

Taking a new turn

Let me begin by offering my heartfelt condolences to everyone who suffered as a result of the recent Great East Japan Earthquake.

This Special Topics edition of the T&D Life Group's Corporate Responsibility Report 2011 presents a vivid account of the efforts made by the T&D Life Group as a whole in response to the Great East Japan Earthquake, and I myself have found it inspiring reading. My deepest respect goes out to everyone involved in the tremendous work they put into confirming the safety of staff and customers, reopening branch offices, promptly paying out insurance money and benefits, and participating in overall recovery assistance activities. I am certain that this has enhanced their customers' feelings of security and trust toward the Group, and I would like to express my great appreciation for your efforts and achievements in dealing with this major disaster. The prolonged "non-payment issue" may have left many of you with confused and frustrated feelings, but I have witnessed the Group's staff reaffirm the social responsibilities of their mainstay life insurance business in the face of this devastating disaster and keenly recognize the significance of working in the life insurance business. In which direction and in what way will these thoughts, this energy and the accomplishments described in this report drive company in the future?

As the president noted in his message, various situations have helped bring to light a great many challenges, including the need to strengthen the Group's business continuity plan and "interpersonal bonds" (bonds between employees, bonds with customers, bonds with the local community, etc.). I am watching with great interest the efforts of staff digging deep into issues with a shared awareness of the problems they face and taking the Group significantly toward a new stage. One such effort might be the CSR Committee organized in July 2011. I know that all executives and employees can be counted on to actively support this Committee, and I have high expectations of the process and outcomes of its endeavors to determine what the T&D Life Group's corporate responsibilities are and how

they should be practically incorporated into its operations. The Group must not forget to use its corporate philosophy of "Creating Value through 'Try & Discover'" as its starting point. Companies are going concerns and, as such, they must keep moving forward by providing products and services that address social issues and expectations. This is something that stakeholders regularly monitor. In that sense, disclosure of non-disaster-related business efforts is also important, and perhaps more space could have been allocated to discussing these efforts.

Today's business environment is impacted by declining birthrates and aging societies, environmental issues and globalization. The issues confronting the Group seem to be the development of new products for growth, risk management, greater financial soundness, overseas business, responsible investing as an institutional investor, and the creation of uniform regulations by the International Association of Insurance Supervisors (IAIS). Undoubtedly there would be many stakeholders interested in learning from this report about the Medium-term Management Plan designed to address these management issues.

As both our society and the Group's business head toward a crossroads, I earnestly hope that the T&D Life Group will successfully make the new turn.



Mr. Takaji Hishiyama
Principal
Center for Corporate Behavior

Profile

Mr. Hishiyama was engaged in a variety of tasks inside and outside Japan as a senior executive before leaving Mitsubishi Oil Co. (the current JX Nippon Oil & Energy Corporation). After studying at the Center for Business Ethics at Bentley University in the US as a Visiting Executive Scholar, he established the Center for Corporate Behavior in Japan. He is now engaged in consultancy work for corporations and the operations of three related non-profit organizations as a director, as well as teaching at universities as an adjunct instructor, in order to fulfill his mission of disseminating business ethics, corporate responsibility, and socially responsible investment. He has authored a number of books and articles in these fields, and collaborated on "ISO26000: A Practical Guide" (T. Matsumoto, supervising editor; Chuokeizai-sha, Inc. 2011).

CR Report 2011 FOCUS

T&D Life Group
Corporate
Responsibility Report
Special Topics

Bringing people security and hope through insurance



CONTENTS

T&D Life Group	1
Message from the President	3
Coping with the Great East Japan Earthquake	5
Establishment of Group CSR Committee and CSR Charter	9
Corporate Responsibility Digest	11
Messages from Employees	13



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Change for
the future.
Change by Japan.



T&D Holdings is participating in the Challenge 25 Campaign, a national movement to mitigate global warming.

FOR ALL THE LIFE ON EARTH

We are considerate of biodiversity



The T&D Life Group practices green purchasing.



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Taking very seriously our responsibility to support normal life

The people of Japan have now begun to realize just how precious it is to lead a normal life with peace of mind—chatting with family members, commuting to the office and putting in a good day’s work.

We at the T&D Life Group have also gained a renewed awareness of how essential insurance is in supporting people in their day-to-day lives.

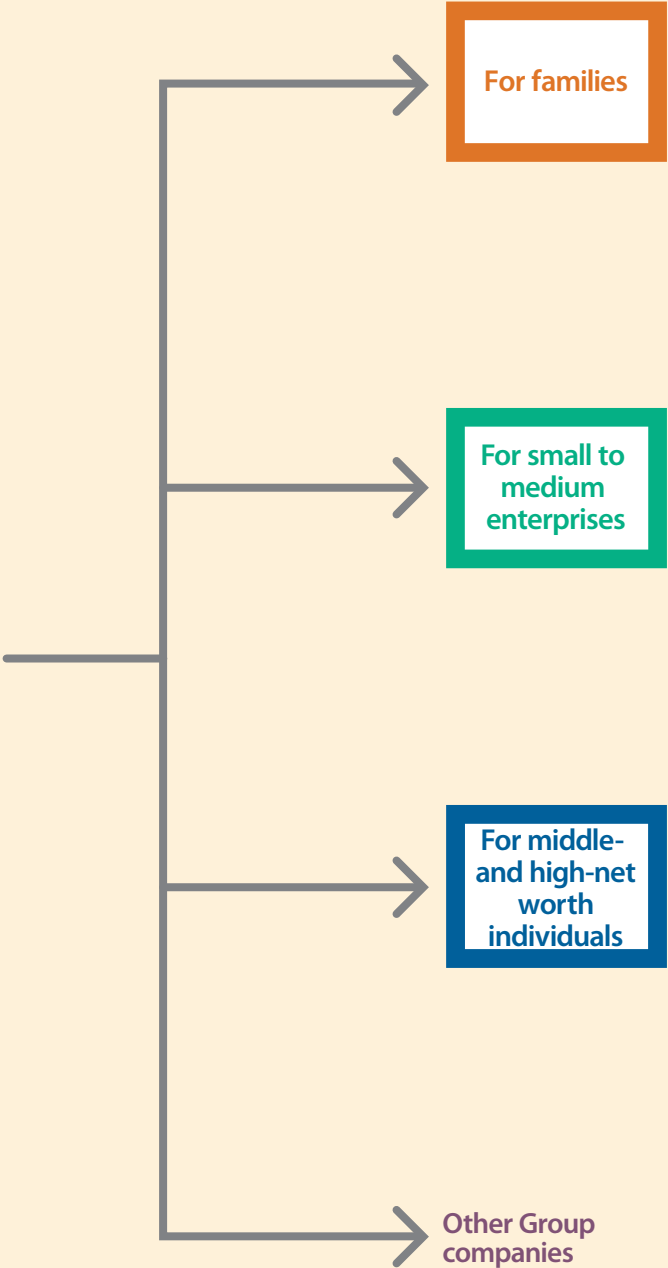
The T&D Life Group is a corporate group centered on three life insurance companies that are different in scope but staffed by personnel sharing the same determination to “Try & Discover.”

