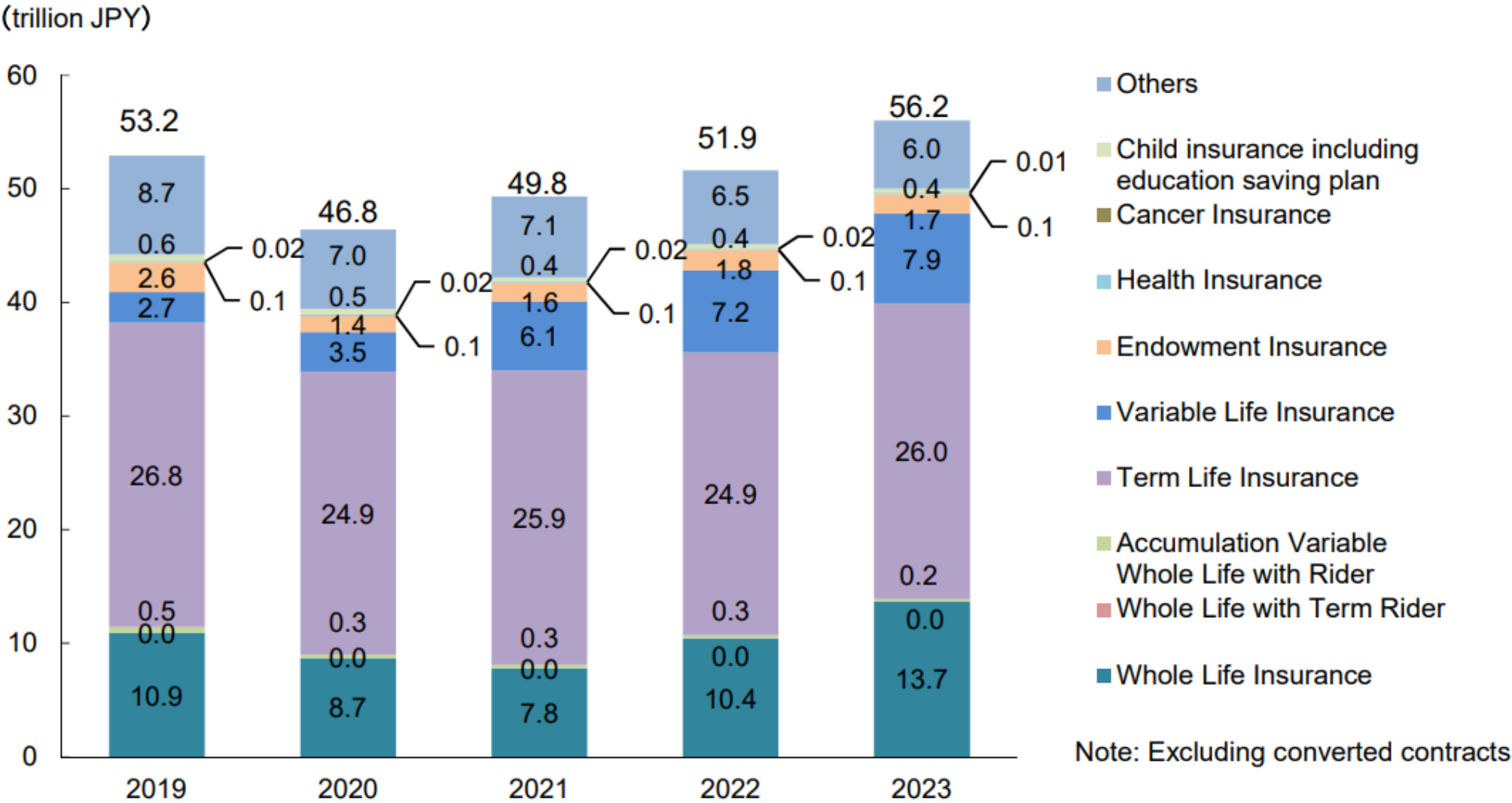


Number of New Policies for Individual Insurance by Type



Source: Life Insurance Fact Book(2024)
<https://www.seiho.or.jp/english/statistics/trend/pdf/2024.pdf>

Amount of New Policies for Individual Insurance by Type



Source: Life Insurance Fact Book(2024)
<https://www.seiho.or.jp/english/statistics/trend/pdf/2024.pdf>

1. Mortality Improvement

- In Japan, mortality improvement seems to have leveled off after COVID-19.
- Recently, it appears that improvement has returned among younger age groups.
- Future mortality trends need close monitoring.

2. Policyholder Behavior

- Policyholder behavior seems to be changed after COVID-19.
- Deemed hospitalization increased, especially among younger policyholders, in 2022.
- Hospitalization claim patterns shifted from traditional trends.

3. How do we sustain Long-Term Coverage ?

- Policyholder literacy is evolving.
- In Japan, premium rates are generally not adjustable after the contract is issued.
- We need to explore practical ways to prevent or minimize the impact of future deterioration.

Thank you !