

# Sustainability Report 2021

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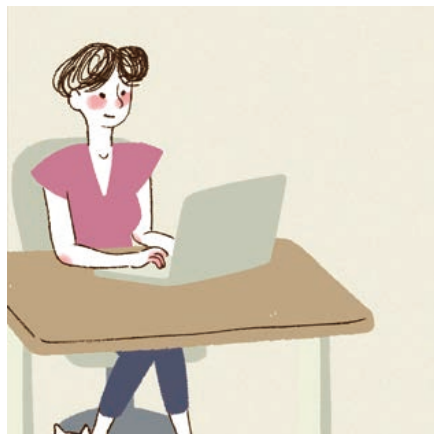
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CREATE VALUE FOR PEOPLE AND SOCIETIES.



# Sowing happiness in the world through the “creation of shared value” that encompasses both economic value and social value

### Responding to the COVID-19 Pandemic

The global COVID-19 pandemic, which began at the end of 2019, is still not under control as of 2021, and many people around the world are still suffering adverse impacts of various kinds.

It is precisely in times of global crisis like the current pandemic that enhancing the stability and sustainability of society takes on its greatest importance.

The Group, whose core business is life insurance, views the economic and health impact of COVID-19 as a challenge that it must address, and each Group company is working to provide products and services that respond to it.

### Formulation of the Group Long-Term Vision / SDGs Management and Creation of Value

We have formulated the Group Long-Term Vision “*Try & Discover 2025*” -In Pursuit of the Happiness of All Stakeholders-, which outlines the Group’s medium- to long-term goals and strategic policies to achieve them. We have also set five critical issues to work on for the growth of the Group.

We have set one of our critical issues as “SDGs management and creation of value,” and have also established new “non-financial KPIs” to quantitatively measure the creation of social value. In this way, we will work to realize the vision of “sowing happiness in the world.”

### Thoughts to Share with the World / Initiatives to Address Social Issues

There are many common social challenges around the world in addition to COVID-19, including climate change and human rights issues. The Group established the Climate Change Risk Subcommittee in 2020 to consider and implement efforts towards net zero carbon and carbon neutrality. As part of these efforts, we moved up the deadline for achieving our CO<sub>2</sub> reduction targets from 2030 to 2025 and set this as one of the “non-financial KPIs” in the Group Long-Term Vision. We are also actively engaged in ESG investment activities.

We have also established the “T&D Insurance Group Human Rights Policy,” which expresses the Group’s views on respect for human rights. In accordance with this Policy, we conduct human rights due diligence on a regular basis to verify that there are no problems with the Group’s human rights practices.

### Responsibilities of the T&D Insurance Group / The World We Seek

The Group provides safety and security to our customers through our products and services in our main business. Furthermore, the asset management business, in which we are engaged as an institutional investor, has a significant public relevance and close connections to economic development and the realization of a sustainable society. We believe that the Group has a responsibility to contribute to society through these businesses.

The Group will fulfill its corporate social responsibility by working on its newly formulated Long-Term Vision to create shared value and “sow happiness in the world.”

