

May 14, 2024  
 Ryosuke Mori, President  
 LIFENET INSURANCE COMPANY  
 (Securities Code: 7157, TSE Growth)

## Announcement of New Management Policy and Mid-term Business Plan

**Aiming to realize “a society where next generations can be nurtured with confidence in the future” through creating the future of life insurance**

TOKYO, May 14, 2024 - LIFENET INSURANCE COMPANY (TSE Growth 7157, President Ryosuke Mori, URL: <https://ir.lifenet-seimei.co.jp/en/>) announces that it has formulated a new Management Policy, a five-year mid-term business plan from fiscal 2024 to fiscal 2028, and Outcome goal.

Since business commencement in May 2008, we have adopted the LIFENET Manifesto “Comprehensible, Cost-Competitive, Convenient.” Guided by this customer-focused philosophy, we have consistently operated our business and been supported by customers, especially young people. As a result, the number of policies-in-force in our individual insurance business exceeded 600,000 in March 2024, earning us recognition as the top online life insurance company<sup>\*1</sup>. In fiscal 2023, we newly launched group credit life insurance (“GCL”) business. We have achieved steady growth by expanding online life insurance markets on our own initiative. In light of changes in the external environment, we have re-examined the social issues that we need to address and set the “Outcome goal” as the society we hope to realize. We established a new Management Policy and a five-year mid-term business plan from fiscal 2024 to fiscal 2028 in order to realize strong growth going forward.

### 1. Medium-to Long- term Business Strategy

#### ■ Outline of the new Management Policy

Mission	Help our customers embrace life more fully by offering comprehensible, cost-competitive and convenient products and services
Vision	Be the leading online life insurer creating the future of life insurance
Value	Lifenetter Values 1. Manifesto-driven 2. Ownership 3. Teamwork 4. Growth mindset 5. Be ambitious

Our "Mission" embodies the LIFENET Manifesto (“the Manifesto”) and has not changed since the previous Management Policy. Our renewed “Vision” captures our determination to create the future of life insurance on our own, with the confidence that we have expanded the market as a leading online life insurance player under the previous Management Policy. “Value” is newly created based on the idea that human capital is essential for our “Vision” to realize. In line with the expansion of the organization accompanying the expansion of our businesses, we will once again clarify our shared values as “Lifenetter Values” that the officers and employees who gather under the Manifesto should value and strengthen customer-oriented business operations.

LIFENET INSURANCE COMPANY

■ Outline of the five-year mid-term business plan (fiscal 2024 to fiscal 2028)

Growth strategy	Priority areas (Business)	<p>Tech &amp; Services</p> <ul style="list-style-type: none"> <li>Pursue customer convenience by utilizing IT services such as AI and Individual Number System<sup>2</sup></li> </ul> <p>Rebranding</p> <ul style="list-style-type: none"> <li>Rebuild unique Lifenet brand aligned with current era and customer values</li> </ul> <p>Embedded</p> <ul style="list-style-type: none"> <li>Deliver insurance and services seamlessly with our partners</li> </ul>
	Human resources strategy	<p>Promote organizational transition to focus on priority areas</p> <p>Create a virtuous cycle of employee growth and business growth</p> <p>Maintain and strengthen an organizational culture based on the LIFENET Manifesto</p>
Fiscal 2028 goals	Management goal	Achieve Comprehensive Equity of 200 billion yen to 240 billion yen
	Financial target	<p>Stock price: 3,000 yen or more</p> <p>Annual growth rate of Comprehensive Equity per share: approximately 10%</p>
	Non-financial target (Human capital)	<p>Overall: Continuous improvement in engagement score</p> <p>[Diversity]</p> <p>Achieve 30%+ ratio of women decision-makers and 15%+ ratio of decision-makers under 30s</p> <p>[Growth opportunities]</p> <p>Continuous improvement in engagement score for growth</p>

We have established a five-year mid-term business plan ending in fiscal 2028. Based on the recognition of the business environment described below, we have adopted the three strategic priority areas: Tech & Services, Rebranding, and Embedded. They further promote individual insurance business and GCL business and move toward the next stage of growth. As for human resources strategy, we will promote a shift in organizational structure to focus on these priority areas, create a virtuous cycle of employee growth and business growth, and maintain and strengthen an organizational culture based on the Manifesto.

We also changed our management indicator from European Embedded Value (“EEV”) in the previous Management Policy, as we have newly adopted International Financial Reporting Standards (“IFRS”) since fiscal 2023. In the new mid-term business plan, we set the most important indicator representing our corporate value is Comprehensive Equity<sup>3</sup>, which we aim to reach between 200 billion yen and 240 billion yen in fiscal 2028. Our financial targets are to achieve a share price of 3,000 yen or more and annual growth rate of approximately 10% in Comprehensive Equity per share in fiscal 2028. In addition, we have newly established non-financial targets regarding human capital in order to measure the impact of our human resources strategy, which support promotion of the priority areas. In fiscal 2028, we aim to improve employee engagement score for overall and engagement score for growth opportunities continuously, and to have 30% or more of our decision-makers<sup>4</sup> be women and 15% or more of our decision-makers be under 30s. By reinforcing our human capital and focusing on priority areas, we aim to raise our corporate value and achieve the goals of our mid-term business plan.