Having “rediscovered” the significance of insurance, the T&D Life Group pledges to meet the challenge of providing customers with peace of mind in their daily lives.



T&D Holdings, Inc.

The T&D Life Group, organized under the holding company T&D Holdings, Inc., makes the most of its experience to offer a variety of services to a broad spectrum of customers.



TAIYO-LIFE

Taiyo Life is engaged in the sale of comprehensive protection-oriented insurance products covering medical care, nursing care, and death. In-house sales representatives call on customers and suggest the most appropriate insurance products to them.

Principal products:
Death insurance, medical/nursing care insurance, etc.



DAIDO LIFE

Daido Life collaborates with many corporations and associations of tax accountants and CPAs to cover the various risks faced by owners and managers of small to medium enterprises and to provide corporate clients with robust benefit systems.

Principal products:
Individual term insurance, etc.



T&D FINANCIAL LIFE

Life insurance products suited to customer needs are made available for sale at financial institutions.

Principal products:
Whole life insurance, individual annuity insurance, etc.



- Insurance Business**
Pet & Family Small-amount Short-term Insurance Company
- Insurance-related Business**
T&D Confirm Ltd., Toyo Insurance Agency Co., Ltd., Daido Management Service Co., Ltd.
- Investment Management & Advisory Business**
T&D Asset Management Co., Ltd., T&D Asset Management (U.S.A.) Inc.
- Other Investment-related Business**
T&D Lease Co., Ltd., T&D Asset Management Cayman Inc., Taiyo Credit Guarantee Co., Ltd., Alternative Investment Capital Ltd., AIC Private Equity Fund General Partner, Ltd.
- Administration-related Business**
T&D Customer Services Co., Ltd.
- General Affairs and Calculation-related Business**
T&D Information Systems, Ltd., Nihon System Shuno, Inc., Zenkoku Business Center Co., Ltd.

T&D Life Group’s Corporate Philosophy

With our “Try & Discover” motto for creating value, we aim to be a group that contributes to all people and societies.

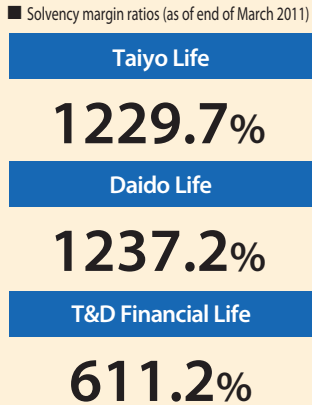
T&D Life Group’s Management Vision

- <From the perspectives of customers>**
Aiming to be top insurance company in terms of customer satisfaction by providing the best products and services
- <From the perspectives of shareholders, investors and financial market>**
Aiming to be a major life insurance group with a strong presence in the market by stable and sustainable increase in the corporate value through new challenges for growth

High solvency margin

We commit to pay out insurance without fail as stipulated in insurance policies. The T&D Life Group regards offering “peace of mind” to customers through our primary business to be both our mission and an important element of our corporate responsibility.

The solvency margin ratio is an indicator used by regulatory authorities to judge whether an insurance company has sufficient financial capability to pay insurance claims in the event of unforeseeable risks. A solvency margin ratio of 200 percent and above demonstrates that the insurance company meets the criteria for financial soundness.



Message from the President

We are all aware of the social mission of the insurance business

“Go there and meet the customers as soon as possible,” all of our staff thought.

—What did you learn from the March 11 Great East Japan Earthquake as an insurance business group?

Nakagome: Let me preface my remarks by offering my sincerest prayers for the repose of the souls of those who perished in the recent disaster and my heartfelt condolences to everyone adversely affected. I was president of Taiyo Life at the time, and immediately after the earthquake, I ordered that a task force be established. Our first task was to confirm the safety of our staff and customers, but we were inundated with conflicting reports. I decided to dispatch personnel to the area straightaway to collect accurate information and provide assistance, but little headway could be made in the first few days. The media coverage of the situation on the ground at the time gave us nothing but tragic news. Nevertheless, thanks to the cool-headed and appropriate actions by our local and dispatched staff, we were gradually able to confirm the safety of colleagues, reopen our offices, and promptly undertake to check on our customers. Daido Life and T&D Financial Life took similar actions.

—I heard that the T&D Life Group coped with the disaster very quickly.

