

Corporate Responsibility Report 2014

Unique strengths of the T&D Life Group

T&D Holdings, Inc.

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FOR ALL THE LIFE ON EARTH



We are considerate of biodiversity



We practice Green Purchasing.



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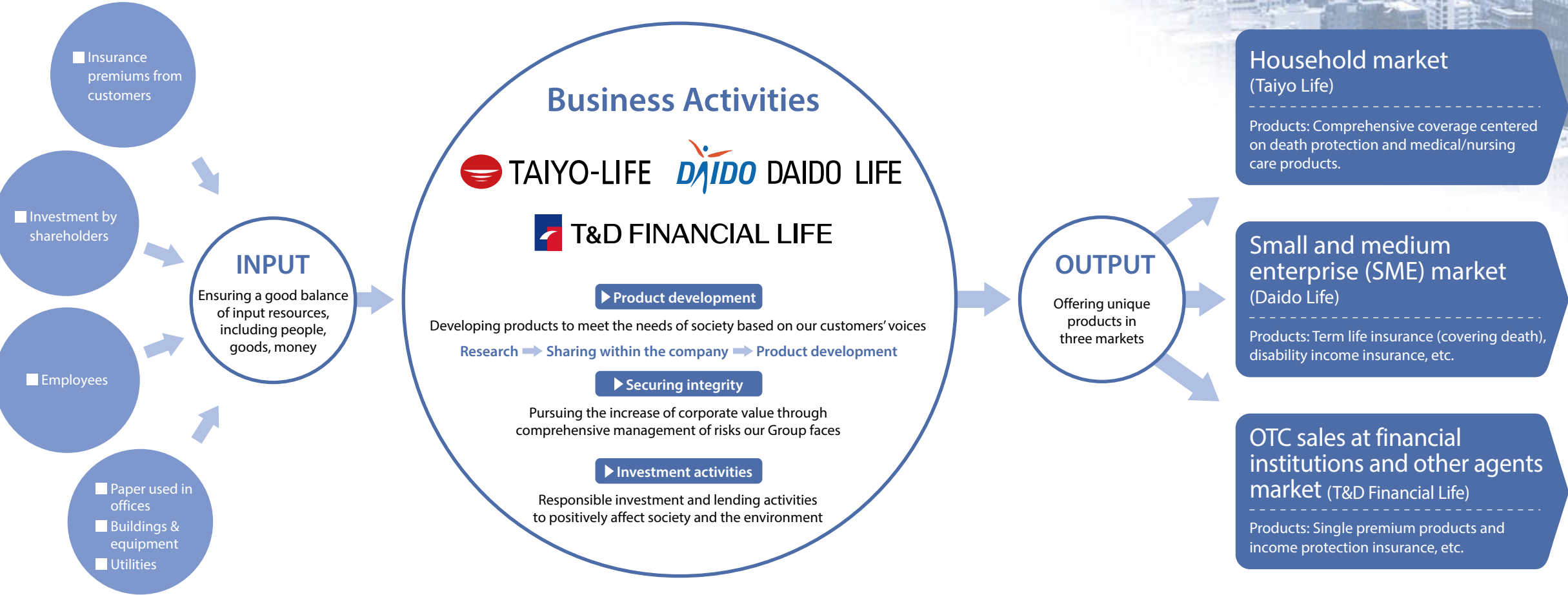


Focus Edition

T&D T&D Life Group

Unique Business in Three Markets New Value Created in those Markets

The T&D Life Group is a company group centered on three life insurance companies.
Individual companies belonging to the Group conduct their own business activities by maintaining well-balanced allocations not only of their financial assets but also their non-financial capital, including energy and human resources.
We aim at creating various types of value by providing unique products that only we can offer in the areas of the household market, the small and medium enterprise market and the financial institutions and other agencies market.



Outcomes

Creation of considerable value while strengthening management healthiness

Policy amount

Policy amount in force* End of March 2014

59,506.8 billion yen

New policy amount* FY 2013

6,167 billion yen

* Aggregate of the three life insurance companies (individual insurance, individual annuity insurance)

Payments of insurance claims FY 2013

382.2 billion yen*

- Payments of benefits 192.4 billion yen*
- Payments of annuities 460.4 billion yen*

* Aggregate of 3 life insurance companies

Solvency margin ratios

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.

End of March 2014

T&D Holdings (consolidated)

1,115.0%

Taiyo Life (non-consolidated)

981.3%

Daido Life (non-consolidated)

1,156.4%

T&D Financial Life (non-consolidated)

1,051.2%

CO₂ emissions FY 2013

59,908 t

T&D Life Group 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 Management Vision

- From the perspectives of customers
We aim to be the top insurance company in terms of customer satisfaction by providing the best products and services.
- From the perspectives of shareholders, investors and financial markets
We aim to be a major life insurance group with a strong market presence by increasing our corporate value in a steady and sustainable manner by taking on new challenges toward growth.

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 social responsibilities based on its management philosophy and by achieving sustainable growth along with society.
- Providing Better Products and Services
 - Strict Compliance
 - Respect for Human Rights
 - Communication
 - Contribution to Communities and Societies
 - Global Environmental Protection

Other Group companies

- 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.
- 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./Zenoku Business Center Co., Ltd.

Unique strengths of the T&D Life Group

Our modern society is confronted with a range of issues. The T&D Life Group is sincerely facing up to these issues and conducting a wide range of business activities, including provision of better products and services, that can help deal with them.