■ Committed to Outcome goal

Outcome goal	A society where next generations can be nurtured with confidence in the future
Reference indicator	Market penetration rate of online life insurance, Prospect for the future life, ease of raising children

Through the initiatives of the new Management Policy and the mid-term business plan described above, we have set the Outcome goal as “a society where next generations can be nurtured with confidence in the future,” which is the society that we envision. To track the progress, we have set as reference indicators<sup>5</sup> for achieving this Outcome goal from official survey result, the “online life insurance market penetration rate,” “prospect for the future life,” and “ease of raising children.”

In the middle of high consumer demand for life insurance, customers have to pay much cost for it, burdening their time and finances. We started as an online life insurer addressing to mitigate such burdens by providing necessary coverage at appropriate premiums, conveniently and have delivered our values, especially to younger generations who raise children.

In establishing the new Management Policy, we have decided to define the society we hope to realize based on our social issues that we must address once again. We aim to contribute to a world where every customer can choose their preferred way of life, despite future uncertainties. In particular, we commit to contribute to the creation of a society where next generations can be nurtured with confidence in the future. This is in response to issues arising from an aging population and declining birthrates. Our role is to provide solutions that allow people to live life on their own terms, even as society evolves. While focusing on this challenge, we identified the society that we hope to realize.

## 2. Review of the Previous Management Policy and Recognition of the Business Environment

■ Review of the previous Management Policy

In the previous Management Policy formulated in November 2018, having recognized the high growth potential of online life insurance market, we proactively invested in priority areas of “innovation of customer experience” and “enhancement of promotion capabilities” in order to reliably meet customer needs and drive the growth of the online life insurance market. As for the direct business of individual insurance business, we made efforts to continuously sophisticate our website’s UI/UX and actively carried out marketing investment, mainly through television commercials, resulting in significant growth in policies-in-force performance. Meanwhile, we have also accelerated alliances with partner companies in other industries. Because of our leading position in the online life insurance industry, we have been selected by attractive partner companies and have been able to create a virtuous cycle model that leads to further expansion of the online life insurance market. Furthermore, by leveraging the group business synergy with our partner company, KDDI CORPORATION, we achieved entry into GCL business.

As a result of these efforts, we achieved our management goal of achieving 100 billion yen in EEV at the end of September 2021, and subsequently renewed the target to 200 billion yen. In the previous Management Policy period, the COVID-19 outbreak occurred, and our business performance was significantly fluctuated by the spread of COVID-19. Even so, we achieved steady growth. As of the end of March 2024, EEV reached 146,991 million yen. Annualized

premium of policies-in-force increased significantly from 13,085 million yen at the end of March 2019, the end of fiscal year in which the previous Management Policy began, to 28,750 million yen at the end of March 2024. As of March 31, 2024, there were 600,945 policies-in-force in individual insurance business, compared with 308,854 as of March 31, 2019.

■ Recognition of the business environment behind the establishment of the new Management Policy and the mid-term business plan

Based on the review of the previous Management Policy, we are aware of the following three points regarding the business environment surrounding us: (i) Continuous expansion and further growth potential of online life insurance market; (ii) Expansion of technology utilization starting from younger generations; and (iii) Entry into online finance services by companies with a huge ecosystem.

(i) Continuous expansion and further growth potential of online life insurance market

The first point is the potential for continued expansion and further growth of the online life insurance market. We believe that the digitization of financial services, which has continued since before the COVID-19 outbreak, has accelerated due to COVID-19 and has brought huge changes to customer behavior patterns and corporate awareness of the business environment. In the life insurance industry, we believe that the structural shift to online services is irreversible and that the online life insurance market will continue to expand. Amid increasing competitors offering insurance products and services online and intensifying competitive landscape, we need to enhance our value proposition and create new value in order to maintain a leading position in the online life insurance market.

(ii) Expansion of technology utilization starting from younger generations

The second point is to expand the use of technology starting with young people. Since its business commencement, we have expanded its business with the support of young customers, mainly those with small children. In the previous Management Policy, combined with the expansion of online businesses in other industries, our customers have expanded to the middle-aged and elderly. At the same time, as convenient IT services continue to emerge, we believe that it is important to be selected by the younger generation of the time in order to apply ongoing technologies. This is because we aim to adapt customer behavior patterns that change with the times and to further expand our business scale.

