

Investor Update

December 4, 2023



Forward-Looking Statements and Non-GAAP Financial Measures

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Forward-looking statements are based on the management's judgement of the Company or Aflac Incorporated or its subsidiaries based on the information available at the time of such preparation of the statements. These statements are inherent with various assumptions, risks and uncertainties, including the following factors:

- *difficult conditions in global capital markets and the economy, including inflation and the continued effects caused by COVID-19*
- *defaults and credit downgrades of investments*
- *global fluctuations in interest rates and exposure to significant interest rate risk*
- *concentration of business in Japan*
- *limited availability of acceptable yen-denominated investments*
- *foreign currency fluctuations in the yen/dollar exchange rate*
- *differing interpretations applied to investment valuations*
- *significant valuation judgments in determination of expected credit losses recorded on the Company's investments*
- *decreases in the Company's financial strength or debt ratings*
- *decline in creditworthiness of other financial institutions*
- *concentration of the Company's investments in any particular single-issuer or sector*
- *major public health issues, including COVID-19 and any resulting or coincidental economic effects, on the Company's business and financial results*
- *the Company's ability to attract and retain qualified sales associates, brokers, employees, and distribution partners*
- *damages incidental to the occurrence of improper acts by sales associates, brokers, employees and distribution partners*
- *deviations in actual experience from pricing and reserving assumptions*
- *ability to continue to develop and implement improvements in information technology systems and on successful execution of revenue growth and expense management initiatives*
- *interruption in telecommunication, information technology and other operational systems, or a failure to maintain the security, confidentiality or privacy of sensitive data residing on such systems*
- *subsidiaries' ability to pay dividends to the Parent Company*
- *inherent limitations to risk management policies and procedures*
- *operational risks of third party vendors*
- *tax rates applicable to the Company may change*
- *failure to comply with restrictions on policyholder privacy and information security*
- *extensive regulation and changes in law or regulation by governmental authorities*
- *incomparability of economic solvency ratio ("ESR") calculated based on internal model of the Company and the ESRs voluntarily calculated and disclosed by peer insurance companies*
- *competitive environment and ability to anticipate and respond to market trends*
- *catastrophic events, including, but not limited to, as a result of climate change, epidemics, pandemics (such as COVID-19), tornadoes, hurricanes, earthquakes, tsunamis, war or other military action, terrorism or other acts of violence, and damage incidental to such events*
- *ability to protect the Aflac brand and the Company's reputation*
- *ability to effectively manage key executive succession*
- *changes in accounting standards*
- *level and outcome of litigation*
- *allegations or determinations of worker misclassification in the United States*

These forward-looking statements may depend on various risks and uncertainties, and actual future business activities and financial results may differ materially from those explicitly or implicitly stated in the forward-looking statements included in this presentation material. Consequently, you are cautioned not to place undue reliance on such forward-looking statements. The Company disclaims any obligation to revise, update or correct any forward-looking statements in the light of new information, future events or other findings.

Non-U.S. GAAP Financial Measures and Reconciliations

This document includes references to the Company's financial performance measures which are not calculated in accordance with United States generally accepted accounting principles (U.S. GAAP) (non-U.S. GAAP). The financial measures exclude items that the Company believes may obscure the underlying fundamentals and trends in insurance operations because they tend to be driven by general economic conditions and events or related to infrequent activities not directly associated with insurance operations.

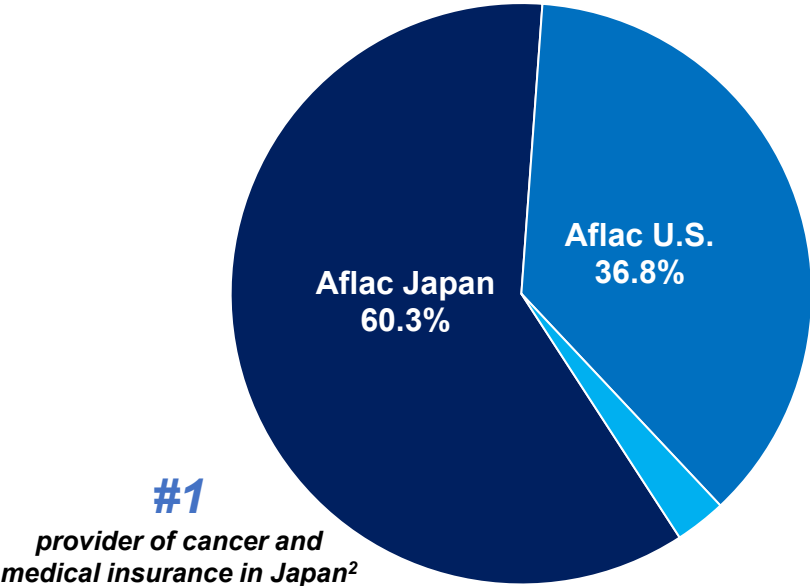
Definitions of the Company's non-U.S. GAAP financial measures and applicable reconciliations to the most comparable U.S. GAAP measures are provided as appropriate.

Due to the size of Aflac Japan, where the functional currency is the Japanese yen, fluctuations in the yen/dollar exchange rate can have a significant effect on reported results. In periods when the yen weakens, translating yen into dollars results in fewer dollars being reported. When the yen strengthens, translating yen into dollars results in more dollars being reported. Consequently, yen weakening has the effect of suppressing current period results in relation to the comparable prior period, while yen strengthening has the effect of magnifying current period results in relation to the comparable prior period. A significant portion of the Company's business is conducted in yen and never converted into dollars but translated into dollars for U.S. GAAP reporting purposes, which results in foreign currency impact to earnings, cash flows and book value on a U.S. GAAP basis. Management evaluates the Company's financial performance both including and excluding the impact of foreign currency translation to monitor, respectively, cumulative currency impacts and the currency-neutral operating performance over time. The average yen/dollar exchange rate is based on the published MUFG Bank, Ltd. telegraphic transfer middle rate (TTM).

Leading Provider of Supplemental Health Insurance

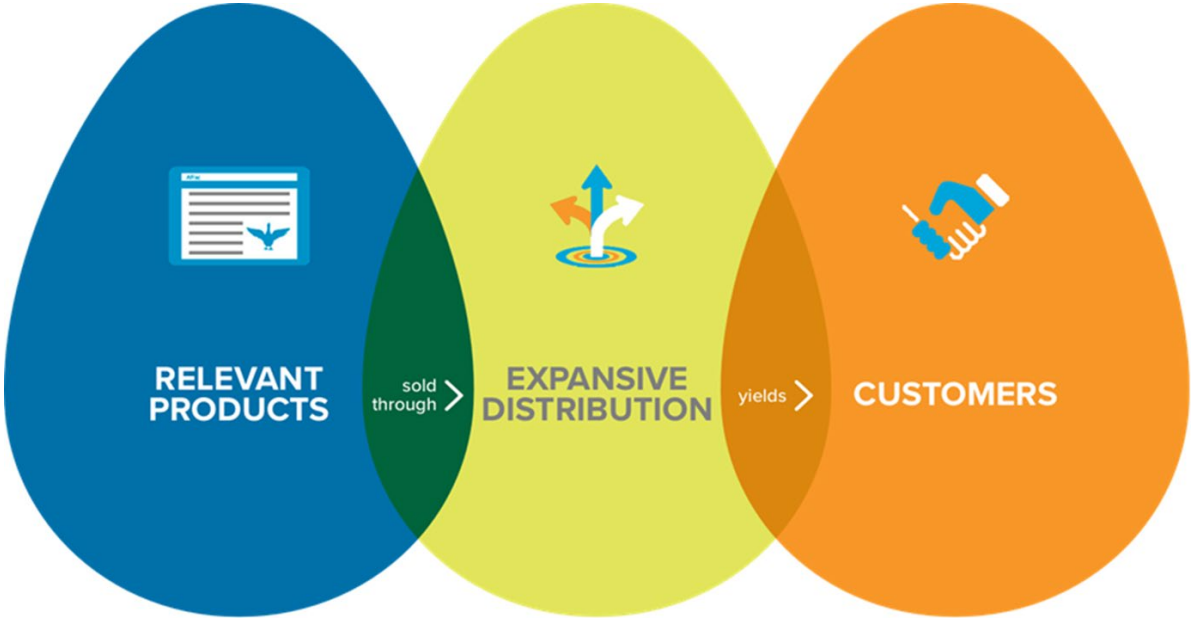
By delivering on our promise to be there when our policyholders need us most and running our business The Aflac Way, we've gained the trust of millions of people worldwide who count on us to pay claims fairly and promptly