Social issues

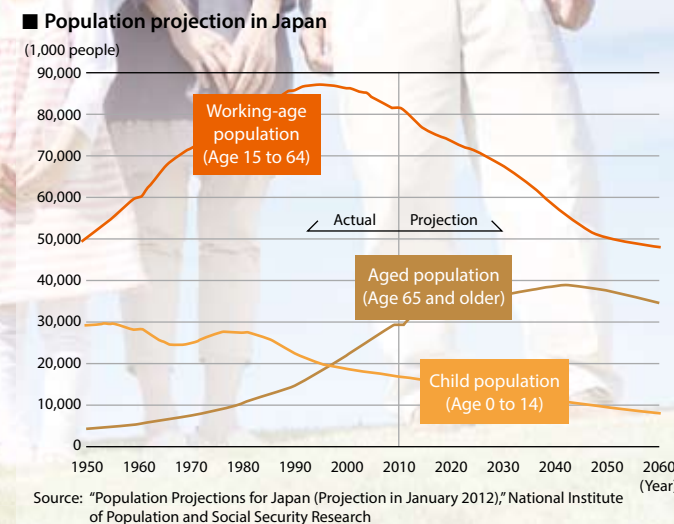
Toward a society where people can live with total peace of mind

Preparing for diverse social needs arising out of a social structural change

Wanting to live happily with your own loving family. Wanting to hand over your business to the next generation. Insurance companies exist in order to respond to these common desires we all have to protect the things that are important to us. Against a background of tremendous changes, including the emergence of new types of risks related to a low birth rate and an aging population and advancement of medical care, the T&D Life Group has been developing new products and services to help you prepare for the future.

Changes in the social structure caused by an aging population and declining birthrate

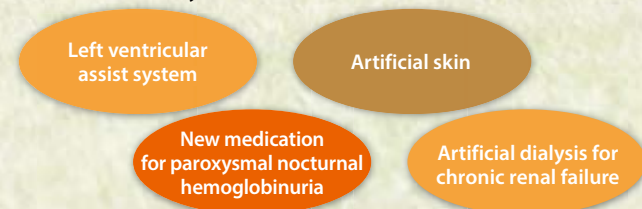
According to government statistics, the working-age population peaked around the year 2000 and the decline seen since then will continue. The aging of the population is expected to progress slowly until 2040. This makes it likely that the social structure will change from the conventional form of a working-age population supporting older generations to one in which senior citizens will need to do more to help themselves.



Advancement of medical care

Advances in medical care have extended our average lifespan as well as the number of years that we can expect to work in good health. At the same time, we need to recognize social issues that we must prepare for such as an aging population and the growth in medical costs and nursing care needs.

Expensive medical care as a result of advanced medicine (Source: Ministry of Health, Labour and Welfare documents)



Efforts by the T&D Life Group

As a Group centered on life insurance companies, we provide insurance products needed by a greater number of people.

The most significant feature of the T&D Life Group is that each of our core life insurance companies provides its products to a wide range of customers, including families and business owners, through its own sales channels. By removing the fears and limiting the risks of a greater number of customers, we deliver hope for the future.

The best life security for families

▶ Taiyo Life

In order to provide high-quality products and services for each stage of life by offering support tailored to suit the various lifestyles of our customers, Taiyo Life improved the coverage details and reduced premiums for hospitalization and surgery-related products in April 2013. In November 2013, we did the same for our *Hoken Kumikyoku Best Kisei Kanwa* product, to which users can subscribe with a simple notification, and Taiyo Life's *Yasashii Hoken* product, which does not require notification or review by a physician. With our *My Kaigo Best* product, which was introduced through banks in March 2014, we are now able to pay lifetime annuities for nursing care support for the insured certified as requiring nursing care at the level of grade 2 or above under the long-term nursing care insurance scheme of the public insurance system.



Protecting small and medium enterprises from diverse risks

▶ Daido Life

Recognizing that, in line with the aging population, the retirement age of small- and medium-sized business owners is generally extended and that risks including becoming incapacitated are thereby increasing for such business owners, Daido Life launched its J-Type coverage in October 2010 to protect companies in the event that the manager becomes seriously ill. We then launched our M-Type plan in October 2012 under a new concept of protecting companies from the risk of diminished sales during periods of the company manager's hospitalization. In September 2014, T-Type coverage was launched to protect companies in the event of the manager becoming incapacitated due to severe physical disability regardless of whether caused by disease or injury. Daido Life is now continuing its efforts to expand its product lineup.



Leaving a larger benefit for your loved ones

▶ T&D Financial Life

Recognizing the advancement of the aging society, T&D Financial Life offers its *Minna Ni Yasashii Shushinhoken* product to a wide age range of customers to help them prepare insurance with peace of mind. It is designed in a simple and easy-to-understand manner and offered through various agencies, including financial institutions. *Minna Ni Yasashii Shushinhoken* is available to new applicants aged from 50 to 95 via nothing more than a simple job notification. This is a single premium whole life insurance plan that enables the policyholder to increase the amount of death benefit to be provided to surviving family members every five years up to three times, depending upon age at the time of application.

We will continue endeavoring to provide products and services that satisfy our customers.



Social issues

Toward a sustainable society

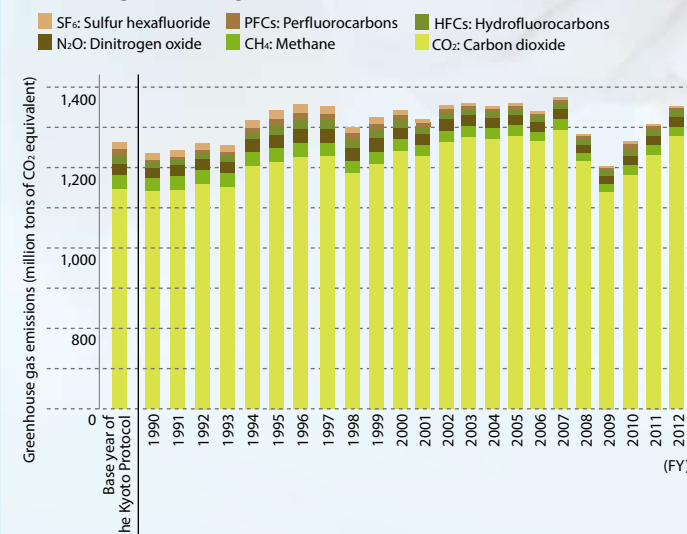
Protection of the global environment

Protection of the global environment is one of the most important issues in designing a sustainable society. As global warming could trigger the spread of a variety of diseases, this has become an issue of increasing importance for the T&D Life Group, which is directly engaged in the area of human life and health. This is why we promote initiatives for protecting the global environment through our business activities both for current and future generations.