(iii) Entry into online finance services by companies with a huge ecosystem

The third point is the entry of companies with a huge ecosystem into online finance services. We recognize that interest in online financial services by companies in other industries has been increasing significantly in recent years. As mentioned above, we have formed alliances with partner companies in various industries. We recognize that there is potential for further growth of the online life insurance market through the integration of our insurance business into the strategies and ecosystem of our partner companies. We will continue to develop and provide products and services that are attractive to our partner companies. At the same time, we believe it is significant to strengthen our own brand equity and continue to be the company of choice for our partner companies.

Based on the above recognition of the business environment, we will focus on the priority areas of the mid-term business plan under the new Management Policy and aim to continuously improve corporate value and achieve our Outcome goal by providing better services to customers and society.

- \*1. Ranked 1st in life insurance contract customer satisfaction study (direct segment) of J.D. Power for 4 consecutive years from 2021 to 2024, based on survey toward customers who have purchased life insurance.
- \*2. Individual Number System is a system in which all people living in Japan are given an individual identification number for the purpose of improving convenience and others for citizens. It is also available online and you can apply to services online related to parenting by the one-stop service and can receive notifications from administrative organizations.
- \*3. Comprehensive Equity is an indicator defined by the Group. It is the sum of "Equity (attributable to owners of the Company)" on the IFRS consolidated statement of financial position (B/S), "CSM", a liability representing unearned profit that the Group expects to earn as it provides insurance services (insurance contracts and reinsurance contracts are aggregated and tax-adjusted), and "GCL contracts value", which is the value of future IFRS earnings, including future renewals for GCL policies-in-force. We have defined it as the indicator that represents the corporate value of the Group as it includes the value of future profits of policies-in-force.
- \*4. Decision-makers are directors and employees at the department head level and above.
- \*5. The market penetration rate of online life insurance is measured based on "the percentage of respondents who want to purchase via the Internet in the future" and "the percentage of those who have actually purchased via the Internet" in the "Survey on Life Protection" by the Japan Institute of Life Insurance. Prospect for the future life is measured based on "the percentage of respondents who answered "improve" about the prospect of the future lifestyle" in the "Public Opinion Survey on the Life of the People" by the Cabinet Office. Ease of raising children is measured based on "the percentage of respondents who answered "It is easy to raise children" in the "Public Opinion Survey on Social Awareness" by the Cabinet Office.

**About LIFENET** URL: <https://ir.lifenet-seimei.co.jp/en/>

LIFENET INSURANCE COMPANY has developed the LIFENET Manifesto that embodies our mission of "Help our customers embrace life more fully by offering comprehensible, cost-competitive and convenient products and services." We have consistently delivered customer-oriented products and services since our business commencement. As the leading online life insurer, we aim to realize "a society where next generation can be nurtured with confidence in the future."

Contact:  
Investor Relations, Corporate Planning Department  
Tel: +81-3-5216-7900  
e-mail: [ir@lifenet-seimei.co.jp](mailto:ir@lifenet-seimei.co.jp)

*Disclaimer: This is a summarized translation/version of the original Japanese document, prepared and provided solely for readers' convenience. In case of any discrepancy or dispute, the Japanese document prevails.*

Securities Code: 7157  
TSE Growth



# New Management Policy and Mid-term Business Plan

**LIFENET INSURANCE COMPANY**  
**May 14, 2024**

# Committed to Outcome Goal

## Outcome goal

# A Society where next generations can be nurtured with confidence in the future

we contribute to creating a future where next generations can be nurtured by society as a whole through delivering the value of insurance based on the LIFENET Manifesto.

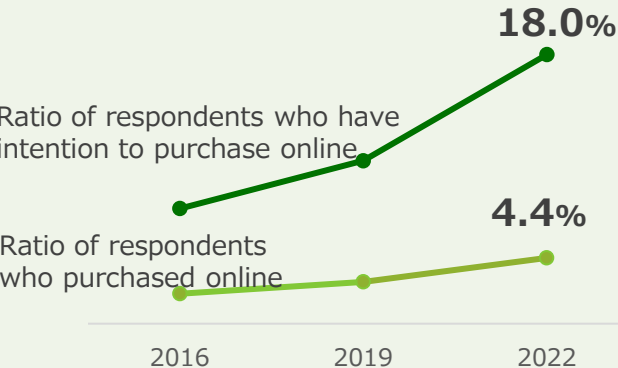
## Outcome reference indicators

- 1** Market penetration rate of online life insurance
- 2** Prospect for the future life
- 3** Ease of raising children

## Outcome reference indicators<sup>1</sup>

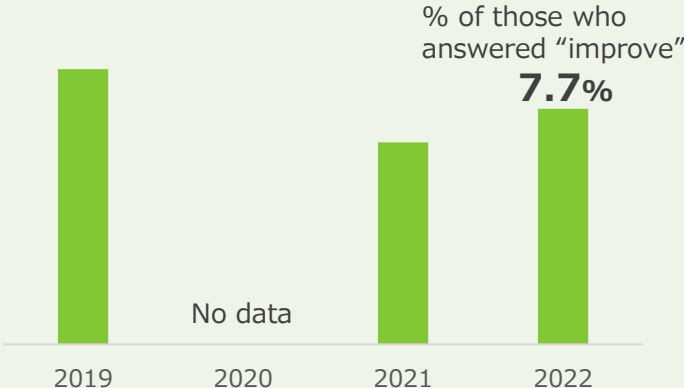
### 01 | Market penetration rate of online life insurance

We offer simple coverages, affordable premiums, and convenient procedure online, and contribute to expansion of online life insurance market.