## Hirohisa Uehara

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



# Organizational Profile

## Scale



Ordinary revenues

¥2,413.9  
billion



Ordinary profit

¥228.1  
billion



Profit\*

¥162.3  
billion

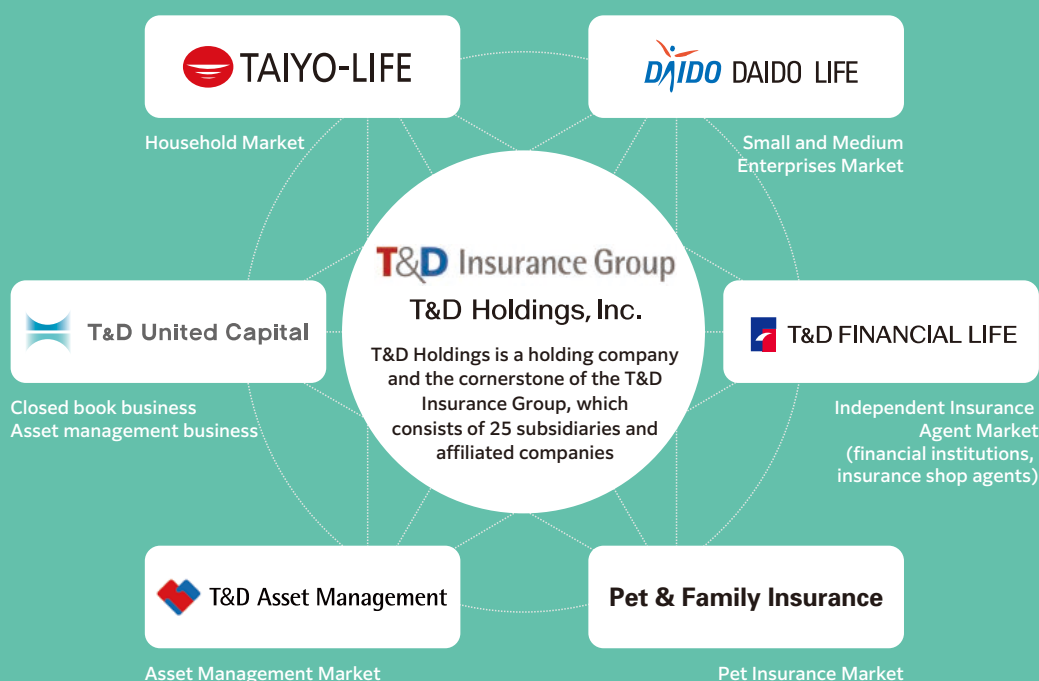


No. of employees

19,615

\* Profit attributable to owners of parent

## Group Structure (as of July 1, 2021)



### Main Group Companies Other Than Above

#### Insurance & insurance-related businesses

- T&D Confirm Ltd.
- Toyo Insurance Agency Co., Ltd.
- Daido Management Service Co., Ltd.
- Taiyo Life Aging Society Institute
- Capital Taiyo Life Insurance Limited
- Fortitude Group Holdings, LLC
- Fortitude Reinsurance Company Ltd.

#### Investment-related Businesses

- T&D Lease Co., Ltd.
- Taiyo Credit Guarantee Co., Ltd.
- Alternative Investment Capital, Ltd.
- T&D United Capital North America Inc.

#### Administration-related Businesses

- T&D Customer Services Co., Ltd.
- T&D Information System Ltd.
- Nihon System Shuno, Inc.
- Zenkoku Business Center Co., Ltd.
- Thuriya Ace Technology Company Limited

# Promote Healthy and Abundant Lives for All People

The T&D Insurance Group is committed to fulfilling its responsibilities to society through the insurance business by offering high-quality products and services that meet customer needs.

Policy	Results for FY2020	Planned for FY2021
To contribute to the sustainable growth of society and to the solution of social issues through the insurance business by offering high-quality, optimal products and services that meet customer needs	<ul style="list-style-type: none"> <li>Provision of "Infectious disease plus hospitalization insurance (lump-sum payment type)," which covers COVID-19</li> <li>Free provision of COVID-19 mutual aid insurance in collaboration with justInCase Co., Ltd.</li> <li>Deployment of Taiyo's GENKI Project</li> <li>Provision of KENCO SUPPORT PROGRAM (health and productivity management support)</li> <li>Expansion of product lineups to meet diversifying customer needs, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to provide products and services that meet the needs of society</li> <li>Offer <i>Cancer/Critical Illness Prevention Insurance</i></li> <li>Offer "Hybrid Asset Life" single-premium variable whole life insurance</li> <li>Expand lineup of products offering a full range of protection to meet the needs of SME owners, modernize coverage, improve the flexibility and convenience of various procedures, etc.</li> </ul>

## Initiatives by Taiyo Life

Taiyo Life is working to build the top brand in the senior market and provide high-quality products and services that give customers lifelong peace of mind. In FY2020, we implemented various support measures to provide simple and prompt payment of benefits to customers affected by COVID-19.

### Product Development which Preempts the Changes of the Times

In September 2020, we launched a new "infectious disease plus hospitalization insurance (lump-sum payment type)" product. This product, which supports customers' daily lives against the impact of treatment costs and loss of income due to hospitalization and other concerns, achieved sales in excess of 10,000 policies just 13 days after launch.

### Introduction of online registration (non-face-to-face solicitation)

In January 2021, we introduced online registration (non-face-to-face solicitation) to digitize the entire process from insurance application to payment. Online registration allows customers who prefer non-face-to-face services due to COVID-19 to easily enroll on their smartphone or computer.

#### Prevention initiatives

In March 2021, Taiyo Life partnered with three companies, Ajinomoto Co., Ltd., H.U. Frontier Co., Ltd., and Sel mesta Co., Ltd. (now H.U. Wellness Co., Ltd.) to launch AminoIndex® Risk Screening, which assesses both the current likelihood of cancer and the future risks of stroke, myocardial infarction, and diabetes.