YTD Adjusted Revenues⁴ by Segment ¹



#1
provider of supplemental health insurance products in the U.S.³

Long-term Growth Strategy



¹ Adjusted revenues includes Aflac Japan, Aflac U.S. and Corporate and Other, the smallest component; as of September 30, 2023.

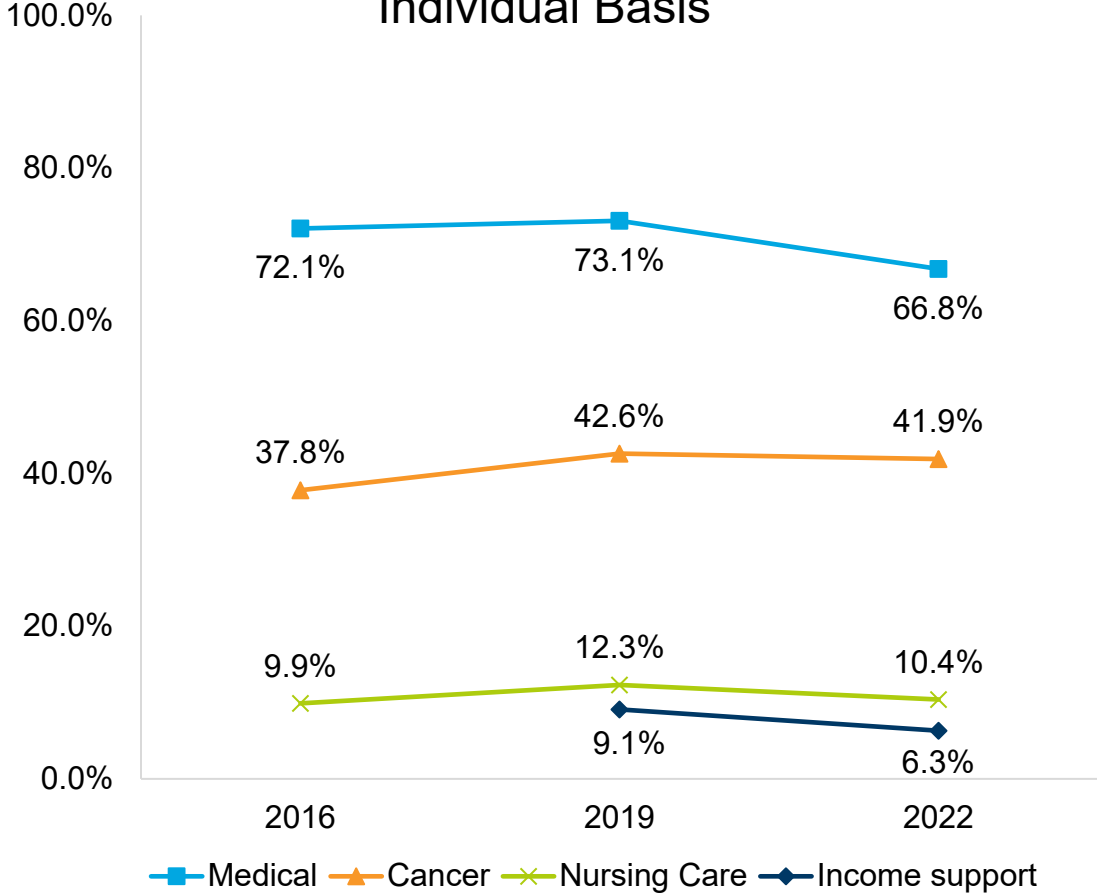
² Aflac Japan is the number one insurer in terms of the total combined number of cancer insurance and medical insurance policies in force, according to the Statistics of Life Insurance Business in Japan in 2020. ³ LIMRA 2022 U.S. Supplemental Health Insurance Total Market Report

Aflac Japan Segment



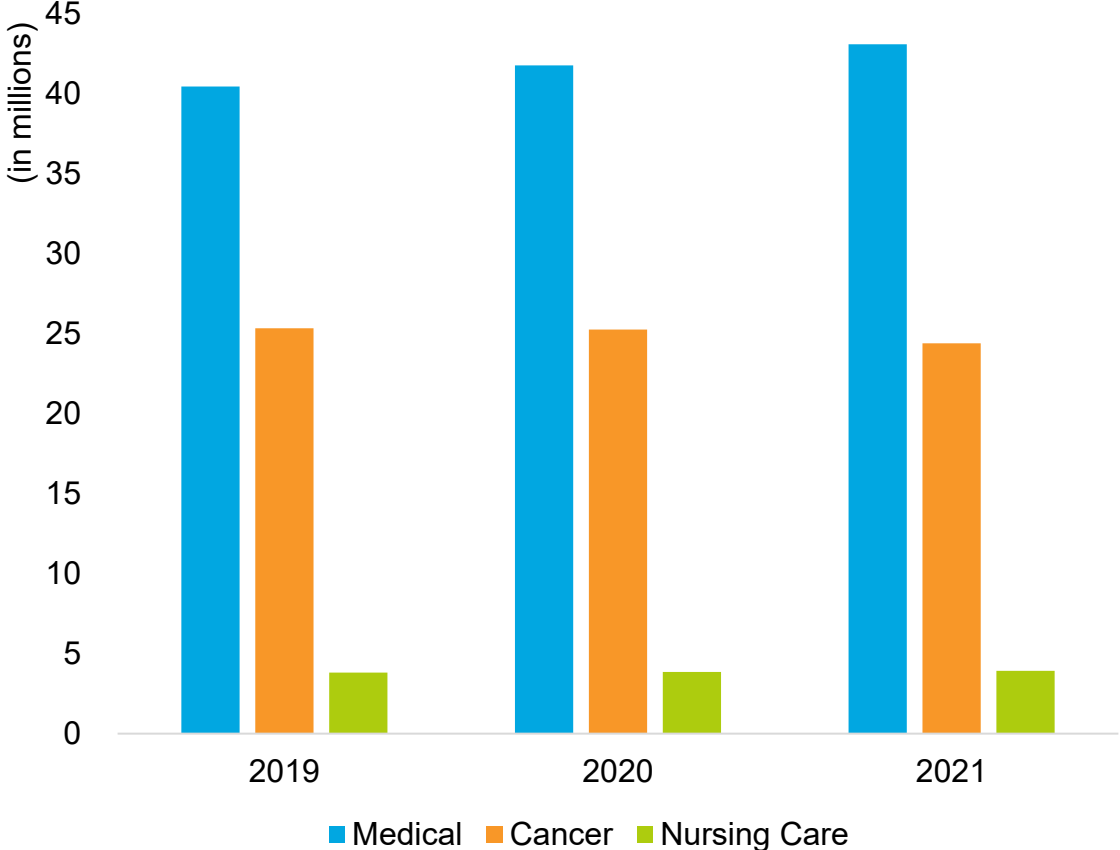
Japan Market Penetration

Insurance Product Penetration, Individual Basis



Source: Japan Institute of Life Insurance (Three-year Interval Data)