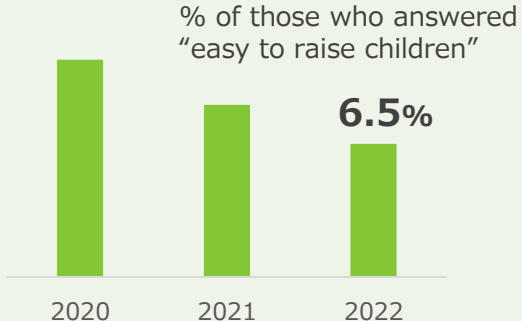
### 02 | Prospect for the future life

We want customers to leave their worries about the future to convenient and useful online life insurance and use the money and time they have saved to help them move forward in their lives.



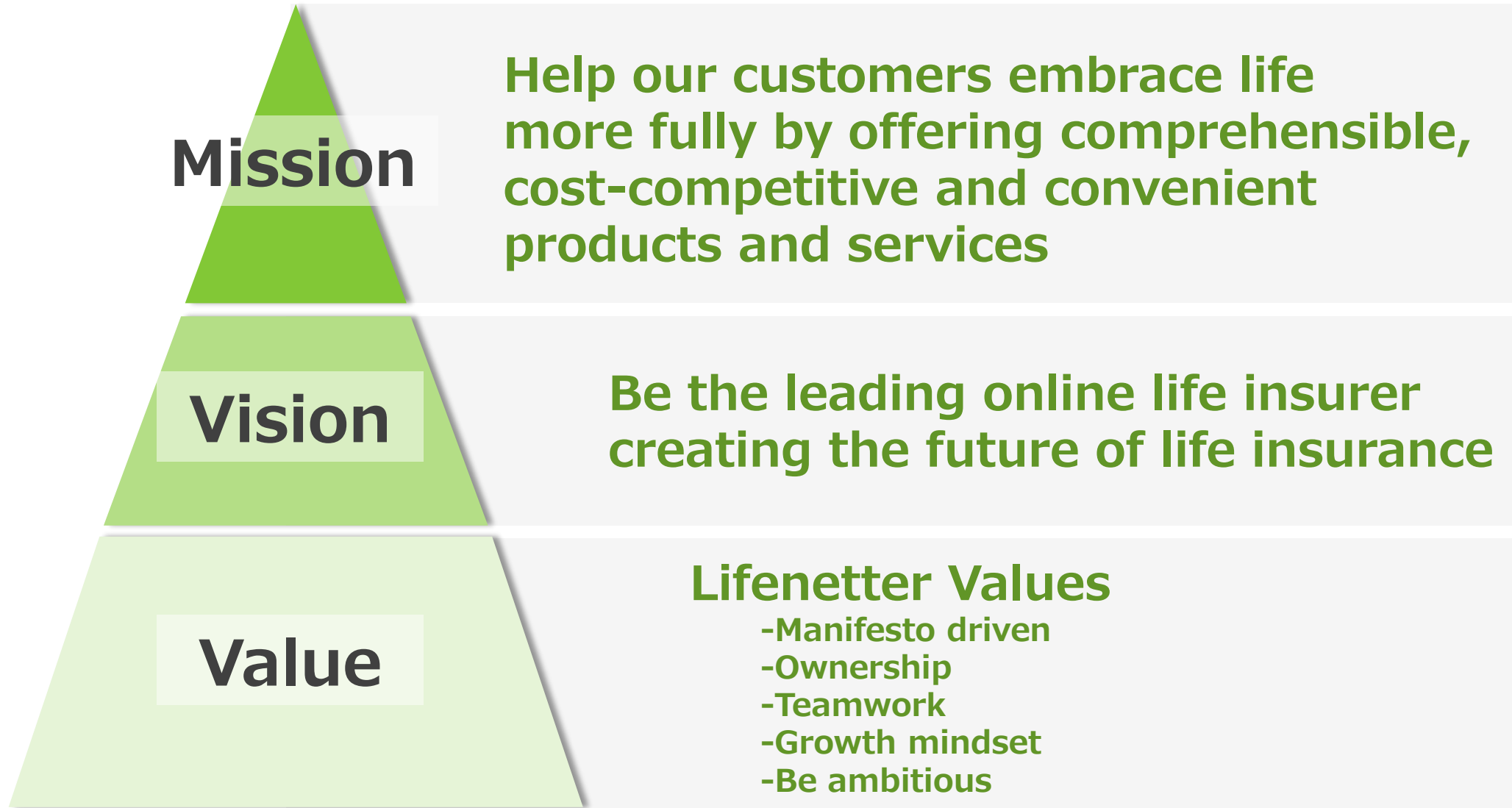
### 03 | Ease of raising children

In particular, we see the declining birthrate and aging population as important social issues, and we contribute to creating a society where people want to raise children.