Increasing trend of greenhouse gas emissions

Compared to the base year values set under the Kyoto Protocol, total greenhouse gas emissions increased by 6.5% in fiscal 2012. CO₂ emissions alone increased by 11.5% in fiscal 2012 compared to the base year value.

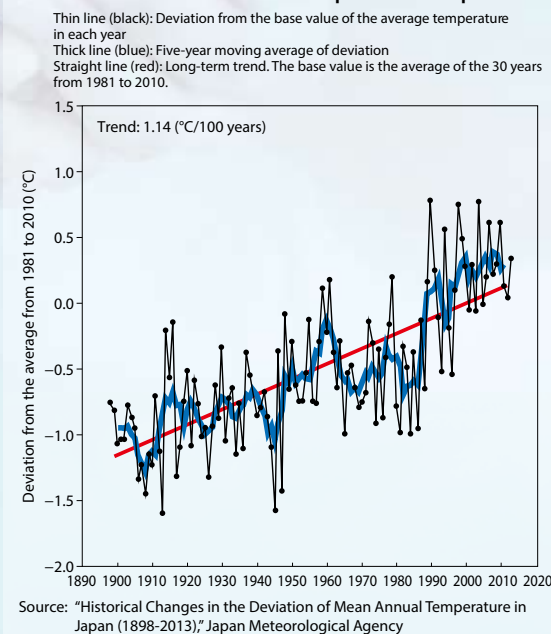
■ Trend of greenhouse gas emissions (FY 1990-2012)



Continuously increasing mean annual temperature in Japan

Since 1990, Japan has been experiencing more years with very high temperatures. The increase is about 1.14°C per 100 years.

■ Deviation of mean annual temperature in Japan



Efforts by the T&D Life Group

We aim to help create a sustainable society by actively engaging in environmental protection through our day-to-day business.

Such protection takes the form of activities undertaken across the T&D Life Group aimed at reducing electric power use, reducing office paper use and promoting green purchasing. Furthermore, in July 2014, T&D Holdings and all of its direct subsidiaries signed on to the Principles for Financial Action for the 21st Century.

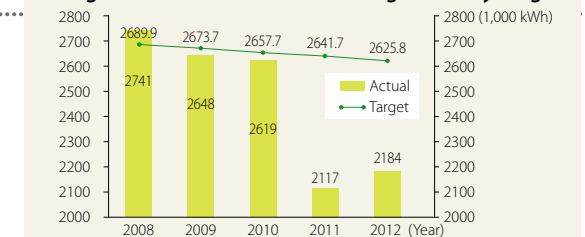
Initiatives for reducing environmental impacts

▶ Environmental preservation activities with Group targets

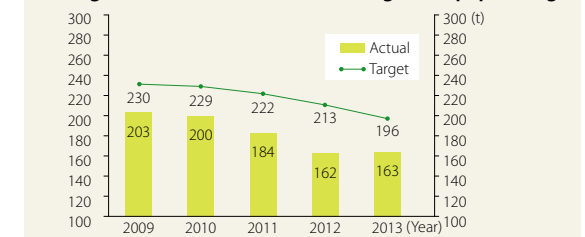
The T&D Life Group sets environment-related goals for the Group and promotes activities to achieve the goals through its daily business activities. The goals are set in three areas: reducing electric power use, reducing office paper use and improving the green purchasing ratio for office supplies. The goal for electricity usage is to achieve the five-year target (figure on the right) from fiscal 2008; for office paper usage to achieve the five-year target (figure on the right) from fiscal 2009; and for the green purchasing ratio to achieve a minimum of 80% every year from fiscal 2009. We have already achieved each of these goals and are now working on achieving further cuts by setting new five-year targets for electricity in fiscal 2013 and for office paper in fiscal 2014. Although the impact of individual actions is small, the accumulation of small efforts by all Group companies has produced a solid result.

- The actual ratios of green purchasing in fiscal 2009 to 2013 were 90.1%, 94.8%, 95.9%, 95.7%, and 95.4% respectively.
- Since fiscal 2013, the scope of electricity consumption reduction has been expanded with the reduction target set as per unit of floor space. The result at the end of fiscal 2013 exceeded the target value by 7.5%.

■ Target and actual values for reducing electricity usage



■ Target and actual values of reducing office paper usage



▶ Forest conservation activities

At the Forest of Taiyo Life established in March 2006 in Nasushiobara, Tochigi Prefecture, we have been implementing forest improvement activities with a focus on forest thinning. To commemorate the company's 120th anniversary, we completed the *Ikoi No Hiroba* Park around the site of the charcoal kiln. Approximately 200 people in total participated in the activity over the course of the year. At the Kutsuki Forest of Taiyo Life established in November 2007 in Takashima, Shiga Prefecture, we implemented forest improvement activities including maintenance work for forest roads and biotopes. As a commemorative event for the company's 120th anniversary, we completed the 120-step stairs, with the participation of approximately 300 people in total over the course of the year.



The Principles for Financial Action for the 21st Century

In July 2014, five companies, namely, T&D Holdings, Daido Life, T&D Financial Life, T&D Asset Management and Pet & Family Small-amount Short-term Insurance Company, signed on to the Principles for Financial Action for the 21st Century in support of the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century). The Principles are formulated as guidelines for financial institutions that wish to fulfill their social responsibilities and play a role in the formation of a sustainable society. Taiyo Life signed on to the Principles in November 2011, when they were first formulated. T&D Holdings and all of its direct subsidiaries signed on this year. The T&D Life Group companies have been promoting efforts to contribute to the resolution of social issues through their primary businesses as well as via overall business activities. We signed on to the Principles to demonstrate our commitment as a Group and convey our intention to engage, through our business activities, in genuine efforts toward the realization of a sustainable society.