## Initiatives by Daido Life

Daido Life is a life insurance company that specializes in the SME market. It provides products and services that take into account changes in the environment surrounding SMEs, and has signed up some 370,000 corporate clients.

### Launch of cancer stage limited J-type product

In December 2020, in order to ensure critical illness protection for more customers while keeping pace with medical technology advances and other changes, we launched our stage-limited cancer J-type product [non-participating critical illness insurance (stage III, IV cancer protection only, no surrender value type)], which focus on serious cancers (equivalent to stage III and IV) that have a significant impact on the running of a business.

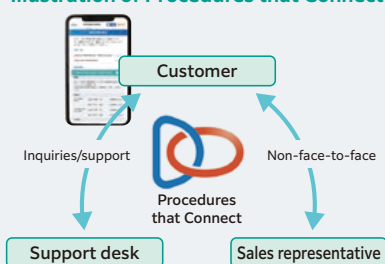


## Procedures that Connect

In order to improve the convenience of customer procedures and adapt to the “new normal” of coexistence with the coronavirus, we are trying to make all insurance procedures non-face-to-face as part of our Procedures that Connect initiative, so that customers can choose between “the security of face-to-face” and “the convenience of non-face-to-face” according to their needs.

When purchasing an insurance policy, after deciding on coverage, customers can complete the enrollment procedure on their smartphone or PC at home or at work at their own leisure without any restrictions on time or place.

### Illustration of Procedures that Connect



### Advantages of remote procedures

#### ■ Anytime, anywhere

Customer completes the procedure on their smartphone without meeting with a sales representative

#### ■ Easy and convenient

Remote procedures such as verifying identity and explaining important matters can be done on a smartphone by taking a photo or watching a video

#### ■ Procedure support by the operator

If the customer has any questions, the operator can facilitate progress by sharing the screen and demonstrating how to enter the information

## Initiatives by T&D Financial Life

To respond to diversifying customer needs, T&D Financial Life enriches its product lineup and provides products in a timely manner through banks and other financial institutions as well as insurance shops.

### Development of products in response to changes in the social and economic environment

In February 2021, we launched *Hataraku Anata Ni Yasashii Hoken 2*, a product that eliminates the death benefit and provides protection against loss of income and increase in expenses due to illness and injury.

We also launched Hybrid Asset Life in June 2021. This product is yen-denominated, single-premium variable whole life insurance that supports asset formation through self-provision in the era of the 100-year life by combining an investment trust with life insurance. We developed it as a product to help individuals enjoy life to the fullest by drawing down assets in a planned manner and to prepare them and their families for nursing care, dementia and inheritance while continuing to invest, with a focus on long-term diversified investment.

### Initiatives for Improving Customer Service Quality

T&D Financial Life is pushing ahead with various efforts to further improve customer satisfaction. In April 2020 we introduced *Kaigo Concierge*, a nursing care and dementia support service provided by Internet Infinity, Inc. for customers with insurance policies that cover nursing care and dementia. In addition, in order to improve services for elderly customers and customers with disabilities, we have created a Family Registration Program that allows pre-registered family members to perform a certain range of billing procedures on their behalf.

## Initiatives by T&D Asset Management

### Contributing to the Promotion of a Healthy Society through Investment

T&D Asset Management is contributing to solving social issues, such as maintaining health and supporting the elderly, through selective investments in companies that excel from an ESG viewpoint and investments in health-related and health-management stocks.

## Initiatives with Pet & Family Insurance

### Insurance Protection for Precious Family Members

With the increased demand for pets during the COVID-19 pandemic, there is growing interest in pet healthcare and its associated costs. We therefore offer products that compensate for a portion of the costs of treatments for pets at veterinary clinics due to illness or injury.





## Priority Theme 2

# Provide Workplace Environments that Enable All People to Participate Actively

The T&D Insurance Group respects the human rights of all people, respects the personality and diversity of its employees, and is making various efforts to ensure a healthy and safe work environment and to develop its human resources.