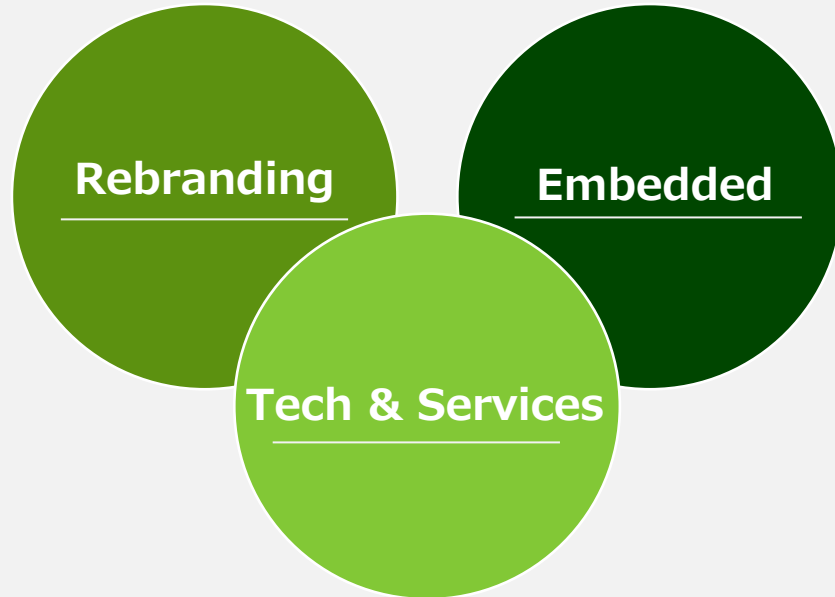
1. The market penetration rate of online life insurance is measured based on "the percentage of respondents who want to purchase via the Internet in the future" and "the percentage of those who have actually purchased via the Internet" in the "Survey on Life Protection" by the Japan Institute of Life Insurance. Prospect for the future life is measured based on "the percentage of respondents who answered "improve" about the prospect of the future lifestyle" in the "Public Opinion Survey on the Life of the People" by the Cabinet Office. Ease of raising children is measured based on "the percentage of respondents who answered "It is easy to raise children" in the "Public Opinion Survey on Social Awareness" by the Cabinet Office.





## Growth Strategy

### Priority Areas



### Human Resources Strategy

- Promote organizational transition to focus on priority areas
- Create a virtuous cycle of employee growth and business growth
- Maintain and strengthen an organizational culture based on the LIFENET Manifesto