The Principles for Financial Action for the 21st Century

1. We will recognize our roles and responsibilities, taking into account the precautionary approach, and promote those actions that contribute towards shaping a sustainable society.
2. We will contribute to the formation of a sustainable global society through the development and provision of financial products and services leading to the development and increased competitiveness of "industries contributing to a sustainable society" as represented by the environmental technologies and services sector.
3. From the perspective of regional development and improvement in sustainability performance, we assist the environmental programmes of small and medium enterprises. We will also back activities that will raise environmental awareness amongst citizens and support disaster readiness and community activities.
4. In the formation of a sustainable society we will recognize the importance of cooperation with diverse stakeholders and will not only participate in its activities but will endeavor to take a proactive role.
5. We will not be limited to complying with environmental laws and regulations but will take active steps to reduce our own environmental footprint through resource and energy savings as well as encouraging our suppliers to do likewise.
6. We will recognize activities that will further profile sustainability as a business issue and will endeavor to disclose information on our activities.
7. In order to implement the above actions we will aim to raise the awareness of environmental and societal issues of our own board and support them to take an active role through their normal duties.

Social issues

Toward a society where everybody has an active role to play

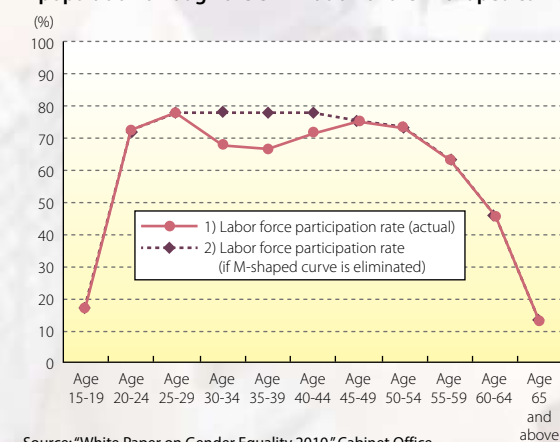
Respect for human rights

Providing workplace environments that enable employees to work with enthusiasm. The T&D Life Group considers this to be an important corporate social responsibility since it has a ripple effect that results in the vitalization of society as a whole through increased happiness of individual employees and the growth of the company. Based on this belief, we have, since the establishment of the Group, been promoting the creation of a corporate environment that enables all diverse workers to enjoy job satisfaction and demonstrate their capabilities.

Challenges faced by working women in their 30s and 40s

The number of people who don't form the labor force population but wish to be employed is 1.26 million for men and 3.45 million for women. These numbers are particularly high for women in their 30s and 40s (manifesting as an "M-shaped curve"). According to a simple trial calculation, if this M-shaped curve is eliminated, the female labor force population will increase by approximately 1.31 million.

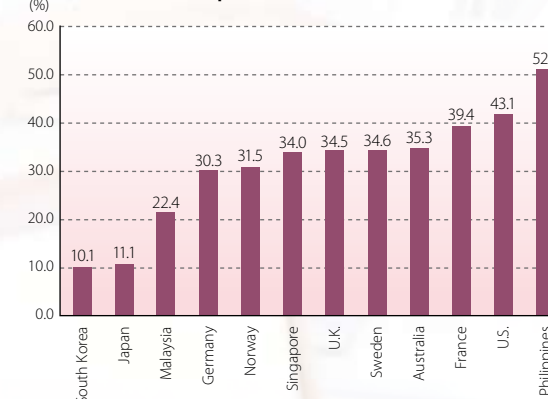
■ Trial calculation of the increase in the female labor force population through the elimination of the M-shaped curve



Falling behind the world in the ratio of female managerial workers

The ratio of female administrative and managerial workers, such as executives and section managers or higher in the private sector and managerial positions in the public sector, is only 11.1% in Japan. This is low compared to international standards.

■ Women among Administrative/Managerial Workers (International comparison)



Efforts by the T&D Life Group

Through the introduction of various training programs and systems, we are promoting the creation of workplace environments where everybody is motivated to play an active role.

The T&D Life Group has been working hard to create workplaces in which women are encouraged to actively participate. In recent years, we have promoted talented female employees to management positions and have hosted seminars to encourage their career building. Furthermore, we have been promoting personnel exchange within the Group by taking advantage of our unique feature attributed to operating three life insurance companies with different business models and expertise.

To promote the active participation of women

▶ Hosting women's seminars

Made up of female employees from across the Group, the Working Group* planned and held seminars for middle-level female employees (118 women) at the three head offices in Tokyo, Osaka and Saitama on the subject of demonstrating leadership and taking managerial positions. After a presentation by Mikie Yumoto, the first female executive in the life insurance industry, participants discussed how women can acquire leadership skills. Results of the group discussion were shared in the following presentation session, in which a variety of viewpoints and opinions were explored.

* Working Group for promoting the active participation of women

The Working Group was formed in 2011, drawing its membership from female employees at T&D Holdings, Taiyo Life, Daido Life and T&D Financial Life. It plans and operates Group seminars and raises awareness of measures for promoting the active participation of women within the Group.

▶ Hosting seminars for managerial employees on promoting active participation of women

Following the seminars for executives and directors in fiscal 2012, seminars for managerial employees were held in fiscal 2013 with a focus on the section manager level.

(Lecturer: Mr. Naoki Atsumi, Director of Diversity and Work-life Balance Research Department at Toray Corporate Business Research)