Nakagome: In that regard things went very well. Taiyo Life, Daido Life and T&D Financial Life staff members not only those located in the disaster-hit areas but also those at the head office and at other locations nationwide were strongly motivated by the desire to protect our customers and to be of help to them now more than ever. Consequently, our staff visited individual policyholders to see the damage suffered and make arrangements for prompt submission, acceptance and payment of claims for insurance money and benefits. This, I believe, is why we were able to respond so quickly. This

disaster has shown us as a Group the importance of standing firmly by our customers when they most need insurance. The significance of providing “peace of mind” is a notion that we must carry on into the future as an insurance company responsible for ensuring people’s livelihoods.

—Did you happen to make any new discoveries?

Nakagome: Yes, we did. This crisis marked the first practical application of our Disaster Countermeasures Manual, a number of facets turned out to be unrealistic, though. For example, we had introduced a system relying on cell phone e-mail text-messaging to quickly confirm the safety of executives and employees in emergency, but this did not work well due to electric power failure. We had not anticipated that electric power would be down for such a prolonged period.

We experienced so many things in connection with the disaster. Although these had little to do with our company’s operations, there were shortages of gasoline and other fuels and, around us, convenience stores and supermarkets in Tokyo area were running short of many items. The disaster also had a serious impact on the nation-wide supply chains. Learning from these experiences, we will have to revise our emergency manuals to more practical ones and to ensure that the lessons learned must not be forgotten in future.

Aiming to be an insurance group considerate
of and useful for the society

—What is your interpretation of our CSR Charter?

Nakagome: The CSR Charter starts off pledging that we will “offer well-suited and high-quality products and services that meet customer needs.” It goes on to declare that we will “implement social action programs as a good corporate citizen, and will make contributions to the sound development of regional communities and

society.” We witnessed the significance of these actions on site in the face of the grim reality of the Great East Japan Earthquake. As we had experienced “non-payment issues” in which insurance money and benefits were not paid properly, we acted almost reflexively this time to immediately check on customers and facilitate the necessary payment procedures, thereby putting the CSR Charter into practice.

Going forward, we must bear in mind even in ordinary times the importance of “standing firmly by our customers when they most need insurance” as we go about our work. The approaches we take during emergencies and during ordinary times may differ, of course, but we must act on the same principles.

—What is your definition of a “company useful to society”?

Nakagome: We are only able to do business by showing ourselves useful to our customers as well as colleagues, shareholders, society and local communities. Accordingly, our staff must always keep in mind during their day-to-day duties the idea of being useful for the stakeholders. Executives must ensure that corporate endeavors are indeed useful for them and must always be thinking of ways to be even more useful. If this goes well, the company will earn the public’s trust and become a viable enterprise, setting in motion a virtuous cycle whereby the company’s endurance fosters greater trust from customers.

Confronting such an unparalleled disaster, a national crisis, we are convinced that “interpersonal bonds” are indispensable. This holds true with the entire T&D Life Group. Our bonds with society, the ties we form through relationships of trust, are absolutely essential to our business. Therefore, we believe that it is our mission to meet the expectations of society through insurance business.



Kenji Nakagome

President
T&D Holdings, Inc.

Stay with people in the afflicted area and act on our own initiative

At 2:46 pm on March 11, 2011, a major temblor of magnitude 9.0 epicentered in the Tohoku region struck eastern Japan. Employees of the T&D Life Group have been coping with this national crisis with full might. In this section, we will describe the efforts undertaken by employees working in the disaster-hit area after the disaster, and our resolve for the future.



Together with our customers

The Ishinomaki area, particularly the coastal district, suffered tremendous damage from the recent disaster, and one Ishinomaki Branch employee out on a sales call fell victim to the tsunami, a heartbreaking blow. During the first few weeks after the disaster we carried on with our lives with supplies sent to us from our colleagues around the country, continuing all the while to check on the well-being of our employees as well as beginning activities to help out our customers.

Although the branch was not fully functional, on March 19 we became the first life insurance company in the area to reopen in order to accept inquiries from customers. Employees had to make their way through rubble and sludge to visit our customers at home, and hazardous spots and aftershocks caused them some initial concern. Meeting up with customers and sharing their joy and their tears, however, enabled our employees to engage them in a profound way and help out with their clean-up efforts. This renewed in us a keen sense of the joy of being able to enjoy normal life and normal activities. Recovery will still take some time but our customers can count on our branch, and our branch knows that we can count on our many company co-workers. We will take courage and hope from this fact as we strive to restore and rebuild our lives.



Assistance personnel, dispatched the day after the disaster for about two months, distributing supplies to customers, employees and evacuation centers

Distributing free clothing on the ground floor of the Ishinomaki Branch

Steps taken in response to Great East Japan Earthquake	
March 11	Great Tohoku-Pacific Ocean Earthquake strikes ● “Crisis Task Force” set up in head office ● Efforts to confirm safety of employees and customers begin
March 12	● First assistance personnel dispatched to afflicted area Evacuation order issued for 20 km radius around Fukushima nuclear power plant
March 13	● Group announces full payment of disaster death benefits; simple and quick payment of insurance money, benefits, policyholder loans, and deferred loans; and six-month extension of premium payment grace period ● On-site Task Force set up in Sendai Branch
March 14	● Customer service desks at Ishinomaki and Shiogama branches closed ● TEPCO rolling blackouts commence ● Charitable donation of 30 million yen approved
March 15	● Shiogama Branch customer service desk reopens ● Power conservation measures implemented
March 16	● Koriyama Branch customer service desk closed
March 17	● Group begins special handling of policyholder and housing loans
March 19	● Ishinomaki Branch customer service desk reopens
March 22	● Koriyama Branch customer service desk reopens
April 6	● Group commences special handling of hospital treatment, etc.
April 16	● Condolences and customer service center announcements broadcasted by radio in Miyagi Prefecture and elsewhere
April 21	● Group begins special handling of lapsed insurance policies
May 2	● 1st supplemental budget for Great East Japan Earthquake approved at the Diet
May 10	● Premium payment grace period re-extended to nine months
May 23	● On-site Task Force reorganized into Customer Support On-site Headquarters to strengthen customer support functions in afflicted area
June 1	● Power Conservation Measures team set up under Crisis Task Force
June 23	● “Power Conservation Declaration” released as part of group-wide power conservation campaign (power conservation measures announced)
June 24	● Basic Act for Great Eastern Japan Earthquake Recovery promulgated and enforced
July 1	● Electric power use restrictions based on Electricity Utility Law invoked
July 9	● Weekday closures and customer service operations on Saturdays begin at head offices and branches in areas served by TEPCO and Tohoku Electric
July 25	● 2nd supplemental budget for Great East Japan Earthquake approved at the Diet