## Goals in Fiscal 2028

### Management Goal

Comprehensive Equity (CE) : **¥200-240bn**

### Financial Targets

Stock price : **¥3,000+**

Annual growth rate of CE per share :  
approx. **10%**

### Non-financial Targets (Human capital)

Overall engagement score: **continuous improvement**

#### Diversity

Ratio of decision-makers :  
Women **30%+**, Under 30s **15%+**

#### Growth Opportunities

Engagement score (growth):  
**continuous improvement**

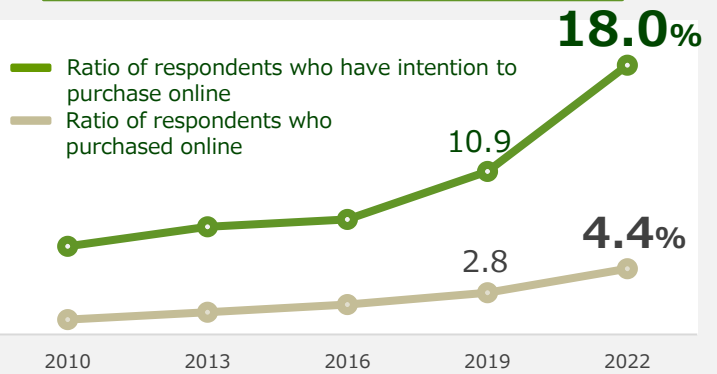
# Our Business Environment

## External environment changes will be a major tailwind for business growth

### 1 Expansion of online life insurance market

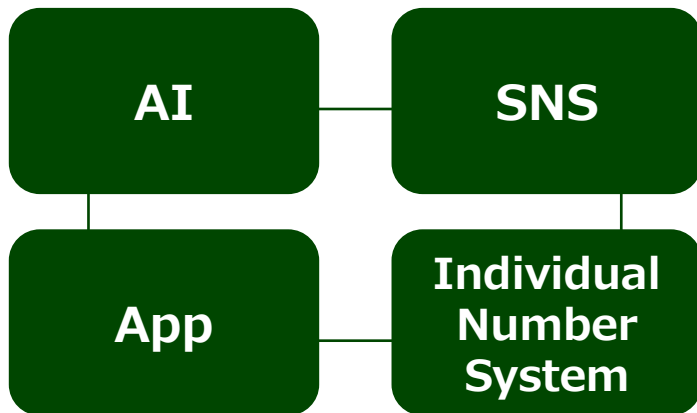
- COVID-19 accelerated online financial services
- Online insurance players increased

Intention to purchase life insurance online<sup>1</sup>



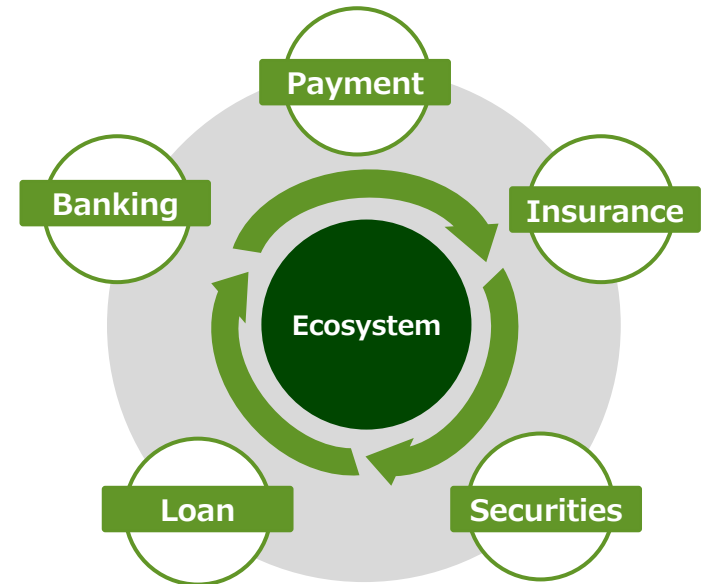
### 2 Younger generation × technologies

- Emerging new technologies penetrate a wide range of consumers, starting with younger generations