Respecting different corporate cultures and learning from each other

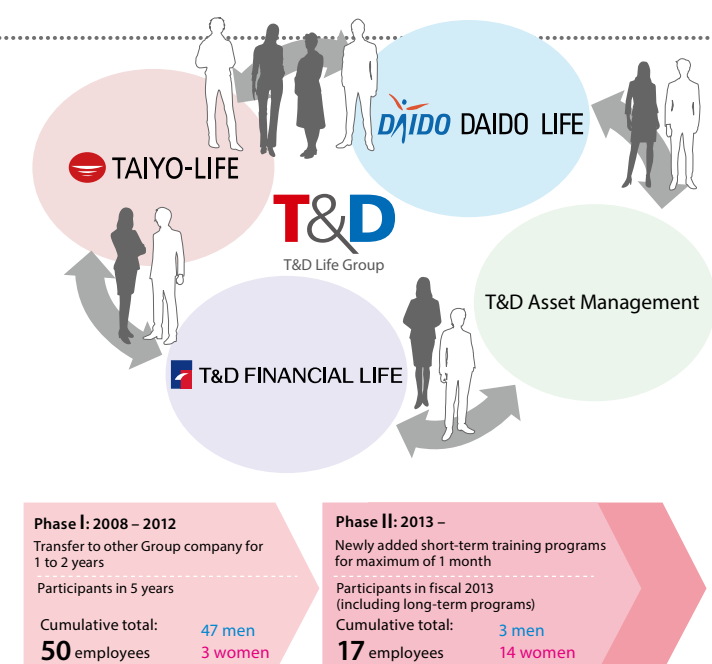
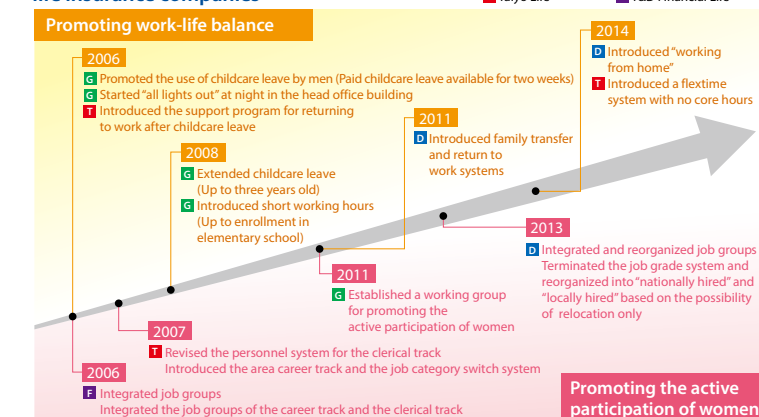
▶ Personnel exchange within the Group

The T&D Life Group has implemented personnel exchanges among its three life insurance companies since fiscal 2008. During the first five-year phase, which ended in fiscal 2012, 50 employees were transferred within those companies.

In the second phase, launched in fiscal 2013, short-term exchanges of one to four weeks were added to enable employees to experience work at another Group company, attracting the participation of 13 early- to mid-career female employees. In total, 17 employees were exchanged within the Group.

For the first phase of the exchange program initiative, the participants in these programs were mostly men on the career track because it involved a long-term job transfer, including relocation to a remote area. The addition of new short-term programs has enabled female employees, who are often attached to their local site, to experience work at another company. For locally attached female employees with limited opportunities for job rotation, these programs help raise awareness of career advancement possibilities. Participants also actively propose suggestions for improvements upon their return. Exchanging female employees with abundant work experience is contributing to efforts to promote the sharing of superior skills and know-how accumulated in individual companies with the rest of the Group.

Key measures of the Group and three life insurance companies



Major Contribution Activities for Local Communities and Society

In seeking to achieve sustained growth alongside society and to fulfill its public mission and social responsibilities, the T&D Life Group is involved in a variety of social contribution programs to improve health, medical care and welfare, and develop a sound society.

Nationwide Clean Campaign

Since 1982 Taiyo Life has carried out annual clean-up activities in the vicinity of its head office as part of its social contribution to local communities. Since 2004 these activities have been expanded as the Nationwide Clean Campaign, with branches across the country undertaking clean-up activities in their own local communities. In fiscal 2013, a total of 8,612 employees and their family members from the head office, affiliate companies and branch offices participated in this Campaign. The head office (located in the Shiodome district) co-hosted the Minato Eco-conscious Consortium (mecc) with Tokyo's Minato Ward, joining force in tackling local beautification, with participants from Group companies and "mecc" member companies working in the event.



Supporting the National Sports Festival for People with Disabilities

Daido Life has been a special sponsor of the National Sports Festival for People with Disabilities since the first National Sports Games for the Mentally Handicapped (Yuaipic)* in 1992, when Daido Life celebrated its 90th anniversary. Each year it sets up a company booth in Fureai Hiroba (Get-Together Plaza), a venue for exchange among the participating athletes, and many executives and employees who serve as volunteers.

In fiscal 2013, this was held in Tokyo as the Sports Festival Tokyo 2013, with a total of 1,000 executives and employees of the Group companies participating as volunteers.

* In 2001 the National Sports Games for the Mentally Handicapped was consolidated with the National Sports Games for the Physically Disabled and held as "the National Sports Festival for People with Disabilities"



Holding a charity calendar exhibition

Since 1995, Daido Life has been holding the Charity Calendar Exhibition every year to sell to executives calendars and diaries provided by business associates and Group companies. This charity sale is organized by the Daido Life Employees' Community Contribution Club, a voluntary organization for corporate citizen activities formed by executives and employees.

The proceeds from the event were donated to the organizations that host One-day Outing Volunteer Activity for the Physically Disabled, one of our annual volunteer programs.



Supporting the Japan Down Syndrome Association

Since 2006, Taiyo Life has been involved in various support activities for the Japan Down Syndrome Association. For example, the company invited people from the Association to join a forest studies class held in the Forest of Taiyo Life, where it is engaged in forest preservation. Executives and employees participated in this event on a volunteer basis. Taiyo Life also conducts other support activities such as making contribution of office equipment including desks and chairs used at its offices, and providing meeting rooms in its company building to serve as venues for seminars held by the Association and for its Advisory Council/Board of Directors meetings.



Endowed open courses at universities

As an expression of gratitude to its many supporters, Daido Life began endowing open courses at universities in fiscal 2002 as part of the company's centenary celebrations.

These courses provide managers of small- to medium-size businesses with opportunities for acquiring knowledge and skills relevant to management and business, and they have been very well received by the approximately 9,800 attendees in total over the past 12 years.

Contents of the courses are developed by each university from different angles, with a lineup of topics and lecturers that offer a mixture of theory and practice useful in the management of smaller companies. In addition, the TKC National Federation dispatches lecturers to talk about practical issues from the perspectives of tax and certified public accountants.



Asset management services for universities

T&D Asset Management is providing asset management services to universities in the conviction that the true essence of its CSR is broadly contributing to society through its core business of asset management. By providing these services, the company is helping establish governance in asset management and the financial foundations needed for the universities to carry out high-quality education and research.



Group-wide blood donation activities

Every year the T&D Life Group cooperates with the Japanese Red Cross Tokyo Metropolitan Blood Center to encourage blood donations across the Group. Twice in a year, in August and January, we establish a donation site in the Shiodome Headquarters building for two days and encourage executives and employees of Group companies to donate blood. In fiscal 2013, a total of 386 executives and employees visited the Shiodome Headquarters to give blood.