Special measures taken by Taiyo Life, Daido Life and T&D Financial Life in the wake of the Great East Japan Earthquake

Data Edition, P. 1-2

Full payment of disaster death benefits, etc.	Policy provisions exempting company from liability in the event of earthquakes were not invoked and disaster death benefits were fully paid
Extension of premium payment grace period	Premium payment grace period extended to the end of December 2011 for policyholders having difficulties in paying premiums due to the disaster*
Simplified procedures for quick payment with regard to insurance, benefits, policyholder loans	Simple and quick handling enabled by eliminating some of the documents required for insurance claim
Reduction of interest rates on policyholder loans	Reduced interest rates applied to policyholder loans* (new loans only)
Special measures for hospitalization	Special handling applied to payment of hospitalization benefits*

* Excluding Tokyo, where the Disaster Relief Act applied due to the great number of stranded commuters
★ Please check the disclosure documents and websites of the respective companies for more detailed information about all steps taken.

Great East Japan Earthquake recovery assistance efforts

In July 2011, 63 T&D Life Group volunteers engaged in grass cutting and rubble removal around temporary housing and private homes, shrines and temples and in other recovery assistance efforts in Rikuzentakata City (Iwate Prefecture).



Grass-cutting at a private home



Rubble removal work



Volunteer center in Rikuzentakata City



Scene from the afflicted area (Rikuzentakata City)



Local resident describing the situations on March 11

T&D FINANCIAL LIFE



Just as I was wondering if there was anything I could do after seeing TV reports about the destruction brought about by the March 11 earthquake, I learned about our company’s recovery assistance activities and without hesitation signed up. The devastation in Rikuzentakata City was more extensive than I had imagined, though, I had doubts that I could be of any help during my short stay. Nevertheless, I was touched by the cheerfulness of the people at the volunteer center and the banners hanging in desolate spots bearing the messages “Thanks for your help” and “Hang in there, Tohoku,” and I renewed my resolve to work together with my fellow volunteers to assist in the reconstruction. These activities gave me a genuine sense of the enormity of the disaster as well as an appreciation of the fortitude of the local people. Recovery cannot be accomplished in a single go, and it is crucial that we carry on sustained efforts. Diligently doing what we can do is our only choice.

T&D Asset Management Co., Ltd.



My first day as a volunteer involved cutting grass in the yard of someone living in temporary housing who had lost her immediate family and her house in the tsunami but who had wanted to clean up the yard to preserve the memories and to show to his distant grandchildren. Speaking with the disaster survivors and seeing for myself the immense damage left me with many things to think about, far too many to put into words. Despite the short time I was there, I was able to partner with colleagues to help out some of the people hit by the disaster. I had no connections through work with any of the participants from the other Group companies but, by striving alongside them for the same purpose, I gained a sense of the dependability and confidence of my Group colleagues. Although recovery may still require some time, I will continue to do what little I can do to help.

Coping with the Great East Japan Earthquake

How our employees struggled

This section reveals the actions taken by an employee of the T&D Life Group in support of, and with help from, stakeholders in the wake of the recent unprecedented disaster and the lessons learned from this experience.



Hiroko Takano
Iwate Prefecture South Sales Office
Morioka Sales Branch
Daido Life



Learning once again the importance of interpersonal ties



While terrified by the pictures of the tsunami on TV, she checked up on customers

“A steady stream of tragic images on my car TV showed the tsunami assaulting cities along the coastline and, given that I have customers in Ofunato City, I was simply stunned in disbelief,” said Ms. Hiroko Takano, an employee of Daido Life engaged in sales primarily in Mizusawa Ward of Oshu City and Ofunato City in Iwate Prefecture, speaking of the situation on March 11. “For a while after March 11, I stayed at home awaiting instructions from my office. I had no gasoline and no food, and it was all I could do just to get by from day to day, but I could not help worrying about customers possibly caught up in the tsunami, so I repeatedly tried to get hold of them on my cell phone. I also checked up on customers from my personal computer at home, making contact with those who had made it through relatively unscathed, and tried as far as possible to ascertain information on my customers.”



Delivery of relief supplies to the afflicted area and visits to customers to explain necessary insurance procedures for disaster face-to-face

Employees began showing up again at the Iwate Prefecture South Sales Office about a week after the disaster. The office manager, Mr. Naoto Sato, recollected the circumstances at the time: “My first instructions to the employees were to contact all their customers to check on their safety. After narrowly securing gasoline, I went together with the employees to visit customers hit by the disaster, and we brought along relief supplies such as instant food products and towels.”

Checking on the whereabouts of customers and delivering relief supplies were naturally firsts for the employees, who nevertheless shared information and performed their duties without too much disruption. Once things had begun little by little to settle down, Ms. Takano began explaining to customers the company’s decisions to make full payments of disaster death benefits and extending its premium payment grace period. “I took the materials sent to us by the head office directly to my customers and talked with them. Whenever there were details that I couldn’t adequately convey over the phone, I tried as far as possible to visit the customers in person to ensure they correctly understood everything.”