Policy	Results for FY2020	Planned for FY2021
To respect the human rights of all people, respect the personality and diversity of our employees, ensure a healthy and safe working environment, and develop our human resources	<ul style="list-style-type: none"> <li>Revised personnel and compensation systems and introduced various support systems to enhance the work-life balance, including balancing work with nursing care</li> <li>Encouraged male employees to take childcare leave</li> <li>Received the "Excellence Award" at the Platinum Career Award organized by Toyo Keizai Inc. and other organizations</li> <li>Developed IT infrastructure necessary for telework and introduced and encouraged online conferencing systems, etc.</li> </ul>	We will continue to create a flexible and dynamic workplace where diverse personnel can demonstrate their abilities with job satisfaction and a desire to grow.

## Utilization and Development of Human Resources —Initiatives to Provide Opportunities for Growth—

### Employee Career Formation

The three life insurance companies conduct education and training, primarily through OJT (on-the-job training), group training, and support for personal development. These companies encourage autonomous career development by each employee, by actively helping them to acquire qualifications and offering a diverse curriculum, including correspondence education and e-learning. In addition, systematic rotation is implemented to provide employees with a variety of business experience, allowing them to be more capable of carrying out work from a broad perspective.

### Management Training

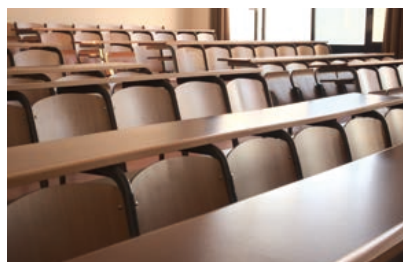
#### • Taiyo Life

Year-round training is offered to impart management knowledge and skills for managerial positions, and study materials have been introduced in support of personal development (video-based seminars) for branch general managers.



#### • Daido Life

A select number of newly appointed managers are sent outside the company to graduate schools and business schools for further training. Furthermore, junior employees are provided with skills training and guidance to support their career development.



#### • T&D Financial Life

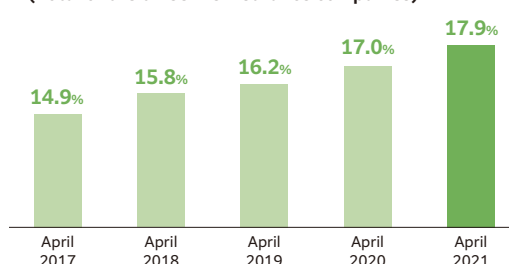
Training for newly appointed key managers is conducted to help them acquire the basic management skills required for key management positions and to promote their understanding of risk management and compliance.



### Initiatives to Support Active Participation of Women

For the T&D Insurance Group, further leveraging the capabilities of women is a source of sustainable enhancement of our corporate value, and the active participation of women is an important management issue for the Group. With this in mind, the Group's three life insurance companies are working to revise their personnel and compensation systems, as well as introducing various support systems to enhance the work-life balance, including balancing work with childcare and nursing care. In addition, by fostering Group-wide collaboration to reduce total working hours and encourage male employees to take childcare leave, we are promoting the creation of workplace environments where everybody is motivated to play an active role.

Ratio of female managers  
(Total of the three life insurance companies)





## Work-Life Balance Initiatives

The T&D Insurance Group companies are working to strengthen various initiatives to ensure a work-life balance for their employees. For example, each company is further improving its childcare leave system and is committed to reducing total working hours. These measures let employees fully demonstrate their capabilities in the workplace while still fulfilling their responsibilities at home, such as housework, child-rearing, and nursing care. The Group also believes that in promoting the active participation of women, it is essential to create a workplace in which women can continue to work for as long as they wish, but still have the opportunity to take time off to experience key life events. As part of this approach, the percentage of male employees taking childcare leave has reached 100% at the three life insurance companies by encouraging male employees to take time off to help raise their children. The Group as a whole is working to achieve an optimal work-life balance in a unified manner.

### Acquisition status of maternity, childcare, and nursing care leave at the three life insurance companies (FY2020)



\* Paid leave taken by administrative personnel at the three life insurance companies.

## Health and Productivity Management Initiatives

### Group Initiatives

#### In-House Non-Smoking Initiatives

In the interests of strengthening measures to prevent second-hand smoke and promoting mental and physical health, in July 2018, the T&D Insurance Group implemented an in-house non-smoking policy (eliminating smoking areas on company premises and prohibiting smoking during work hours) at all Group companies.

#### Health Insurance Association

The three life insurance companies have their own independent health insurance association, which work to prevent lifestyle-related diseases and otherwise promote the health of association members. We subsidize the cost of health check-ups, including annual physical examinations, and promote cancer screening.