Support for recovery from the Great East Japan Earthquake

Daido Life cooperated with the Project to Deliver Picture Books to the Children of Fukushima organized by the Japan Philanthropic Association, donating 569 picture books contributed by executives and employees of Group companies. These picture books were carried by the Picture Book Buses and Cars that periodically visit childcare centers and kindergartens in the disaster-hit areas and given to children there as a gift. In addition to the examples described above, individual companies in the T&D Life Group have provided donations to various organizations in the disaster-hit areas including local governments, facilities for people with disabilities, and scholarship funds.



The T&D Life Group has issued a "T&D Life Group Corporate Responsibility Report: Data Edition" that gives further details on CSR. Please see the report for more information on the Group's other CSR activities.
[URL] <http://www.td-holdings.co.jp/en/csr/report/>

Compliance

Based on the understanding that compliance is a critical element in carrying out CSR activities, the T&D Life Group has included "Strict Compliance" in its T&D Life Group CSR Charter, and strives to achieve it as a material issue in corporate management.

Group Compliance Promotion Structure

Based on the T&D Life Group Basic Policy for Strengthening the Compliance Structure, a compliance promotion structure has been reinforced, for instance, through the creation of a Group Compliance Committee which oversees and improves the Group's compliance arrangements. Collaborating with relevant divisions, this committee monitors compliance-related matters and provides the Group companies with necessary guidance and advice.

Compliance Promotion Activities

○ Creating a manual and ensuring strict compliance

Individual Group companies have prepared separate compliance manuals for different job responsibilities, such as sales representatives, administrative personnel, agents and others, and utilize them as a guide to daily business operations and as a textbook for compliance training.

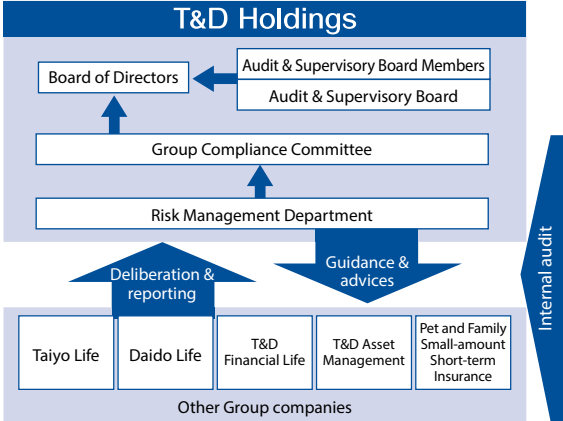
○ Efforts through training programs

The T&D Life Group is providing executives and employees with compliance training on a group-wide common themes and in accordance with annual training plans developed by individual group companies. The common theme for fiscal 2013 was "Preventing Harassment." Beyond this, training programs have been offered on a wide range of topics and we are working hard to promote effective compliance.

○ Whistleblower system

At the T&D Life Group, each of the Group's three life insurance companies used to have their own whistleblower systems. In 2005, however, the T&D Life Group established the T&D Life Group Helpline for use by all executives and employees in the Group. As an improvement for ensuring the effectiveness of the system, anonymous reporting has begun to be accepted.

■ Outline of the Group Compliance Promotion Structure



Compliance manuals



Compliance training

Communication

As stated in the T&D Life Group CSR Charter, we value active dialogues with stakeholders. Moreover, we are promoting activities to reflect the feedback collected through our communication initiatives in our company management.

Structure of third-party participation in management

The Group's three life insurance companies work toward appropriate and transparent business management through the participation of outside experts in some internal committees dealing with key management issues.

- Payment Assessment Special Committee (Taiyo Life): Staffed by physicians, attorneys, academic experts and consumer affairs experts and convened to discuss the appropriateness of insurance claim payments.
- Advisory Council for Insurance Payment (Daido Life): Staffed by attorneys and consumer affairs experts and convened to deliberate responses to complaints and payment disputes and the clarity of notices and documentation provided to customers.
- Service Supervision Committee (T&D Financial Life): Staffed by attorneys, consumer affairs experts and media representatives and convened to deliberate actions for improving customer satisfaction.

Communication with customers

<Taiyo Life>

Taiyo Life holds regular meetings with customers called "Taiyo Life Fureai Club" in order to have them gain a deeper understanding about Taiyo Life and life insurance as well as to ask them for their opinions and requests regarding our products and services. In fiscal 2013, the meetings were held by 144 branches at 104 venues.

<Daido Life>

Daido Life holds regular business partner meetings with SME industry associations, which are partner organizations, as well as other professional organizations of tax accountants and certified public accountants to report the latest business developments and to hear their views on Daido Life's business operations.



Taiyo Life "Fureai Club"



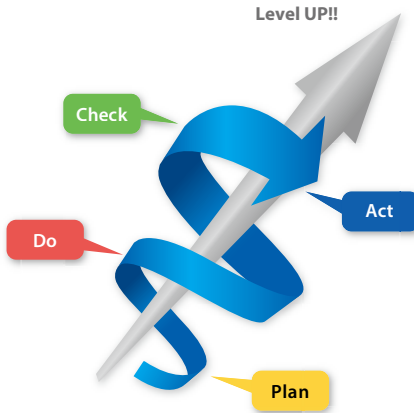
Business Partner Meeting

Against the current background of enormous social change, the T&D Life Group makes efforts to contribute to solving various issues impacting both local communities and society at large as well as global environmental protection through a wide range of business activities by Group companies. To enable the Group companies to promote such activities in a unified manner, we established the Group CSR Committee, chaired by the president of T&D Holdings and consisting mainly of directors in charge of CSR at each group company.

The Group CSR Committee formulates basic policies for the Group's CSR activities, selects important focus areas, and monitors progress of activities. The Committee reviews the results of implementation at the end of the fiscal year, and develops Group activity plans and policies for the next fiscal year. By checking the progress of activities during the fiscal year, the Committee ensures the full execution of the Plan-Do-Check-Act (PDCA) cycle with respect to Group CSR activities, and makes sure that each Group company can execute its own plans toward solving social issues effectively.