### 3 Trend of financial ecosystem

- High interest in online insurance business from other sectors



1. Source: Survey on Life Protection by the Japan Institute of Life Insurance

# Priority Areas for Further Growth



- **Three priority areas** to move toward the next stage of growth

**Rebranding**  
Qualitative changes in Internet direct business

---

Direct

**Tech & Services**  
Refinement of value provided

---

Partner      GCL

Direct

**Embedded**  
Business enhancement with partners

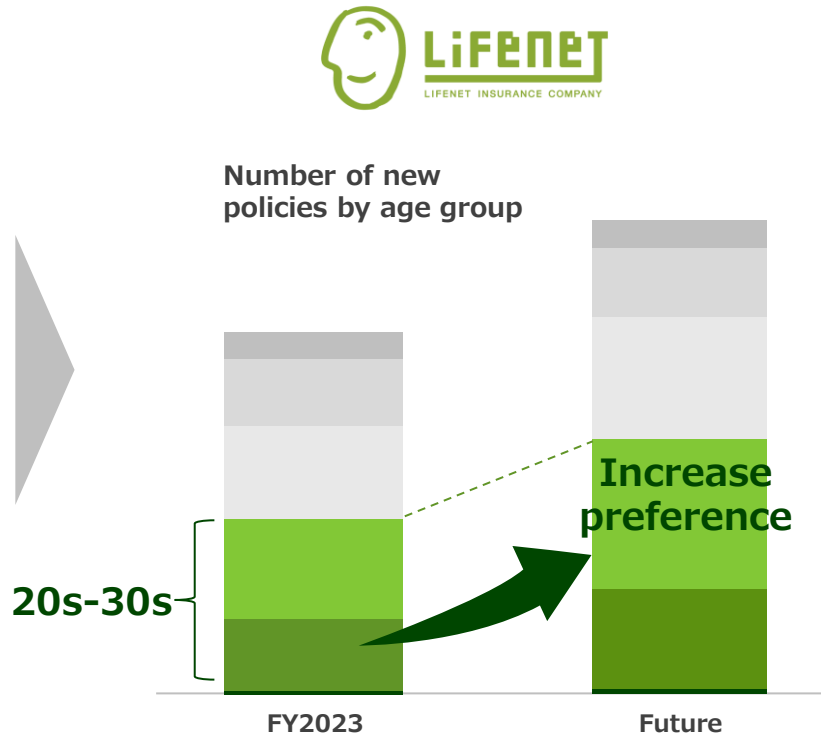
---

Partner      GCL

## Aim for further growth by updating the Lifenet brand and being unique for younger generation



### Focus areas of marketing centered on younger generation



# Individual : Partner Business

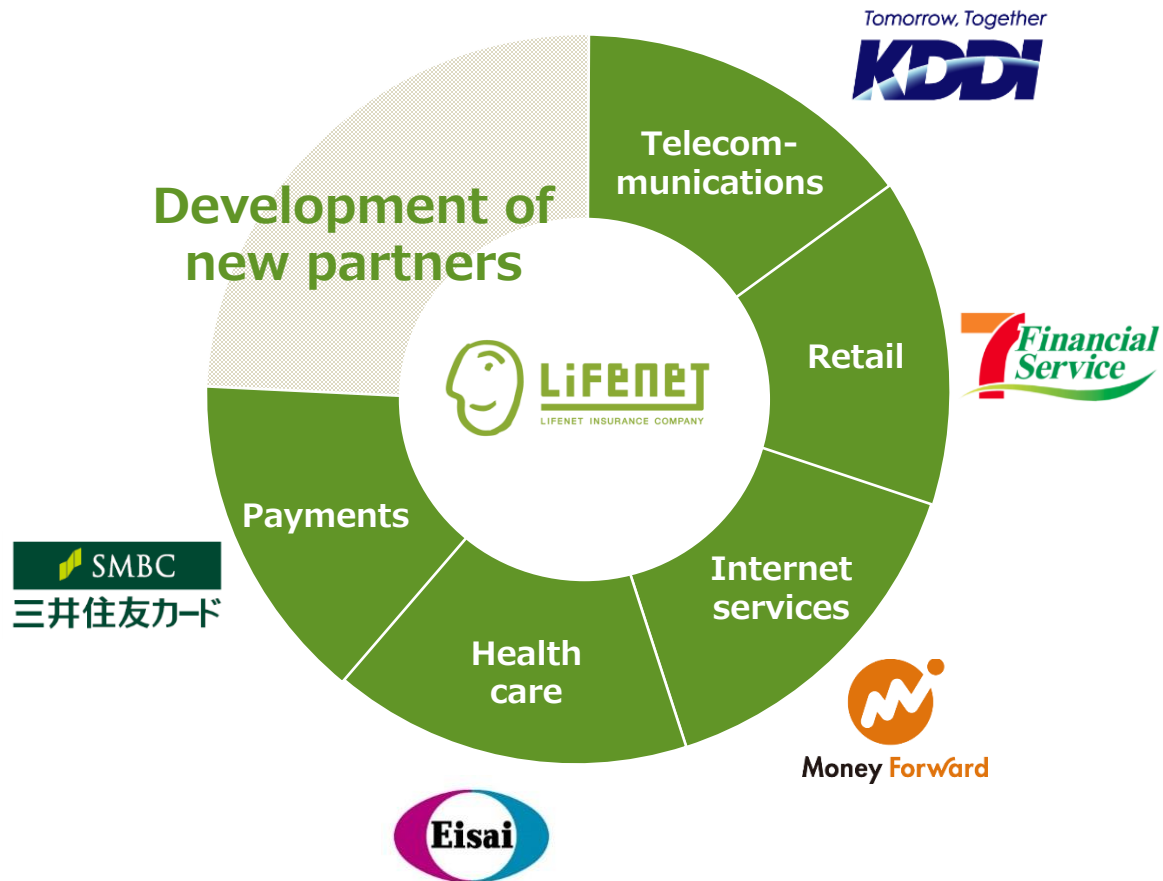
Rebranding

Tech & Services

Embedded



- Accelerate growth by embedding our business into partners' ecosystem



## Deepening ties with existing partners

- Initiatives to enhance business synergy in partners' ecosystem

## Development of new business partners

- Alliances with companies having a broad customer base, attractive brands, and extensive data

## Aim for business expansion by alliance with au Jibun Bank and development of new partner banks

### Deepening of alliance with au Jibun Bank

- Contribute to enhancing competitiveness of mortgage loan through develop our high-quality insurance products and services