### Group Company Initiatives

#### • Taiyo Life

With the aim of preventing lifestyle-related diseases, Taiyo Life cooperates with Kaminoyama City in Yamagata Prefecture to offer various support services such as Kurort Health Walking and Smart Life Stay (accommodation packages that incorporate the government's specified health guidance). Beginning in FY2021, Taiyo Life's health and productivity management initiatives will include AminolIndex® Risk Screening, which assesses the current likelihood of cancer and other risks all at once.



#### • Daido Life

Daido Life's "DAIDO COCO-KARA" initiative aims to realize a workplace where all employees can be both physically and mentally healthy and work in a spirited manner. The initiative includes efforts to reduce working hours (including automatically shutting down computers used for work), regular preventive health checkups for all employees, establishment of consultation desks related to second opinions and cancer, and the provision of wearable devices.



#### • T&D Financial Life

T&D Financial Life has implemented initiatives to promote employee health, with a management initiative of creating a workplace where employees can feel job satisfaction. These include initiatives to reduce working hours, such as establishing a "No Overtime Day" and a "Leave Work Early," and automatically shutting down computers used for work, as well as fully implementing regular health checkups, conducting stress checks, and abolishing in-house smoking areas.



# Help Mitigate and Adapt to Climate Change

While climate change on a global scale is a risk for the continuity of the T&D Insurance Group's business activities, at the same time, it represents an opportunity to undertake new activities. The Group will fulfill its public mission of life insurance and other businesses and undertake its corporate social responsibilities with full awareness of the importance of environmental concerns.

Policy	Results for FY2020	Planned for FY2021
To contribute to climate change mitigation and adaptation through our own business activities as a provider of insurance products and services to customers and through our actions as an institutional investor	<ul style="list-style-type: none"> <li>Established CO<sub>2</sub> emission reduction targets and positioned them as non-financial KPIs in the newly formulated Group Long-Term Vision</li> <li>Established a new Climate Change Risk Subcommittee to strengthen our response to climate change</li> <li>Conducted quantitative scenario analysis of physical risks to enhance compliance with TCFD, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Further reduction of CO<sub>2</sub> emissions by promoting the introduction of renewable energy</li> <li>Further expansion of 2050 net-zero goal</li> <li>Quantitative scenario analysis of transition risks to further enhance compliance with TCFD, etc.</li> </ul>

## Initiatives to Reduce Environmental Impact

The Group companies cooperate to establish environmental protection-related targets and then work to achieve them in their business activities.

More than 90% of the Group's CO<sub>2</sub> emissions come from electricity consumption. We are therefore working to reduce CO<sub>2</sub> emissions by curbing energy consumption through the implementation of the Cool Biz and Warm Biz campaigns, as well as the Lights Down Campaign, which calls for a simultaneous switch-off of all office lighting.

### CO<sub>2</sub> Emissions

Baseline: CO<sub>2</sub> emissions in 2013 (value per unit of floor space) = 0.0674 t/m<sup>2</sup>

Target: Reduction by at least 40% from baseline by FY2025

Scope: Buildings owned or leased and used by Group companies. Owned buildings include tenant usage; only the leased area is applied for leased buildings.

	Baseline (FY2013)	Actual results in FY2020
CO <sub>2</sub> emissions (Scope 1+2)	59,908 t	44,714 t
Total floor space	888,529 m <sup>2</sup>	950,959 m <sup>2</sup>
Per unit of floor space	0.0674 t/m <sup>2</sup>	0.0470 t/m <sup>2</sup>
Compared to baseline	—	69.7%(-30.3%)

In addition to CO<sub>2</sub> emissions, the T&D Insurance Group has set Group-wide targets for electricity consumption, office paper consumption, and the green purchasing ratio as part of its efforts to mitigate its environmental impact.

## Forest Conservation Activities

Life insurance companies use various kinds of paper including office paper, life insurance pamphlets, policy provisions and others in the course of its business operations. To restore forest resources and preserve greenery, Taiyo Life conducts afforestation projects. It has established "Taiyo Seimei no Mori" (the Forests of Taiyo Life) in Tochigi and Shiga prefectures.

### "Taiyo Seimei no Mori" (the Forests of Taiyo Life)

In addition to ongoing forest maintenance activities such as thinning and maintenance of walking trails, we also invite members of the Japan Down Syndrome Society and their families to take part in a forest studies class experience.