Insurance Market Size (Number of policies in force)

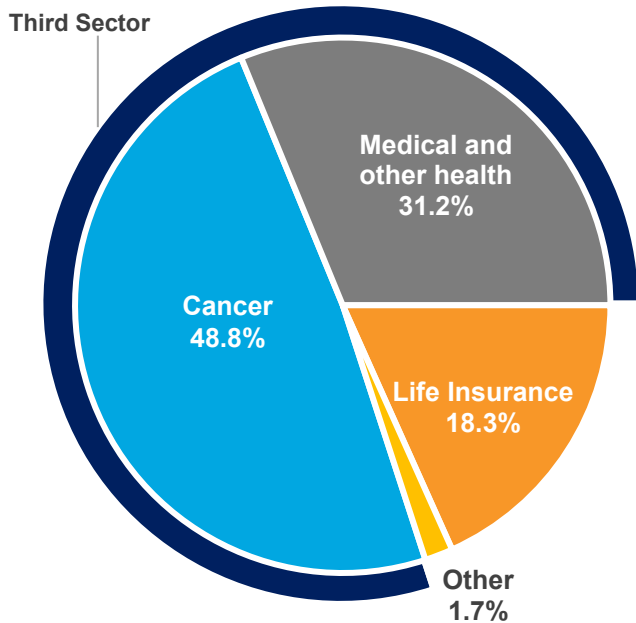


Source: Japan Institute for Insurance Research

Third Sector Leader

#1 provider of cancer and medical insurance in Japan¹

Aflac Japan Net Earned Premiums
YTD by Product ²



EVER Simple Medical

- Simple product design that appeals to younger policyholders with basic needs and older or existing policyholders who desire additional or updated coverage
- Launched mid-September 2023

WINGS Cancer Policy

- Provides coverage for the latest medical treatment and early detection, covering costs of thorough exams, genomic profiling tests and medical treatment requested by patients
- Launched in stages beginning in agencies and Daido Life (Aug. '22), Dai-ichi Life and banks (Jan. '23) and Japan Post and Japan Post Insurance (Apr. '23)

Life cycle solutions

- Enhanced nursing care insurance meets the needs of the aging population
- **Income support** insurance addresses loss of income concerns of SME employees who may not be able to work due to short-term hospitalization

Small-amount Short-term Insurance

- Provide security through small amount, short-term insurance to customers whose applications previously could not be accepted and aim to serve more customers needs

WAYS / Child Endowment

- First sector savings products that introduce younger customers to Aflac and provide an opportunity to introduce them to our third sector policies

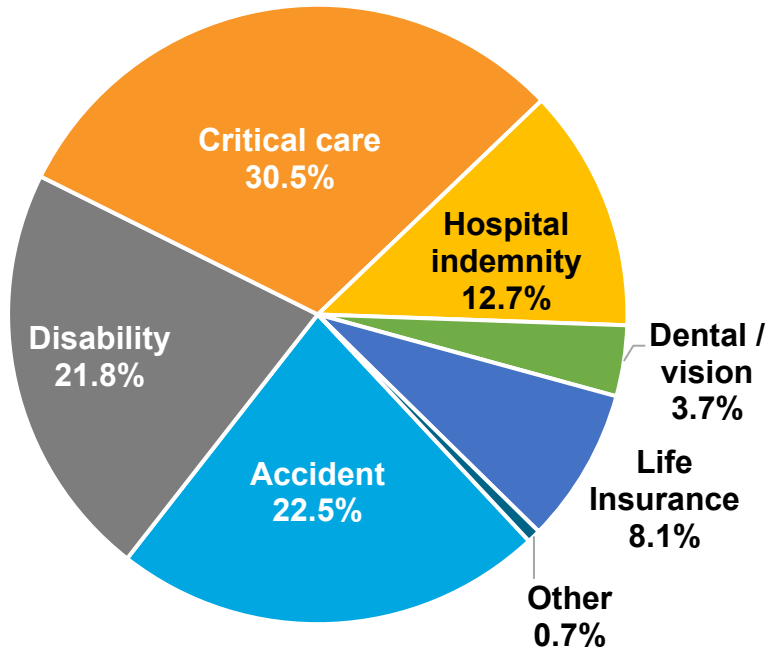
Reaching More Customers through Diverse Distribution: Being Where People Want to Purchase Protection

Category	Channel	Details
Core	Traditional Channel	<ul style="list-style-type: none"> Vital for Aflac Japan sales, with 7,000+ agencies
Alliance Partners	Japan Post Group	<ul style="list-style-type: none"> Japan Post Co., has more than 20,000 post offices nationwide selling Aflac cancer insurance products Japan Post Insurance Co., LTD. offers Aflac cancer insurance products through its 76 directly managed offices
	Dai-ichi Life	<ul style="list-style-type: none"> Nearly 40,000 Dai-ichi Life sales representatives offer Aflac cancer insurance products
	Daido Life	<ul style="list-style-type: none"> Selling cancer insurance products in SME association market
	Banks	<ul style="list-style-type: none"> Represented by nearly 90% of the total banks in Japan