1

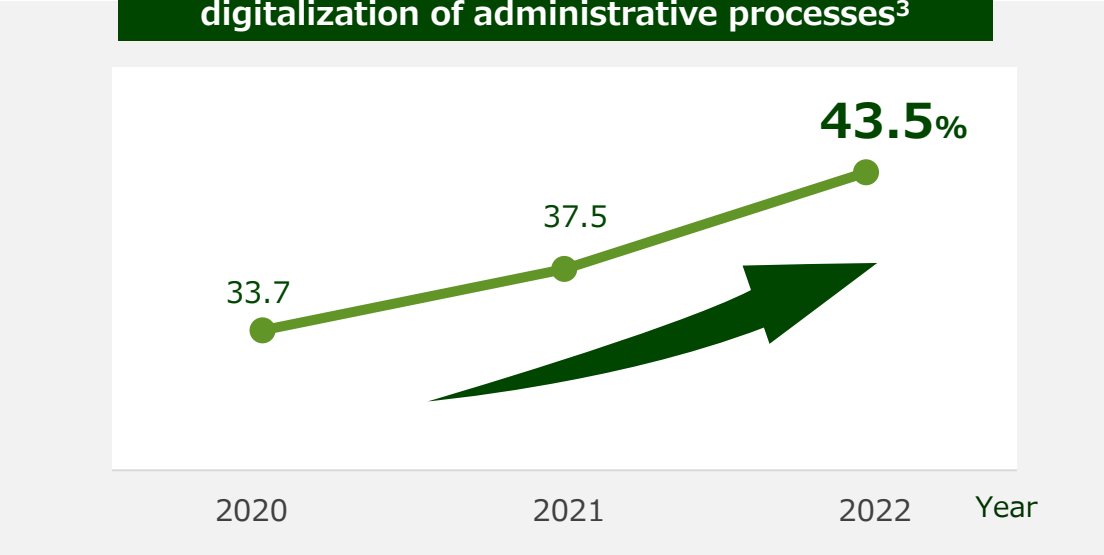


2

### Expansion of partner banks

- Aim to develop new partner banks by capitalizing on the shift to DX in the mortgage loan business in the banking industry

### The proportion of institutions working on digitalization of administrative processes<sup>3</sup>



1. The 2023 Oricon Client Satisfaction Survey hosted by Oricon Inc.  
2. Searched by Mogecheck, online mortgage comparison service  
3. Source: Japan Housing Finance Agency "Mortgage Lending Trends Survey"

- Further strengthen initiatives for human capital based on **diversity and growth opportunities**

## Human Resources Strategy





# New Management Indicator “Comprehensive Equity”

- Adopt “Comprehensive Equity” as new management indicator representing corporate value to replace EEV

Management Goal

Comprehensive Equity (CE) Aim to achieve ¥200-240bn in FY2028

European Embedded Value (EEV)

Comprehensive Equity (CE)



1. The value of future IFRS earnings for GCL policies-in-force (PAA applied) including future renewals as of the valuation date.

2. Aggregation of insurance contracts and reinsurance contracts with tax effect (28%) adjusted.

3. Attributable to owners of the Company

## Comprehensible, Cost-Competitive, Convenient

### I. Our Guiding Principles

- (1) Creating the future of the life insurance without losing sight of its original premise: “an ounce of prevention is worth more than a pound of cure.”
- (2) Listening to what our customers are saying. Recognizing their needs and acting accordingly. Allowing our actions to be borne out of their voices and needs.
- (3) Delivering the caliber of products and services that we would feel confident recommending to our own friends and families.
- (4) Being a “straight-shooter”. Committing to transparency. Communicating openly about our management team, our products, and our employees.
- (5) Embracing diversity and dialogue to keep us abreast of changing needs and preferences. Delivering peace of mind that we’ll be around in 100 years.
- (6) Acting in good faith means always taking the high road when it comes to compliance and ethics.

### III. Making Life Insurance Accessible Again - Affordable

- (1) Giving the customer what he/she needs. No more, no less at a fair price.
- (2) Staying vigilant as to how we can provide our products more cost-efficiently.
- (3) Always putting ourselves in our customers’ shoes in thinking about how to minimize their premiums.

### II. Making Life Insurance Accessible Again - Headache-free

- (1) Helping the customers help themselves. By making our materials easy to understand, customers can determine which coverage is truly the best fit.
- (2) Turning “clauses” in the insurance contract into succinct points that your grandmother could grasp.
- (3) Making all touch points headache-free. Beyond the application process, ensuring the claims and billing processes are also easy to understand.

### IV. Making Life Insurance Accessible Again - Convenient

- (1) Thinking about our customers’ convenience from every angle and every touch point along the way.
- (2) Forming alliances with like-minded partners who can add value above and beyond our products and services to our customers.
- (3) Providing health and wellness tips beyond the framework of life insurance to create value in our policyholders’ lives.
- (4) Creating a precedent for future generations as to what life insurance is (and should be) all about.

**We wish to be a company that helps our customers embrace life more fully.  
In order to live out that vision, we continue to challenge ourselves.**



All information on this document that is not historical fact constitutes forward-looking information and is based on assumptions and forecasts available to the company at the time of preparation. The company cannot guarantee the accuracy of these assumptions and forecasts. Earnings projections and other information on this may differ materially from actual performance due to various risks and uncertainties. This is a translation of the original Japanese document, prepared and provided solely for readers' convenience. In case of any discrepancy or dispute, the Japanese document prevails.

<https://ir.lifenet-seimei.co.jp/en/>

**Subscribe to our "IR email service" to receive news releases and website updates via email.**

 E-mail Notices