**Nasushiobara**  
(Tochigi Prefecture)  
Date of Establishment:  
March 2006  
Area: Approx. 4.8 ha  
CO<sub>2</sub> Absorption: 19 t  
(Estimate by the Forestry Agency)

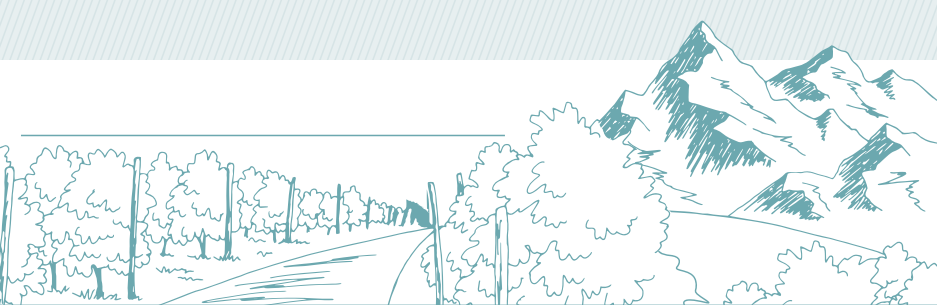
### "Taiyo Seimei Kutsuki no Mori" (Kutsuki Forest of Taiyo Life)

In addition to forest improvement activities, including the improvement of forest roads and the clearing out of fallen leaves in red pine forests, we also hosted the "Donguri Project" (Acorn Project), wherein local elementary students grew broad-leaf seedlings from acorns and then planted them in the forest at the time of graduation.



**Takashima**  
(Shiga Prefecture)  
Date of Establishment:  
November 2007  
Area: Approx. 12.7 ha  
CO<sub>2</sub> Absorption: 81 t  
(Estimate by Takashima City)





## Disclosure of Climate-related Financial Information Based on the TCFD Recommendations

Climate change is an issue to be addressed on a global scale. The effects of climate change have significant impacts on the lives of people, through changes in economic behaviors and society worldwide. The T&D Insurance Group has expressed its support for the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), and is actively committed to disclosing climate-related financial information in an easy-to-understand manner.

<b>Governance</b>	The Board of Directors has established the Group SDGs Committee as a subordinate body. The Group SDGs Committee formulates policies and measures regarding the global environment and social issues such as SDGs, while periodically monitoring the progress of such initiatives, and reporting to the Board of Directors thereon. The Board of Directors has also established the Climate Change Risk Subcommittee as a subordinate body of the Group SDGs Committee. The agenda to be deliberated at the Group SDGs Committee is reported to the Executive Management Board, and the results of the deliberations are reported to the Board of Directors.
<b>Strategies</b>	The scenario analysis below was carried out in order to assess the impact (physical risk*1 and transition risk*2) of climate change on the Group.

\*1 Business risks associated with natural disasters caused by extreme weather such as typhoons and floods, and those associated with phenomena such as an increase in the average temperature and a rise in the sea level

\*2 Business risks arising from the behavior of governments, corporations, and consumers in the process of carrying out the transition to a society with low or net-zero carbon emissions (through a significant reduction of greenhouse gas emissions)

### Scenario Analysis

<b>Assumptions</b>	1.5°C scenario: Strict measures are taken against climate change. By the end of the century, the average annual temperature will increase by 1.0 to 1.8°C. 4°C scenario: No measures are taken against climate change beyond the current status quo. By the end of the century, the average annual temperature will increase by 3.3 to 5.7°C.
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#### The world under the 1.5°C scenario

<b>Overview</b>	Tighter regulations and the introduction of a carbon tax. Expanded disclosure requirements (increased business costs for companies).
<b>Physical risks</b> (impact on underwriting profitability)	Increases in the number of heat stress deaths and heat stroke hospitalizations. Both of these increases will be gradual over a long period of time, which will limit their impact on underwriting profitability.
<b>Transition risks</b> (impact on investment income)	Expansion of new technologies such as renewable energy. To avoid damage to investment income from the impact on investees and borrowers, we will, as appropriate, promote investment and financing activities to businesses and companies that contribute to the transition to a society with low or net-zero carbon emissions.

#### The world under the 4°C scenario

<b>Overview</b>	Due to the large rise in average temperatures, the impact of frequent and intense natural disasters becomes significant.
<b>Physical risks</b> (impact on underwriting profitability)	Significantly higher average temperatures will lead to an even larger increase in heat stress deaths and heat stroke hospitalizations than under the 1.5°C scenario.
<b>Transition risks</b> (impact on investment income)	As in the 1.5°C scenario, the impact on investees and borrowers will be small, since there will be no sudden changes in the environment. In order to avoid damage to our investment income, we will avoid or withdraw investment and financing to firms with significant physical risks.