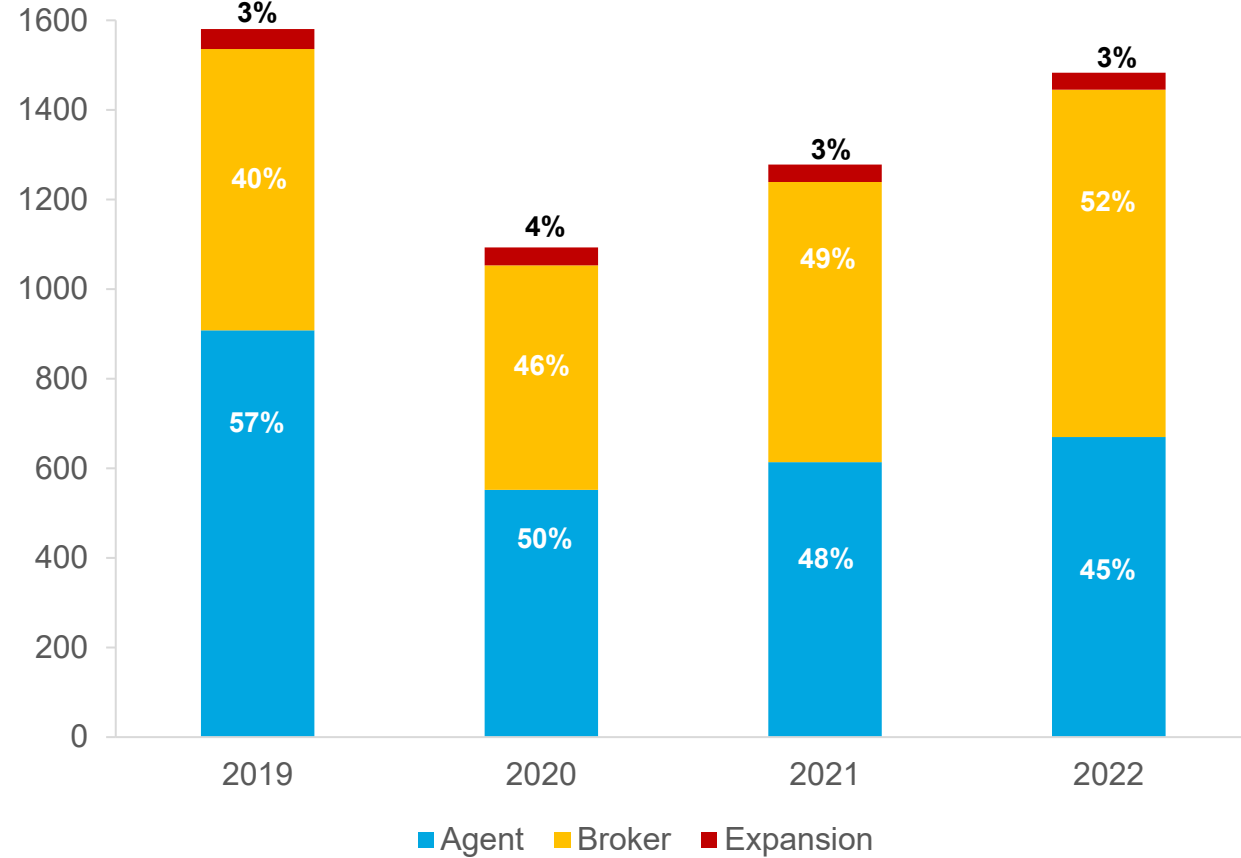
Aflac U.S. Segment

Leading Provider of Supplemental Health Insurance in U.S.

**Aflac U.S. Net Earned Premiums
YTD by Product**



**U.S. Distribution Mix
(New AP in \$ millions)**



Aflac U.S. Growth Opportunities

Solving for **Access**, **Penetration** & **Retention** in the U.S. Working Population

Aflac continues to be the leader in Worksite Supplemental Health ¹ with 23% ² of the Market Share and over 2x larger than our nearest competitor.

159.2 Million

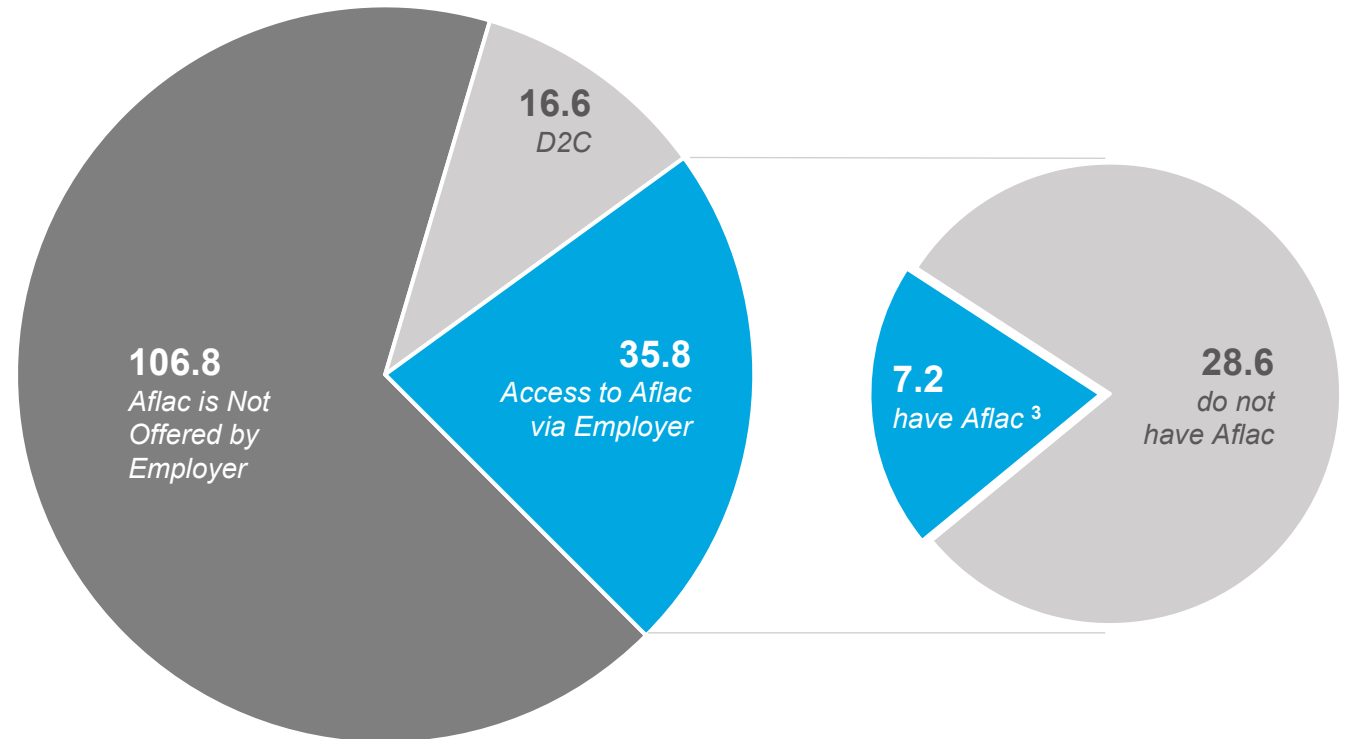
Self-Employed 16.6

Public Sector 21.7

Private Sector 126.8

Private Sector Breakdown

Small Employer (1-99)	Med. Employer (100 – 999)	Large Employer (1,000+)
38.7	23.3	58.9



¹ Supplemental Health is defined as Accident, Cancer, Critical Illness and Hospital Indemnity Products

² Source: 2022Q3 U.S. Workplace Supplemental Health Final Sales Report: LIMRA

³ Aflac policy/certificate holders and covered employees as of Dec. 31, 2022; Source: 2022 Bureau of Labor Statistics- Current Population Survey

Investments Portfolio

Commercial Real Estate Loan Portfolio¹

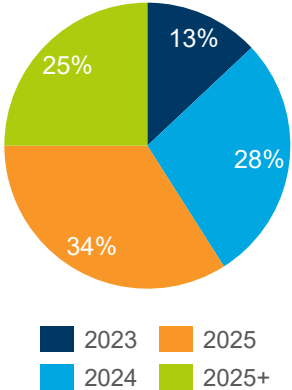
As of 9/30/2023

Portfolio Statistics			
	TRE	CML	Total
Net Book Value	\$6.2bn	\$1.7bn	\$7.9bn
Book Yield	8.83%	3.31%	7.63%
Wtd Avg Spread	342 bps	151 bps	300 bps
Average LTV	63%	50%	60%
Average Loan Rating	BBB	A+	BBB+
Unique Issuers	146	88	234
Largest Commitment	\$177mm	\$75mm	\$177mm
Avg. Commitment	\$46mm	\$20mm	\$41mm