Support from the head office and the Tax Accountants’ Association proved invaluable for relief activities

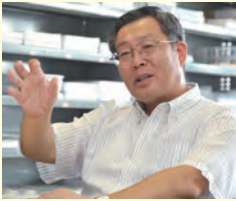
Ms. Takano credited support from the Daido Life head office and the dedication of Tax Accountants’ Association



Iwate Prefecture South Sales Office, Morioka Sales Branch, Daido Life

Although the office was spared any physical damage or personal injury, our customers living along the coastline suffered tremendous destruction.

The Iwate Prefecture South Sales Office is located in Mizusawa Ward, Oshu City in southern Iwate Prefecture, and its 13 staff members are primarily engaged in sales activities in southern Iwate Prefecture. When the disaster struck, some staff members were making sales calls in coastal towns and cities but they fortunately escaped the tsunami without injury. Many of our customers in the coastal area, however, suffered as a result of the disaster, and my heartfelt sympathy and condolences go out to them all.



Naoto Sato
Office Manager
Iwate Prefecture South Sales Office

People supporting Ms. Takano

Family

Immediately after the disaster, her oldest daughter looked after her in-laws, and knowing that she could rely on the steadfastness of her daughter enabled her to carry out her work in the afflicted area.

Colleagues at Iwate Prefecture South Sales Office

Her colleagues naturally helped her in collecting information about customers and did their share of such errands as going out and buying food.



Head office staff

Head office staff members traveled around the afflicted area by rented cars, distributing relief supplies and checking on the safety of customers.

Customers

She was encouraged on many occasions by their kind thoughtfulness despite the harsh circumstances.

Tax Accountants’ Association members

These tax accountants offered counseling services to customers affected by the disaster regularly.

members for much of the success of the activities of the Iwate Prefecture South Sales Office. “The Morioka Sales Branch handles about 10,000 insurance policies, and checking each and every one of these was simply too monumental a task for our office personnel. Staff from the Tokyo and Osaka head offices rushed to our location to lend us a hand in heading out to city government offices, gymnasiums and other evacuation points to check on customers. The head offices also sent us large quantities of relief supplies for our customers and our employees. Realizing that we had colleagues throughout Japan willing to help us out in this emergency was tremendously encouraging. The tax accountants also kept us abreast of the welfare of our customers, and this made me realize once again of the strengths of community-based networks.”

As good fortune would have it, none of Ms. Takano’s customers had been killed or hurt, but some of the Iwate Prefecture South Sales Office’s policyholders had suffered injuries. Mr. Sato, Office Manager, explained how the situation was handled: “In this disaster some clients had had their insurance policies and identification washed away by the tsunami, some who had been injured were unable to get to hospitals because the roads had been badly damaged, and some had gotten to hospitals only to discover that the wards were fully occupied. Daido Life prepared special guidelines to deal with the unforeseen circumstances arising from this disaster, and we promptly handled matters in accordance with these guidelines.”

At a difficult time, considerate and sincere supports are necessary

The scars of the disaster still mark the afflicted area as of September 2011, and many obstacles must be overcome on the way to recovery. Mr. Sato described how the employees of an insurance company should deal with the crisis: “A number of customers of the Iwate Prefecture South Sales Office are still missing, and some of their family members have been unable to come to grips with this. It is incumbent upon us to understand the sentiments of these family members and stand by them until they make the decision to file an insurance claim. We will make regular visits to customers spending their days in fear and dread, listen to what they have to say, and respond to their doubts and questions. These circumstances demand that we adopt a fully customer-oriented posture.” Ms. Takano added, “I am doing my best to carefully explain our company’s emergency measures to customers having difficulty paying premiums as a consequence of the disaster to ensure that their coverage will continue without interruption.”

Recognizing that my works were supported by others, I do my job with a sense of gratitude to others

The experience of this disaster has reaffirmed two things for Ms. Takano: “The first is that the insurance products we recommend are essential in the unlikely event of a calamity. When proposing products, I now give even deeper thought than ever to which products are genuinely necessary to protect the customer and what premium level would be optimal. The second is that I clearly recognize how crucial the support of other people is to my work. My family, fellow employees, other staff, members of the Tax Accountants’ Association and many others have helped me out. The same holds true even of my customers in the disaster-hit area. Their smiles and kindness when I brought them relief supplies bolstered my spirits immensely. When it struck me that those of us selling insurance to support people’s livelihoods are in fact supported by numerous people in our own lives, I was able to apply myself to my work with a feeling of heartfelt gratitude.” Appreciating and enjoying living as part of a community and acting with a feeling of gratitude is the basics that should serve as the starting point for stakeholder-oriented corporate responsibility efforts. Ms. Takano and everyone else in the company will continue providing assistance to the afflicted area while attaching particular importance to interpersonal ties.



We will expand collaboration among the Group and strengthen corporate responsibility efforts

In July 2011, the T&D Life Group established Group CSR Committee to further promote CSR activities to be undertaken by the Group as a whole.

Objectives of the Group CSR Committee

Improving group-wide corporate responsibility collaboration to ensure Group companies pursue concerted efforts

The T&D Life Group has instituted the T&D Life Group CSR Charter, the T&D Life Group Compliance Code of Conduct, and the T&D Life Group Environmental Policy, and undertaken group-wide CSR efforts. More specifically, the Group has sought to enhance the efforts of life insurance subsidiaries in the mainstay sectors of the life insurance business that are particularly social in nature, and Group companies have undertaken their own independent projects, including special sponsorship of the National Sports Festival for the Disabled by Daido Life, the Nationwide Clean Campaign begun by Taiyo Life in 1982 and extended nationwide since 2004, and other programs to protect the global environment, ensure strict compliance, and create pleasant working environments.