### Opportunity

It is expected that needs will arise for protection (involving death, annuities, and medical care) against emerging risks. There are opportunities to expand net sales of the insurance business, by expanding and providing a wider scope of protection in order to meet such emerging needs.

### Risk management

The Group exhaustively classifies, identifies, and assesses the risks it faces, and prioritizes initiatives by considering factors such as each risk's significance and potential impact, which are then reflected in management plans, as necessary.

In order to identify and grasp newly emerging risks, as well as changes in risks that have already been identified, a risk profile review is carried out twice per year, and reported to the Group Risk Management Committee and the Board of Directors.

### Metrics and targets

- The Group's four targets are "to reduce CO<sub>2</sub> emissions," "to reduce electricity consumption," "to reduce office paper consumption," and "to improve the green purchasing ratio." Progress toward the achievement of these targets is disclosed in various reports and websites.
- With respect to CO<sub>2</sub> emissions, Scope 1 (direct emissions from the Company), Scope 2 (indirect emissions via the purchase of energy including electric power), and Scope 3 (indirect emissions via other corporate activities including procurement of materials, transport, and disposal) are measured and disclosed on a continuous basis.
- The CO<sub>2</sub> emission reduction covers Scope 1 + Scope 2, with FY2025 as the deadline for achievement. In addition, we aim to achieve net zero carbon emissions by 2050, including our own investees and borrowers (Scope 3: Category 15).
- With respect to the target to reduce electricity consumption, efforts are underway to achieve the target for the next ten-year period from FY2018.
- With respect to the target to reduce office paper consumption, efforts are underway to achieve the target for the next five-year period from FY2019.

# Invest to Help Build a Sustainable Society



T&D Insurance Group will contribute to the realization of a sustainable society through investment activities undertaken in consideration of the environment, society and corporate governance.



Policy	Results for FY2020	Planned for FY2021
To secure stable long-term investment income and contribute to the realization of a sustainable society through investment activities undertaken in consideration of the environment, society and corporate governance, with the aim of growing sustainably in partnership with society	<ul style="list-style-type: none"> <li>Established the T&amp;D Insurance Group ESG Investment Policy, which expresses the Group's stance towards ESG investment</li> <li>Established the ESG Investment Committee to strengthen support for ESG investment</li> <li>Made investments in Green Bonds, which contribute to solving environmental problems, and Social Bonds, which contribute to measures against the spread of COVID-19, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to make various ESG investments that contribute to the resolution of social issues and the realization of a sustainable society</li> </ul>

## Signing of the Principles for Responsible Investment (PRI)

The three companies: Taiyo Life, Daido Life, and T&D Asset Management are signatories of the Principles for Responsible Investment (PRI)\*, which are supported by the United Nations, and are committed to investment and financing that take into account environmental, social, and corporate governance issues.

Signatory of:



\* The Principles for Responsible Investment (PRI) are a code of conduct for the global financial industry that was proclaimed by Kofi Annan, the secretary-general of the United Nations in 2006. A commitment to these principles has been signed by over 4,200 financial institutions worldwide, and by 95 in Japan (as of August 2021).

## T&D Insurance Group ESG Investment Policy

In accordance with the T&D Insurance Group's Corporate Philosophy, the Group has established the T&D Insurance Group ESG Investment Policy, which expresses the Group's stance towards ESG investment.

As an institutional investor, contributing to realizing a sustainable society through investment is one of the most fundamental roles of the Group. The Group will secure stable long-term investment income and contribute to the realization of a sustainable society through investment activities undertaken in consideration of the environment, society, and corporate governance, with the aim of growing sustainably in partnership with society.



T&D Insurance Group ESG Investment Policy can be found here:  
<https://www.td-holdings.co.jp/en/csr/csr-policy/esg.html>

## The T&D Insurance Group's stance on Investment and Financing for Coal-fired Power Generation Projects

We recognize that coal-fired power generation and other fossil fuel-related businesses are one of the factors driving environmental problems such as climate change and air pollution, and that the attitude of institutional investors in this sector is more important than ever before.

It is the Group's policy not to make any new investments or loans to coal-fired power generation projects. However, we may consider investments and loans in cases where the environmental impact of the project will be reduced, for example through the development of new technologies for carbon capture and storage (CCS) or carbon capture, utilization and storage (CCUS).