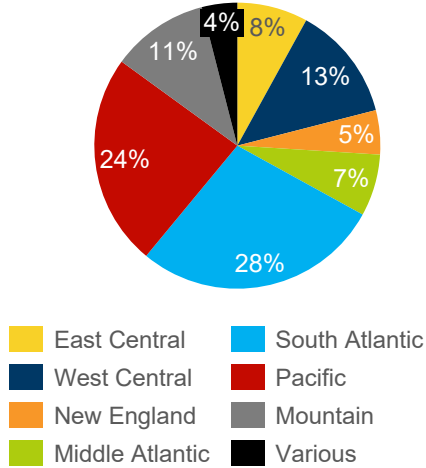
Property Type	LTV			Occupancy		
	TRE	CML	Total	TRE	CML	Total
Multifamily	65%	50%	62%	89%	93%	90%
Office	63%	51%	61%	66%	80%	68%
Retail	55%	50%	52%	83%	98%	90%
Hospitality	65%	N/A	65%	51%	N/A	51%
Industrial	60%	49%	52%	98%	99%	98%
Other	57%	65%	57%	56%	100%	58%

Portfolio Diversification

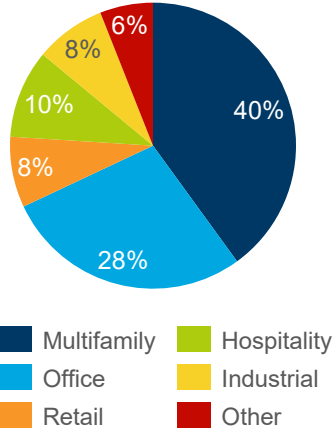
By Maturity Schedule



By Geography



By Property Type



- Through November 30, we have foreclosed on four office properties this year with a current BV of \$170mm
- We expect CRE market conditions to remain severely challenged through at least 2024 with the impact extending beyond office
- Our loan watchlist is now ~\$1.2bn of which approximately 50% is in active foreclosure proceedings
- Foreclosing on the entire watch list along with a 50% decline in underlying property values would result in approximately \$250mm of accounting losses

¹ This summary excludes approximately \$300 million of other loans that are included as TRE for US GAAP reporting, but have different risk characteristics

Middle Market Loan Portfolio

As of 9/30/2023

Portfolio Statistics

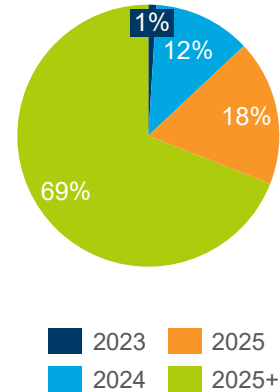
Net Book Value	\$4.7bn
Book Yield	10.64%
Wtd. Avg. Spread	513bps
Average Senior Leverage	5.0x
Average Loan Rating	B+
Unique Issuers	324
Largest Commitment	\$37mm
Avg. Commitment	\$16mm

Current Senior Leverage

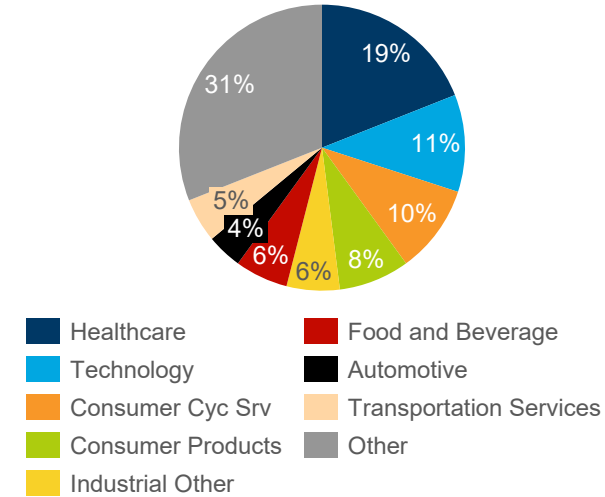
	% of Total (by Book Value)	Average Rating
<4.0x	25%	BB-
4.0x - 5.0x	31%	B+
5.0x - 5.75x	24%	B+
>5.75x	20%	B

Portfolio Diversification

By Maturity Schedule

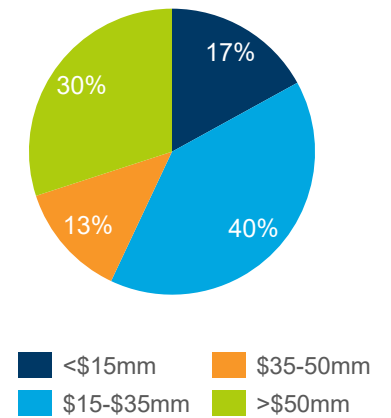


By Sector



Note: Other comprises 25 sectors, of which 18 have ≤1% exposure

By Current EBITDA



- Defensively underwritten and monitored first lien, senior secured floating rate MML portfolio with strong covenants
- Focus on non-cyclical sectors and durable businesses
- Diversified by borrower, sector, and geography
- Portfolio senior leverage remains stable at ~5.0x with steady EBITDA and sufficient borrower liquidity levels

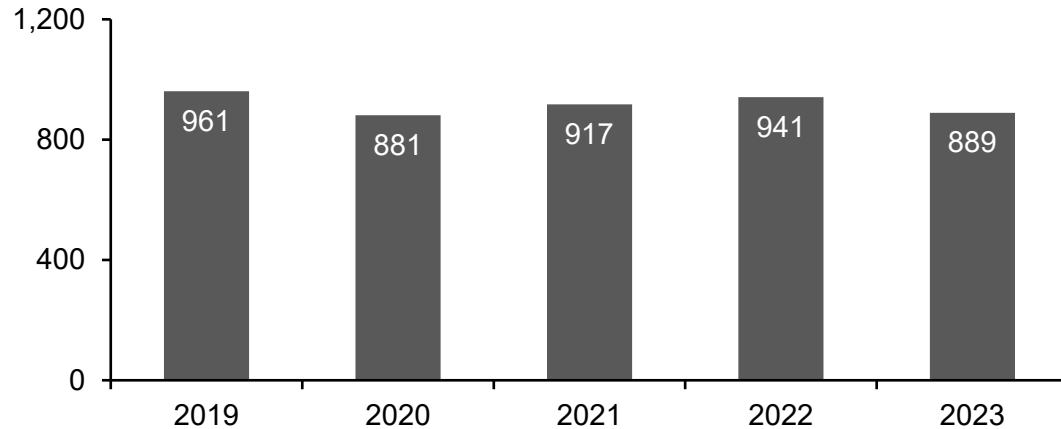
Capital Management & Deployment

Strong Capital Ratios

Aflac Japan

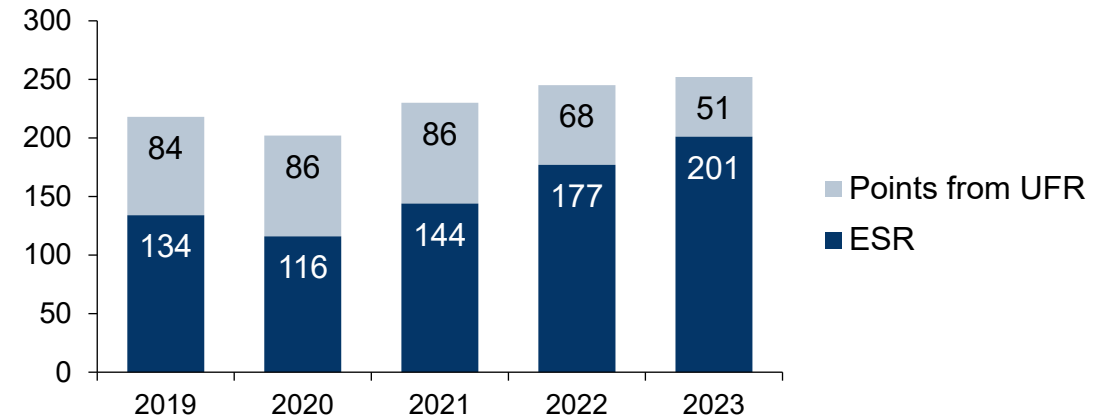
Solvency Margin Ratio

(Fiscal year ending March 31, %)