A Group CSR Committee has been organized to establish a Group posture on corporate responsibility and to bring Group companies together as one in taking corporate responsibility to the next level by enabling Group companies to share their efforts with the rest of the Group, allowing companies to learn the positive aspects of these efforts from each other, and determining matters that the Group can jointly undertake. Through the Group CSR Committee, T&D Holdings and its subsidiaries will discuss, examine and share information on the following matters:

- (1) Formulating basic corporate responsibility policies for the Group
- (2) Developing common Group corporate responsibility measures

- (3) Promoting group-wide collaboration with regard to the CSR measures planned and implemented by one or more of the Group companies
- (4) Reporting on progress about group-wide corporate responsibility measures and the corporate responsibility measures by individual companies

Composition and position of Group CSR Committee

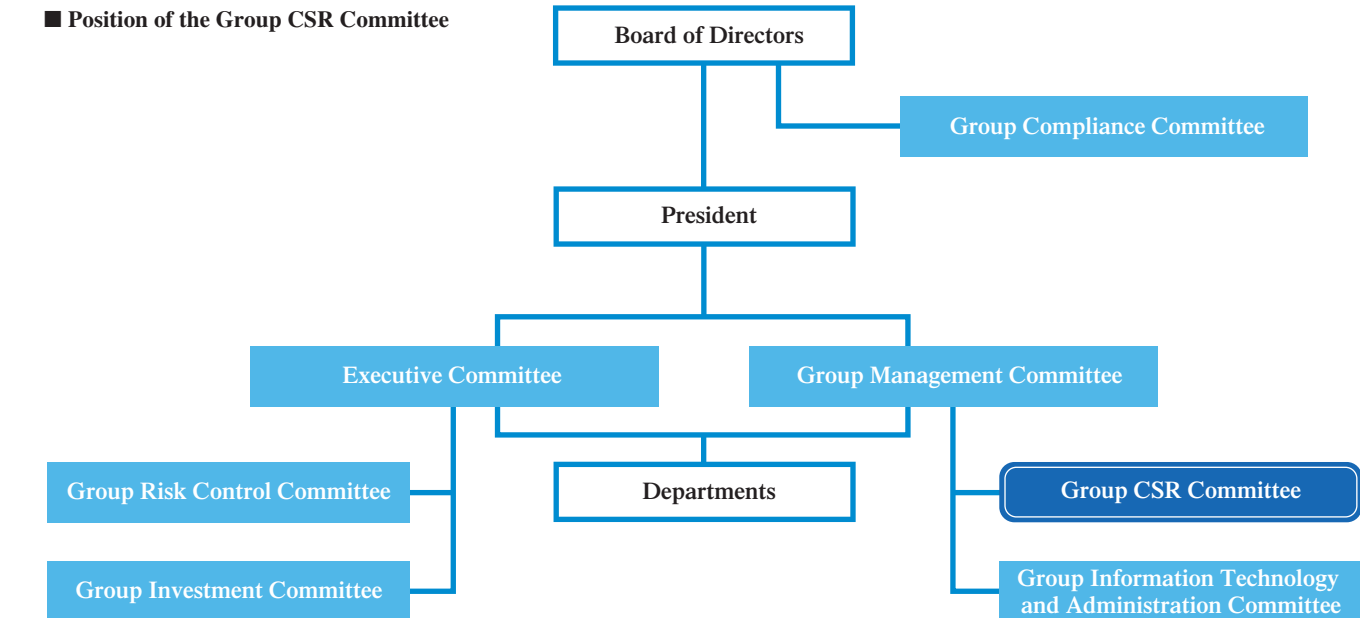
Chaired by the president of T&D Holdings, the Group CSR Committee operates under the auspices of the Group Management Committee

The Group CSR Committee was established to promote group-wide CSR efforts under the Group Management Committee, which deliberates on Group strategy and other important subjects. The Group CSR Committee is supposed to report its proceedings to the Group Management Committee (see diagram).

The Group CSR Committee is chaired by the president of T&D Holdings and comprises of the executive officers and department managers responsible for corporate responsibility at T&D Holdings and its subsidiaries. In setting up this Committee, Group CSR Committee Rules which describe the aims and duties of the Committee were also established.

This Group CSR Committee will serve as the cornerstone of Group corporate responsibility activities as we step up our Group corporate responsibility efforts; these activities will be discussed further in this CR Report.

Position of the Group CSR Committee



T&D Life Group CSR Charter

The T&D Life Group is firmly committed to fulfilling the public mission of life insurance and other businesses and to undertaking its corporate responsibilities based on its management philosophy and by achieving sustainable growth along with society.

1. Providing Better Products and Services

- The T&D Life Group will offer well-suited and high-quality products and services that meet customer needs.

2. Strict Compliance

- The T&D Life Group will strictly observe laws, regulations and rules, and act with integrity.
- The T&D Life Group will maintain and promote fair and free competition.
- The T&D Life Group will stand firmly against antisocial forces and groups that may threaten the order or safety of civil society.

3. Respect for Human Rights

- The T&D Life Group will respect human rights, and make efforts to enlighten all its employees on human rights.
- The T&D Life Group will respect the individuality of all its employees, ensure a safe and rewarding work environment, and develop its human resources.
- The T&D Life Group will respect privacy, and will strictly control and protect personal information.

4. Communication

- The T&D Life Group will widely disclose its management information in an appropriate and timely manner to the public as well as to its customers and shareholders, and will actively strive to maintain a dialog with all its stakeholders.

5. Contribution to Communities and Societies

- The T&D Life Group will implement social action programs as a good corporate citizen, and will make contributions to the sound development of regional communities and society.