### Examples of ESG Investment and Financing

#### Investments in environmental problem solving green bonds

We invest in Green Bonds, which financially support various projects by local governments and incorporated administrative agencies. These projects include working on "Creating Smart Energy Cities" and "Adapting to the Effects of Climate Change," and promoting the convenience of urban rail, which is expected to be effective in improving the environment, including reducing CO<sub>2</sub> emissions.



#### Investment in funds that support projects that contribute to the promotion of human health

With the aim of responding to the social issue of extension of healthy life expectancy, we invested in the Fund Supporting Good Health, which targets listed corporations in Japan that conduct businesses such as pharmaceuticals, healthcare, sports clubs, and health foods, as well as the Japan Healthy Society Support Fund.



## Social Activities

### Taiyo Life



### Sponsorship of the Japan Junior High School Rugby Football Tournament

Since fiscal 2011, Taiyo Life has been a special sponsor of the Japan Junior High School Rugby Football Tournament (Taiyo Life Cup) hosted by the Japan Rugby Football Union (JRFU). Together with the JRFU, we are committed to the promotion and development of junior high school rugby in Japan and the healthy development of young people.

### Daido Life Survey

Since October 2015, Daido Life has been conducting the Daido Life Survey, a monthly survey that collects the opinions of the managers of SMEs on such matters as business confidence and management issues. Daido Life sales representatives have visited about 12,000 SMEs across the country to hear the unfiltered opinions of their business owners. The results of the survey are compiled into a report that is sent to customers across Japan and also made available to the general public.

### Daido Life



Daido Life website  
[Daido Life Survey]



### T&D Financial Life



### Official Partner Agreement Concluded with Japan Deaf Football Association (JDFA)

T&D Financial Life signed an official partner agreement with the Japan Deaf Football Association in June 2018. As an official partner, T&D Financial Life will contribute to the development and spread of deaf soccer and futsal by supporting their activities and promoting sports for persons with disabilities.

### Support for Areas Affected by Disasters

When a major disaster occurs, the T&D Insurance Group and its Group companies provide support that includes making contributions to disaster relief funds and cooperating with recovery work. When the 2020 Kyushu floods struck Japan in July 2020, we donated money to support the victims of the disaster and to help rebuild the affected areas.





## Response to COVID-19

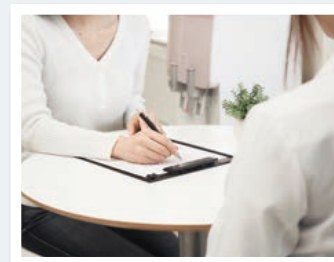
The Group is engaged in a variety of initiatives in response to COVID-19.  
The Group will work as one with the hope the situation is resolved as soon as possible.



### Support for Customers

We are continuing to provide stable financial services to our individual and SME customers, including products that address their needs related to COVID-19.

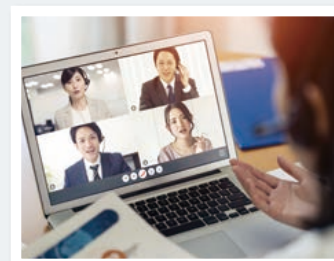
- ☒ First to provide "Infectious disease plus hospitalization insurance (lump-sum payment type)," which covers COVID-19 (Taiyo Life)
- ☒ Free provision of COVID-19 mutual aid insurance in collaboration with justInCase Co., Ltd. (Daido Life)
- ☒ Extension of the grace period for payment of premiums and the period for policy renewal procedures
- ☒ Simple and rapid payment of claims, benefits and policy loans



### Support for Employees

We are committed to maintaining a worry-free work environment for our employees, for example by encouraging non-face-to-face solicitation out of concern for the safety of customers.

- ☒ Promote telework by using telecommuting and satellite offices  
(under a declared state of emergency, the work attendance rate is limited to 30%)
- ☒ Promote staggered work hours
- ☒ Use of remote conferencing tools
- ☒ Introduction of systems and tools to enable non-face-to-face solicitation



## External evaluation

### Evaluation by ESG assessment organizations

#### International



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### Major awards

For the fifth year in a row, Taiyo Life and Daido Life have been recognized as members of the Certified Health and Productivity Management Organization White 500.



All three of the Group's life insurance companies have obtained the "Platinum Kurumin" mark, as have T&D Asset Management and T&D Information System.



For the third year in a row, T&D Holdings received the Platinum Career Award.



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