Economic Solvency Ratio

(Fiscal year ending March 31, %)



SMR Sensitivity

(% points¹ as of September 30, 2023)

Yen rates +1%	(40)
Dollar rates +1%	(30)
Yen strengthens +10	(94)
Credit spreads +1%	(43)

ESR Sensitivity

(% points¹ as of September 30, 2023)

Yen rates +1%	+31
Dollar rates +1%	(9)
JPY/USD weakens -10	(14)
Credit spreads +1%	(20)

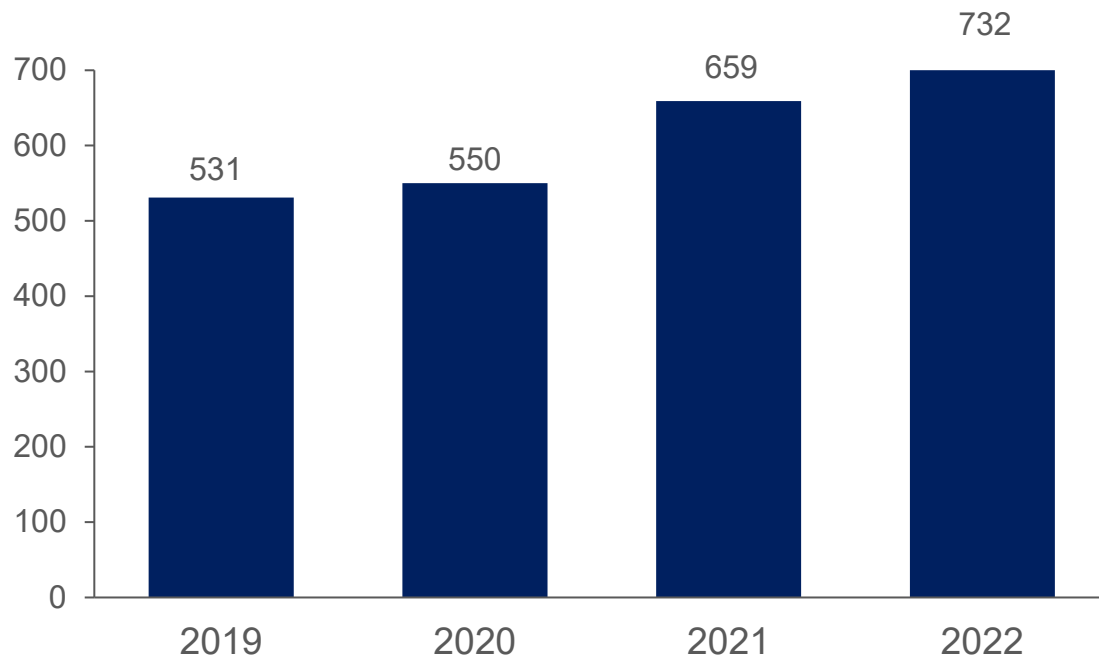
¹ SMR sensitivities to rates, spreads and currency movement are not linear.

Strong Capital Ratios¹

Aflac U.S.

Aflac Combined Risk-Based Capital Ratio

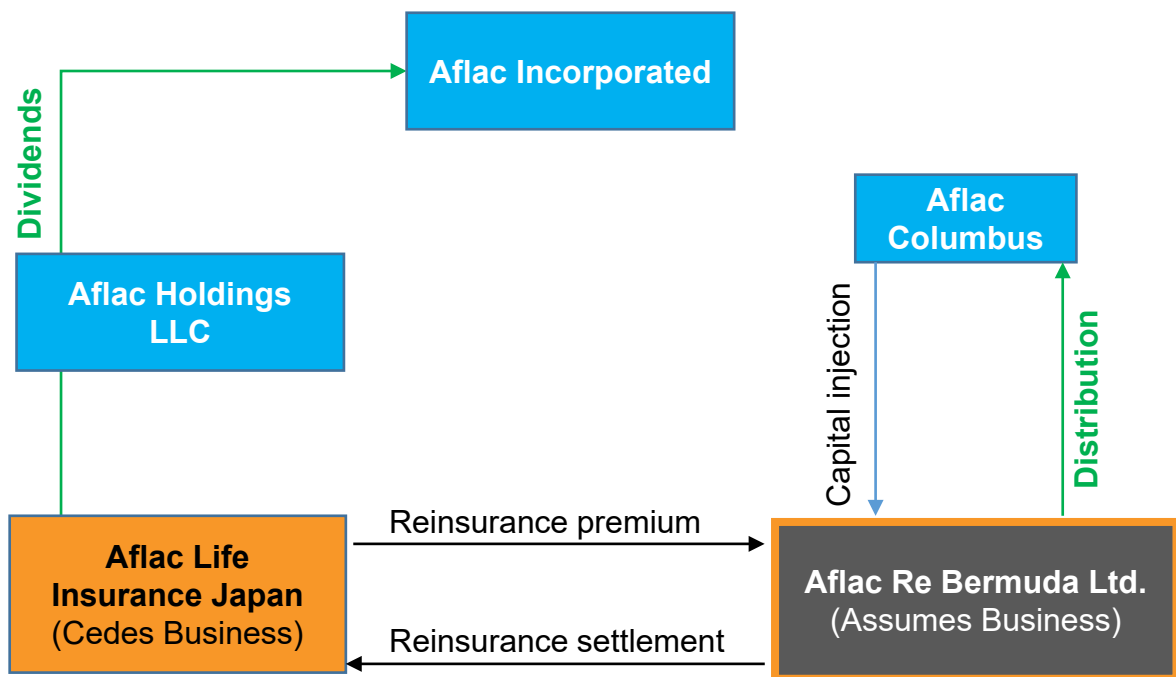
(Fiscal year ending December 31, %)



- RBC ratio is a book value framework
- Combined RBC estimated to be above 650% at the end of 3Q23
- Target 400% Combined RBC over time through growth of new business, given:
 - strength of the earnings profile,
 - low risk and stability of our operations and
 - low asset leverage

Enhancing ROE

Internal reinsurance has a capital flow of capital injection, dividend payment, and reinsurance settlement.