6. Global Environmental Protection

- The T&D Life Group will carry out its activities with full awareness of the importance of environmental concerns, and with sufficient consideration given to global environmental protection.



Sharing information and enhancing corporate responsibility from a Group perspective

Kenji Nakagome, Chair, Group CSR Committee

The companies of the T&D Life Group have been pressing on with corporate responsibility activities individually. The Group CSR Committee is regarded as a forum in which Group companies share knowledge and experiences with regard to corporate responsibility activities, trying our ingenuity at how to promote group-wide corporate responsibility. As Chair, it is my responsibility to ensure that the Committee engages in vigorous discussions and achieves meaningful results.

Becoming an integral part of neighborhoods and people's lives

The T&D Life Group is involved in a diverse range of activities in keeping with its CSR Charter, and this Digest will introduce our continuous efforts as well as some of the new projects recently launched by the Group.

Contribution to communities and societies

Special sponsor of National Sports Festival for the Disabled

[Data Edition, P. 32](#)

Daido Life became a special sponsor of the 10th National Sports Festival for the Disabled ("Dream Peninsula Chiba" National Sports Festival), the largest such event in the country, held in Chiba Prefecture in October 2010. A Daido Life booth staffed by employee volunteers has been set up each year in the Fureai Hiroba (Get-Together Plaza), a venue for interacting with participating athletes.



Opening ceremony for 10th National Sports Festival for the Disabled ("Dream Peninsula Chiba" National Sports Festival)

Contribution to communities and societies

Global environmental protection

Nationwide Clean Campaign

[Data Edition, P. 32](#)

Taiyo Life has been conducting an annual clean-up around its head office since 1982, and it began extending these activities nationwide in 2004. A growing number of participants has made this a huge event, with Tokyo and certain other areas even seeing people from other companies joining in. Volunteers from other Group companies (Daido Life, T&D Financial Life, T&D Asset Management, T&D Holdings, etc.) also pitch in on clean-up day.



Nationwide Clean Campaign

Contribution to communities and societies

Global environmental protection

Forest conservation/silvicultural activities

[Data Edition, P. 36](#)

As an insurance company that uses office paper and other types of paper for pamphlets, policy agreements and general business documents, Taiyo Life set up Taiyo Life Forest in Nasushiobara City (Tochigi Prefecture) and Takashima City (Shiga Prefecture) in the interest of regenerating forest resources and conserving landscapes. Every year many staff members participate in silvicultural activities in these forests, which include deadwood clearing and forest walks.



Activities in the Taiyo Life Forest

Communication

IR activities

[Data Edition, P. 18](#)

T&D Holding disseminates management and financial information continuously and comprehensively. Financial results meetings, financial results conference call and in-person visits both for domestic and overseas investors, as well as regular exchange of views with securities analysts are among such efforts. Any useful information gleaned from investors through such IR activities is reported to the management team regularly.



IR activities for overseas investors

Contribution to communities and societies

Endowment-funded university extension course

[Data Edition, P. 33](#)

Daido Life has been supporting endowment-funded university extension courses since FY2002, when it commemorated its 100th anniversary in business. With a help from universities, these courses provide owners and managers of small to medium enterprises with opportunities to acquire management and business knowledge and skills. These courses were offered at six universities in FY2010 where a total of nearly 7,400 attendees have taken these courses over the past nine years, earning a very good reputation from them.



Extension course lecture

Contribution to communities and societies

Global environmental protection

Power conservation efforts

[Data Edition, P. 36](#)

The T&D Life Group had previously undertaken efforts to conserve electricity, and FY2011 saw it step up its power conservation measures. In conjunction with group-wide power conservation measures such as setting office thermostats to 28°C, extending the "Cool Biz" campaign period, reducing or turning off lighting, and restricting the use of elevators, Taiyo Life and Daido Life have been scheduling days off by rotation at head offices and branches in the areas served by Tokyo Electric and Tohoku Electric.



Power conservation efforts (lights turned off during daytime)

Compliance

Respect for human rights

Promotion of compliance (strict protection of personal information, etc.)

[Data Edition, P. 11, P. 15, P. 25](#)

The companies of the T&D Life Group have publicly announced Personal Information Protection Declarations (Privacy Policies) on their respective websites and elsewhere, and are conducting periodic training on personal information protection in accordance with the Compliance Program that constitutes the detailed plan for achieving full compliance with laws and regulations. Companies are also working to ensure strict compliance by making compliance manuals and having personnel carry around compliance cards.



Compliance manuals and cards

Products and services

Communication

Management utilizing stakeholders' views

[Data Edition, P. 18](#)

Taiyo Life holds round-table meetings with policyholders, called "the Taiyo Life Fureai Club," to give policyholders a better understanding of the company and its life insurance products and to hear their opinions and requests. Daido Life conducts business report round-table meetings with tax accountants and CPAs, who are the important business partners, as well as with agents to update the current status of their business and to hear views on the company's management.



Taiyo Life Fureai Club (round-table meetings with policyholders)

Contribution to communities and societies

Providing asset management services to universities

[Data Edition, P. 32](#)

Believing that the essence of its corporate responsibility lies in broadly contributing to society through its core business of asset management, T&D Asset Management provides asset management services to universities to help them establish governance over their asset management and strengthen their financial foundations so that they can engage in high-quality education and research.