Information on both common CSR activities to be conducted by the whole Group as well as those being undertaken by individual Group companies is shared throughout the Group. This facilitates involvement by different Group companies in each other's activities and expands the scope of CSR activities initiated by individual Group companies.

In fiscal 2013, we selected "respect for human rights" and "global environmental protection" as priority areas, in addition to providing better products and services based on the concept of contributing to society through our business activities.



FY 2013 Group CSR Activities Status Report (excerpt)

Listed below are the major activities implemented as common Group measures. In addition, each Group company implements their own CSR activities. For details on these activities, please see the "Corporate Responsibility Report: Data Edition" (★ indicates a priority area for FY 2013).

Group CSR Charter item	Our efforts Plan	Results/performance Do	Activities planned for FY 2014 Check/Act
★ Respect for human rights	Supporting women's active participation	Promoted human resources exchanges for clerical and "locally hired" female employees, under the short-term programs newly started in FY 2013 for exchanging personnel within Group companies. Between Taiyo and Daido 13 people from 6 departments mainly in charge of contract management were exchanged. Group-wide women's seminar and seminar for managerial employees on promoting active participation of women were held four times in total. Individual companies held a range of women's programs, including career vision seminars, manager development training, and inter-company exchange programs for manager candidates.	In view of the progress of the efforts, further upgrade the measures for promoting the active participation of women by reinforcing collaboration within the Group. <ul style="list-style-type: none">• Facilitate short-term exchanges of female employees within the Group• Expand target participants in the women's seminars• Discuss setting quantitative targets for promoting the active participation of women in the Group
	Creating environments where employees can choose various work styles	Set the fifth action plan target on the Act on Advancement of Measures to Support Raising Next-Generation Children as the whole Group and notified it via Group newsletters. Joint group seminars for managerial employees on promotion of women's active participation and work-life balance were held.	Recognizing current problems, promote work-life balance and active roles for women in a unified manner. <ul style="list-style-type: none">• Reinforce coordination within the Group through information sharing on trends and movements of governments and other companies. Promote actions for enhancing and improving various support measures for work-life balance from the viewpoint of promoting the active participation of women by each company.• Promote measures based on the fifth action plan on the Act on Advancement of Measures to Support Raising Next-Generation Children• Deliberate measures in preparation for the extension of the Act on Advancement of Measures to Support Raising Next-Generation Children• Deliberate and implement common measures for the Group to reduce total work hours and set numerical targets
	Creating workplace environments where employees can work with good health	Training programs and seminars on human rights, which in the past were offered by individual companies, were integrated and reorganized as group-wide programs. Human rights seminars were held as group-wide seminars for executives/division managers and for managers.	In view of the progress of the efforts, continue and reinforce the collaborative efforts of the Group toward creation of a favorable workplace culture. In preparation for the revision of the Industrial Safety and Health Act in fiscal 2014, deliberate and implement measures with a focus on mental health. <ul style="list-style-type: none">• Introduce mental support services (prevention, reinstatement, coordination with medical institutions, etc.)• Hold human rights training for all Group companies with a mental health theme• Continue implementing measures for creating workplaces that enhance employee motivation and allow employees to demonstrate their full range of capabilities
★ Global environmental protection	Reduction in electric power use Period: FY 2013 – FY 2017 Baseline year: FY 2009 Scope: All buildings owned, leased and used by the holding and core companies Target: Reduction in power consumption per floor space by more than 10% from base year on a five-year average	Strictly implemented following measures: lights-out during lunch break, setting computers to default to standby when users are away from their desks, strict control of air-conditioning during non-office hours, turning off copiers and printers, etc. Implemented Cool Biz and Warm Biz campaigns as well as lights-down campaign to help executives and employees raise their awareness of protection of the global environment.	Based on the results of FY 2013 (steady progress of 82.5% compared to the base year), continue FY 2013 measures in FY 2014.
	Reduction in office paper use Period: FY 2009 – FY 2013 Baseline: five-year average up to FY 2008 Scope: Shiodome head office building Target: Reduction by 5% on a five-year average	Strengthened control over use of copies, reduced meeting materials, and utilized 2-in-1 and two-sided printing.	In addition to the single-year result in FY 2013 (83.2% compared to the previous year; target achieved), the use of office paper was greatly reduced, exceeding the long-term target (for FY 2009 to 2013). Aiming at the maintenance and stabilization of the reduced consumption level, reformulate long-term target (compared to average office paper use during the last five years, reduce at least 9% on average over five years starting in FY 2014), and continue efforts for achieving the target.
	Green purchasing ratio Target: more than 80% Scope: Holdings & core companies	Continued to enforce the strict internal rule of obtaining permission when purchasing products other than eco-friendly products, which has been in place since FY 2010.	In view of the FY 2013 result (green purchasing ratio of 95.4%; target achieved), carry on FY 2013 measures in FY 2014. Promote information sharing within Group companies on efforts relating to energy and resource conservation, and help Group companies implement and participate in similar activities.
Communication	Issuance of Corporate Responsibility Report	Issued a "Focus Edition" for employees, customers and general consumers, and a "Data Edition" primarily intended for investors. Their English versions were also issued.	The current form of the report has achieved a certain level of recognition. In FY 2014, issue four versions of the CSR report—a "Focus Edition" and "Data Edition," each in Japanese and English—reflecting third-party opinions, results of employee surveys and evaluations by an ESG assessment agency.
Contribution to communities and societies	Implementation of Group-wide blood donation campaigns	Blood donation campaigns were held in August and January at the Shiodome head office building in collaboration with Group companies. A total of 386 persons participated in these blood donation campaigns.	In view of FY 2013 results, continue with the same measures in FY 2014.

Message from President



Solving social issues through business activities is our responsibility

Kenji Nakagome
Representative Director and President
T&D Holdings, Inc.

Ten years have passed since the T&D Life Group companies were unified as one life insurance group under the umbrella of T&D Holdings. Over the decade, we have been confronted with very difficult situations, such as the global economic turmoils and the Great East Japan Earthquake. At such difficult times, however, our Group has worked together to address the challenges, with individual group companies using their ingenuity and learning from each other.