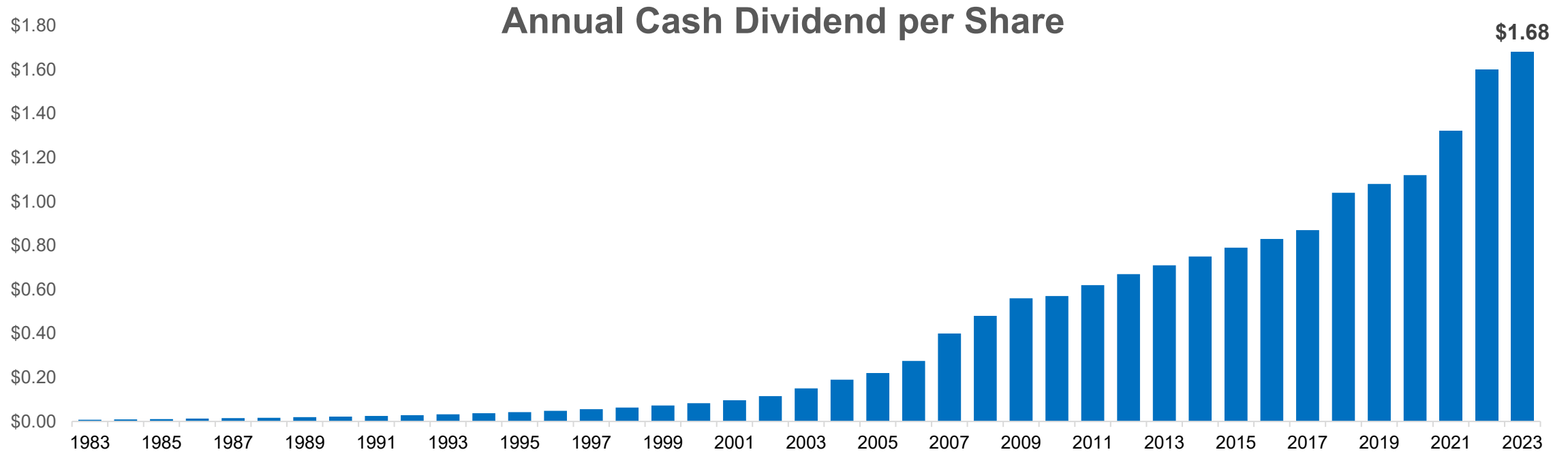


- First transaction in January 2023 freed up ~\$900 million of capital throughout enterprise
 - » \$400 million sent to Aflac Incorporated
 - » Opportunistically deployed the remainder above our cost of capital
- Second transaction in 4Q23 expected to have similar structure and economics

Strategy estimated to lift Adjusted ROE by up to 100-200 bps over time¹

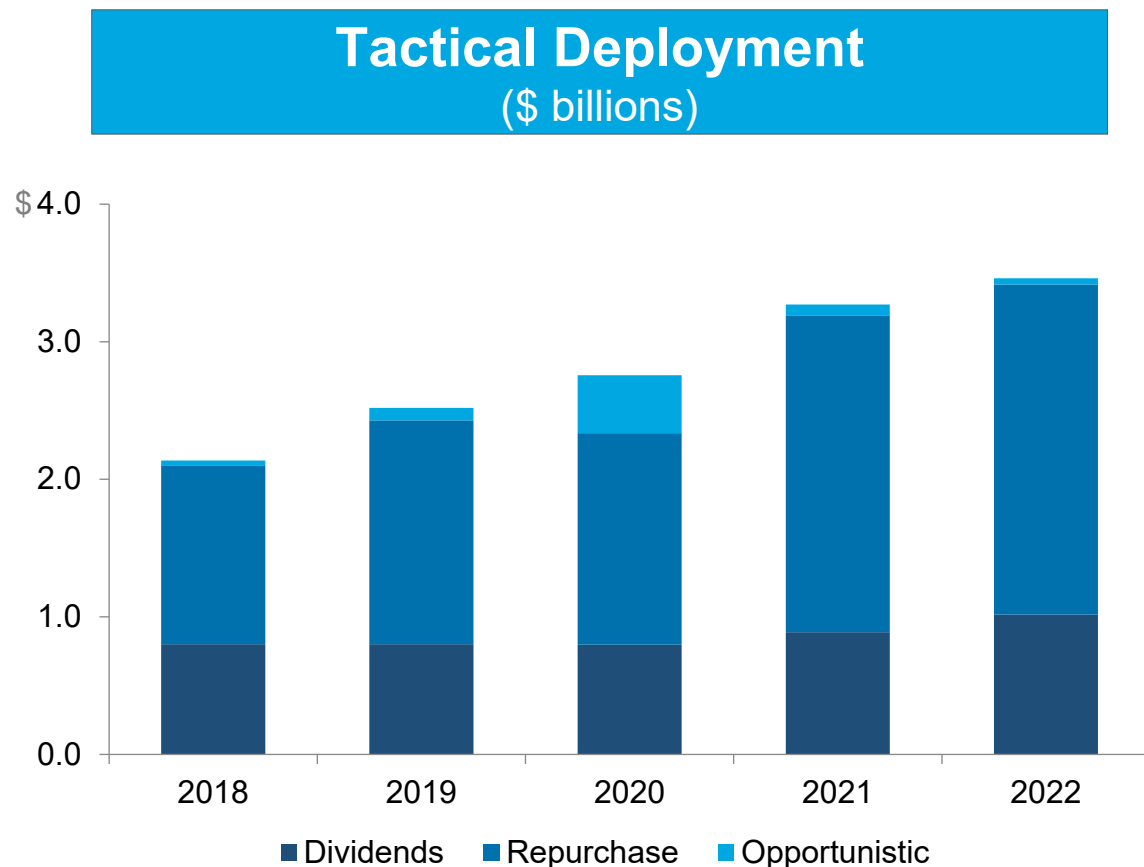
¹ Assumes deployment at cost of equity

41 Consecutive Years of Increasing the Dividend



- 1Q24 quarterly dividend payable **+19%**
- Annual dividend **+62%** over the last 5 years

Capital Deployment Under Stable Conditions



- Repurchased \$2.1 billion of our shares in the first 9 months of 2023
- Expected run-rate annualized insurance subsidiary dividends of \$2.6 billion to \$3.0 billion¹
- Deployable capital defined as excess capital after reinvestment in core insurance businesses
- Opportunistic represents amounts available for incremental growth investments that leverage franchise strengths and our market-leading positions, as well as venture investments

Appendix

Glossary of Non-U.S. GAAP Measures

The Company defines these non-U.S. GAAP financial measures as follows:

- **Adjusted earnings** are adjusted revenues less benefits and adjusted expenses. Adjusted earnings per share (basic or diluted) are the adjusted earnings for the period divided by the weighted average outstanding shares (basic or diluted) for the period presented. The adjustments to both revenues and expenses account for certain items that cannot be predicted or that are outside management's control. Adjusted revenues are U.S. GAAP total revenues excluding adjusted net investment gains and losses. Adjusted expenses are U.S. GAAP total acquisition and operating expenses including the impact of interest cash flows from derivatives associated with notes payable but excluding any nonrecurring or other items not associated with the normal course of the Company's insurance operations and that do not reflect the Company's underlying business performance. Management uses adjusted earnings and adjusted earnings per diluted share to evaluate the financial performance of the Company's insurance operations on a consolidated basis and believes that a presentation of these financial measures is vitally important to an understanding of the underlying profitability drivers and trends of the Company's insurance business. The most comparable U.S. GAAP financial measures for adjusted earnings and adjusted earnings per share (basic or diluted) are net earnings and net earnings per share, respectively.
- **Adjusted earnings excluding current period foreign currency impact** are computed using the average foreign currency exchange rate for the comparable prior-year period, which eliminates fluctuations driven solely by foreign currency exchange rate changes. Adjusted earnings per diluted share excluding current period foreign currency impact is adjusted earnings excluding current period foreign currency impact divided by the weighted average outstanding diluted shares for the period presented. The Company considers adjusted earnings excluding current period foreign currency impact and adjusted earnings per diluted share excluding current period foreign currency impact important because a significant portion of the Company's business is conducted in Japan and foreign exchange rates are outside management's control; therefore, the Company believes it is important to understand the impact of translating foreign currency (primarily Japanese yen) into U.S. dollars. The most comparable U.S. GAAP financial measures for adjusted earnings excluding current period foreign currency impact and adjusted earnings per diluted share excluding current period foreign currency impact are net earnings and net earnings per share, respectively.
- **Amortized hedge costs/income** represent costs/income incurred or recognized as a result of using foreign currency derivatives to hedge certain foreign exchange risks in the Company's Japan segment or in Corporate and other. These amortized hedge costs/ income are estimated at the inception of the derivatives based on the specific terms of each contract and are recognized on a straight-line basis over the term of the hedge. The Company believes that amortized hedge costs/income measure the periodic currency risk management costs/income related to hedging certain foreign currency exchange risks and are an important component of net investment income. There is no comparable U.S. GAAP financial measure for amortized hedge costs/ income.
- **Adjusted net investment income** is net investment income adjusted for i) amortized hedge cost/income related to foreign currency exposure management strategies and certain derivative activity, and ii) net interest cash flows from foreign currency and interest rate derivatives associated with certain investment strategies, which are reclassified from net investment gains and losses to net investment income. The Company considers adjusted net investment income important because it provides a more comprehensive understanding of the costs and income associated with the Company's investments and related hedging strategies. The most comparable U.S. GAAP financial measure for adjusted net investment income is net investment income.
- **Adjusted net investment gains and losses** are net investment gains and losses adjusted for i) amortized hedge cost/income related to foreign currency exposure management strategies and certain derivative activity, ii) net interest cash flows from foreign currency and interest rate derivatives associated with certain investment strategies, which are both reclassified to net investment income, and iii) the impact of interest cash flows from derivatives associated with notes payable, which is reclassified to interest expense as a component of total adjusted expenses. The Company considers adjusted net investment gains and losses important as it represents the remainder amount that is considered outside management's control, while excluding the components that are within management's control and are accordingly reclassified to net investment income and interest expense. The most comparable U.S. GAAP financial measure for adjusted net investment gains and losses is net investment gains and losses.

Glossary of Non-U.S. GAAP Measures

The Company defines these non-U.S. GAAP financial measures as follows:

- **Adjusted return on equity** is adjusted earnings divided by average shareholders' equity, excluding accumulated other comprehensive income (AOCI). Management uses adjusted return on equity to evaluate the financial performance of the Company's insurance operations on a consolidated basis and believes that a presentation of this financial measure is vitally important to an understanding of the underlying profitability drivers and trends of the Company's insurance business. The Company considers adjusted return on equity important as it excludes components of AOCI, which fluctuate due to market movements that are outside management's control. The most comparable U.S. GAAP financial measure for adjusted return on equity is return on average equity (ROE) as determined using net earnings and average total shareholders' equity.

Effect of Foreign Currency on Adjusted Results

Nine months ended September 30, 2023

	<u>Including Currency</u>	<u>Excluding Currency²</u>
Net premium income ³	(5.6)%	(0.6)%
Adjusted net investment income ¹	(1.2)%	1.3%
Total benefits and expenses	(8.0)%	(3.2)%
Adjusted earnings ¹	7.3%	10.9%
Adjusted earnings per diluted shares ¹	14.3%	18.2%

¹ Non-U.S. GAAP measures, refer to the appendix for the definition.

² Amounts excluding currency changes were determined using the same foreign currency exchange rate for the current period as the comparable period in the prior year, which eliminates dollar-based fluctuations driven solely from currency rate changes.

³ Net of reinsurance

Reconciliation of U.S. GAAP Return on Equity to Adjusted ROE¹

Nine Months Ended September 30, in millions of Dollars

	<u>2023</u>	<u>2022</u>
U.S. GAAP ROE - Net earnings ²	27.4%	30.4%
Impact of excluding unrealized foreign currency translation gains (losses)	(4.0)	(3.7)
Impact of excluding unrealized gains (losses) on securities and derivatives	(0.6)	6.2
Impact of excluding effect of changes in discount rate assumptions	(1.5)	(11.5)
Impact of excluding pension liability adjustment	—	(0.2)
Impact of excluding AOCI	(6.1)	(9.2)
U.S. GAAP ROE - less AOCI	21.3	21.3
Differences between adjusted earnings and net earnings ³	(6.7)	(7.2)
Adjusted ROE - reported	14.6	14.1
Less: Impact of foreign currency ⁴	(0.5)	N/A
Adjusted ROE, excluding impact of foreign currency	15.0	14.1

All relevant prior-year amounts have been adjusted for the adoption of accounting guidance on January 1, 2023 related to accounting for long-duration insurance contracts

¹Amounts presented may not foot due to rounding

²U.S. GAAP ROE is calculated by dividing net earnings (annualized) by average shareholders' equity

³See separate reconciliation of net income to adjusted earnings

⁴Impact of foreign currency is calculated by restating all foreign currency components of the income statement to the weighted average foreign currency exchange rate for the comparable prior year period. The impact is the difference of the restated adjusted earnings compared to reported adjusted earnings. For comparative purposes, only current period income is restated using the weighted average prior period exchange rate, which eliminates the foreign currency impact for the current period. This allows for equal comparison of this financial measure

Reconciliation of Net Earnings Per Diluted Share to Adjusted Earnings Per Diluted Share

Nine Months Ended September 30

	<u>2023</u>	<u>2022</u>	<u>% Change</u>
Net earnings per diluted share	\$7.28	\$6.57	10.8%
Items impacting net earnings:			
Adjusted net investment (gains) losses	(2.26)	(1.44)	
Other and non-recurring (income) loss	(0.06)	—	
Income tax (benefit) expense on			
Items excluded from adjusted earnings ¹	<u>0.02</u>	<u>(0.78)</u>	
Adjusted earnings per diluted share	\$4.97	\$4.35	14.3%
Current period foreign currency impact ²	<u>0.17</u>	<u>N/A</u>	
Adjusted earning per diluted share			
excluding current period foreign currency impact ³	<u><u>\$5.14</u></u>	<u><u>\$4.35</u></u>	18.2%

Reconciliation of Net Earnings to Adjusted Earnings¹

Nine Months Ended September 30 in millions of Dollars

	<u>2023</u>	<u>2022</u>	<u>% Change</u>
Net earnings	\$4,391	\$4,222	4.0%
Items impacting net earnings:			
Adjusted net investment (gains) losses	(1,363)	(923)	
Other and non-recurring (income) loss	(38)	(1)	
Income tax (benefit) expense on			
Items excluded from adjusted earnings ¹	<u>12</u>	<u>(501)</u>	
Adjusted earnings	\$3,001	\$2,797	7.3%
Current period foreign currency impact ²	<u>100</u>	<u>N/A</u>	
Adjusted earnings			
excluding current period foreign currency impact ³	<u>\$3,101</u>	<u>\$2,797</u>	10.9%

¹ Primarily reflects release of \$695 million in deferred taxes in the third quarter of 2022.

² Prior period foreign currency impact reflected as "N/A" to isolate change for current period only.

³ Amounts excluding current period foreign currency impact are computed using the average foreign currency exchange rate for the comparable prior year period, which eliminates fluctuations driven solely by foreign currency exchange rate changes.



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