Other key efforts [Data Edition page]

- **Providing better products and services:** Q-up Campaign (Taiyo Life) [P. 21], customer survey (Daido Life, T&D Financial Life) [P. 22-23]
- **Strict compliance:** adherence to Compliance Code of Conduct [P. 14], Compliance Program [P. 15], whistleblower system [P. 15]
- **Respect for human rights:** diversity efforts [P. 29], efforts in support of women's activities [P. 30], human rights education [P. 30]
- **Communication:** general shareholders' meetings [P. 18]
- **Contribution to communities and societies:** blood donation drives [P. 32], charitable donations during disasters [P. 32], support for Japan Down Syndrome Society (Taiyo Life) [P. 33]
- **Global environmental protection:** disclosure of Group environmental impact data [P. 37], disclosure of environmental targets and performance data [P. 38]

Messages from Employees

Doing what we can do at our respective workplaces

For the employees of the T&D Life Group, 2011 has become a year for reassessing the significance and value of their work. Individual employees are giving serious thought to what they should do and can do for their customers, their colleagues, their communities and the children of the future, and they are facing up to the challenges they encounter.

Akemi Katsushima
Head
Customer Service Center
Taiyo Life



Aiming at service that delights

The Customer Service Center's mission is to take telephone calls of a diverse nature from customers and respond suitably to their inquiries. Day-in, day-out effort is crucial in performing these tasks. Bearing in mind that customers who have suffered due to the Great East Japan Earthquake in particular are taking the trouble to call us during very trying times, we listen attentively to the remarks of each and every caller and respond with the intent of providing them optimal guidance to help them gain as much peace of mind as possible. We will continue working to ensure that the Service Center provides service that not only satisfies customers but delights them as well.

Haruhisa Yanagi
TKC Corporate Insurance
Branch
Tokyo West
Daido Life



Improving customer satisfaction through quick responses

I was informed by the office in charge that an employee of one of its clients had passed away, and I got the death benefit claim documents to the client on that same day. We were consequently able to pay them the insurance money quickly, and the office in charge informed me, "Our client was very appreciative of being able to pay condolence money so promptly to the surviving family members due to your quick response. Thank you." This reaffirmed for me as a sales representative the importance of giving my full support to my office's insurance proposals and of responding in good faith when an insurance incident does unfortunately occur.

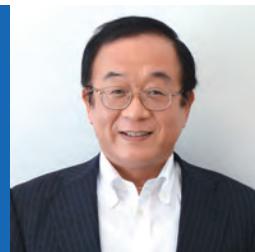
Akiko Yagami
Payment Service
Department
T&D Financial Life



Offering services from customers' perspectives

The Payment Service Department is actively encouraging claims. When we received a claim application for death insurance benefits from a beneficiary the other day, I inquired whether there had been any hospitalization or surgeries which had not been claimed yet. The beneficiary replied that he had not been residing with the insured party so was not sure. I then told him that our company could look into claimable hospitalization or surgeries if there were any past medical examination statements or such on hand. Our investigation turned up claimable hospitalization and surgeries and we were able to pay out benefits on these, for which we were thanked by the grateful beneficiary. We are committed to continuing making customer service our first priority in our day-to-day duties.

Hiroshi Nagashima
Investment
Administration Division
T&D Asset Management



Providing asset management services to universities

T&D Asset Management has undertaken to assist universities establish governance over their asset management and firm up their financial foundations in the course of fulfilling our corporate responsibility through our mainstay business of asset management services. This being my area of responsibility, I organized a university asset management study group in November of last year and reported on the CFA Society's "Investment Management Code of Conduct for Endowments, Foundations and Charitable Organizations." This Code of Conduct is gaining currency, having been published in the industry journal "Educational Institutions" and examined as one of the topics of the "Private Educational Institutions' Value Improvement Seminar" hosted by a financial research company in June of this year. We hope to continue to be of assistance to universities, an important part of social infrastructure, so that they can fulfill their roles on solid financial bases.

Yoshinori Ezaki
Corporate Planning
Division
T&D Information Systems



Recognizing the importance of energy through power conservation

To maintain uninterrupted information system services to customers in the Taiyo Life Urawa Building during the rolling blackouts that followed the Great East Japan Earthquake, we operated our own power generators, consuming large quantities of kerosene in the process. This brought home to us the realization that it was only thanks to significant supplies of energy that we were able to carry on our business. In responding to subsequent summertime power use restrictions, we sought to reduce power use by restricting the use of lighting and air conditioning, implementing power-saving measures for all of the company's PCs, improving air conditioning efficiency inside the server room, and imposing power controls on the building as a whole, thereby cutting power use by more than 15%. These efforts have helped us keenly recognize just how much we benefit from energy, and we intend to keep in mind the importance of using energy carefully.

PT Secretariat
(Mizukawa, Kataoka,
Shimoba)
T&D Customer
Services



Continuation of disaster relief activities

When we conducted a questionnaire survey of all the employees of our company regarding disaster relief, we received many inquiries from employees wanting to do something to help out the 1,400 or so residents of Futaba Town (adjacent to the Fukushima nuclear power plant) who had been evacuated to the disused building of the former Kisai High School in Kazo City, Saitama Prefecture, in the spirit of fellowship as a Saitama-based company. A project team visited the evacuation center to solicit requests directly from the Futaba evacuees and then began delivering relief supplies on a timely basis. This assistance was a manifestation of the commitment of all employees to disaster relief, and we were thrilled to receive a letter of thanks from our Futaba "guests." Relief supplies were provided in April, June and August and we plan to continue our relief activities for the foreseeable future.

Emi Ozawa
General Affairs Division
T&D Holdings



Recognizing the importance of day-in, day-out power conservation efforts

The T&D Life Group's combined efforts for conserving power kept power use in the Shiodome Building during the first quarter of this fiscal year to 77.9% of the level for the same quarter of the previous year, a figure illustrating the magnitude of our success. We were quite pleased to see this result in tabulating the numbers. We are still making sure to immediately turn out any lights that are not needed, to put our PCs in standby mode when stepping away from our desks for more than 20 minutes for discussions or lunch, and to unplug our PCs when going home for the day. As we see that small efforts can build up into major accomplishments, we will continue to conserve power through careful day-to-day efforts.