The most remarkable characteristic of the T&D Life Group is that its three core life insurance companies, Taiyo Life, Daido Life and T&D Financial Life, are providing unique life insurance products via different channels in completely different markets, namely, the household market, small and medium enterprise market, and financial institutions and other agencies market.

Guided by the 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," each of the T&D Life Group companies deploys its own businesses under the common Group management vision. While we share the same corporate philosophy and vision as a major life insurance Group, our individual member companies have continued to demonstrate a high level of uniqueness and expertise. As a result, we have built a strong foundation for steady growth of the T&D Life Group.

In the past 10 years since we gathered under T&D Holdings until now, each of the Group companies has provided products and services rich in their originality. Also, by promoting various unique CSR activities, we have responded to a wide range of stakeholders' expectations and thereby earned stakeholders' trust while contributing to solving social issues. Working in such a broad domain is a unique strength of the T&D Life Group.

Japan is now facing various challenges that have surfaced from the emergence of aging society with fewer children. Those issues involve

the slowdown of economic growth, change of views on life and work style, and the advancement of medical care. Confronting these issues, contemplating solutions and making such solutions available to a wide range of stakeholders, including customers: these are the actions we are taking toward the realization of our Group management philosophy.

In 2014, the T&D Life Group companies signed on to the Principles for Financial Action for the 21st Century and expressed their intention to promote actions for creating a sustainable society through their own businesses.

The T&D Life Group intends to help solve various emerging social issues that affect individuals, households and enterprises by providing, via our Group companies, unique life insurance products and services. At the same time, for community issues and environmental protection, we will fulfill our responsibility through a wide range of business activities initiated at the company level.

Such measures, as noted above, are executed by individual companies within the Group, including the holding company, as well as by the executives and employees working at those companies. In order to promote CSR activities on a group-wide basis, we established the Group CSR Committee in 2011. The committee confirms the progress of activities at the end of each fiscal year and formulates the action policy of the Group for the following year. By executing measures and checking their progress, we can ensure that the whole Group is thoroughly implementing the PDCA cycle. We are managing our CSR activities to ensure that each of our Group companies as well as our executives and employees take effective steps toward solving social issues.

We wish to grow as a Group that can contribute to people and communities by fulfilling our corporate social responsibility through our own unique efforts that the T&D Life Group can make toward solving various issues.

Third-party Opinion

Striving for the next level of CSR

Takeshi Mizuguchi

Professor, Faculty of Economics
Takasaki City University of Economics



Graduated from College of Policy and Planning Sciences, Third Cluster of Colleges, Tsukuba University in 1984. After working at Nichimen Corporation and Eiwa Audit Corporation, he became an instructor in the Faculty of Economics at Takasaki City University of Economics, and assumed his present position in 2008.

His primary areas of research include environmental accounting and socially responsible investment. He has also served as Chair of the Japanese Institute of Certified Public Accountants' Technical Committee on Sustainability Information Disclosure, and as a member on the Central Environment Council's Special Committee on the Environment and Finance. At present, he serves as the joint representative director of the Japan Sustainable Investment Forum. His principal books include Responsible Investment (Iwanami Shoten), Accounting and Investment for Social Change (Iwanami Shoten), The Environment and Financial/Investment Trends (author/editor, Chuo Keizai-sha), and Environmental Management and Accounting (co-author, Yuhikaku Publishing).

This Focus Edition attempts to convey the T&D Life Group's consistent and sincere attitude toward CSR activities. Considering that life insurance began as a mutual support mechanism, the most important CSR activity for the Group is to provide better insurance products that can respond to various risks faced by households and businesses at appropriate prices. From this point of view, I note the continued efforts by the T&D Life Group to improve insurance coverage, reduce premiums and expand its product lineup. On the other hand, insurance companies also act as large institutional investors and need to be fully aware of the impacts their investments have on the environment and society. In recognition of this, this fiscal year, the whole Group signed on to the Principles for Financial Action for the 21st Century. Its involvement with the Principles began with Taiyo Life and expanded throughout the entire Group. This is highly commendable. Meanwhile, the activities for supporting the active participation of women are making steady progress. I look forward to seeing tangible outcomes in the near future. I wish to express my respect for the Group's efforts to persist with social contribution activities over a number of years, including the nationwide cleanup campaigns and special contributions to the national sports festival for people with disabilities.

Recognizing the current state, if the Group wishes to move up to the next level of CSR, I would suggest that the following two areas need improvement. The first is the execution of the PDCA cycle for CSR through the main business of the Group. Page 12 illustrates how the Group operates the PDCA cycle for CSR issues. However, there is no description of the PDCA cycle for product development or investment activities, which are the main business of the Group. I assume that the Group practices the PDCA cycle in its main business, and that different divisions within the organization are managing the progress. In the interests of greater transparency, I would recommend that from now on the Group show how it is working to incorporate social viewpoints in its main business via the PDCA cycle, in addition to describing the outcomes. The second area needing improvement concerns the response to the Japanese Version of the Stewardship Code presented by the Financial Services Agency this February. Taiyo Life, Daido Life and T&D Asset Management expressed their commitment to the Code in June. For these companies, its actual operation will be a new challenge. I wish to see the T&D Life Group pursuing high-quality stewardship activities that only it can perform.

Response to Third-party Opinion: CSR Group, Group Planning Department, T&D Holdings, Inc.

In preparing this fiscal year's report, we tried to clearly communicate the Group's acknowledgement of current social issues as well as the actions we are promoting toward solving them. Compared to the previous year's edition, we have covered a wider range of topics, including compliance and communication. In his Third-party Opinion for the previous fiscal year, Prof. Mizuguchi expressed his view that our Group should exercise leadership in the investment and asset management industry. This year, he commended the fact that the Group as a whole signed on to the Principles for Financial Action for the 21st Century. We assume that he also appreciates our social contribution activities and initiatives undertaken through our main businesses. On top of these, he pointed out an opportunity for us to show how we incorporate the perspective of social contribution in our main businesses using the PDCA cycle and expressed his expectation of seeing stewardship activities unique to the T&D Life Group.

We will reflect his opinions in our future activities as our Group to pursue the next level of CSR for contribution to both individual people and society.