

CREATE VALUE FOR PEOPLE AND SOCIETIES.



T&D Insurance 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 Insurance Group's Management Vision

Sow happiness, make change with boldness







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Sustainability Report 2022

Report Publication Information

102-50 102-51 102-52

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Scope of report All companies and foundations in the T&D Insurance Group

* Contents of this report are selected taking into account the importance of each item, and we indicate the scope of each item as necessary.

Period covered April 2021 to March 2022 (annual)

* Also includes reports on some significant activities and events having occurred in and after April 2022.

102-53 **Contact Information**

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Regarding Third-party Opinion

As representative director of the Kamakura Sustainability Institute, Ms. Ai Aonuma has extensive knowledge on sustainability. She was asked to offer her opinion and advice on the contents of the Sustainability Report 2022 from a third-party standpoint.

The T&D Insurance Group has prepared this report to provide a wide range of stakeholders with a picture of the Group's approach to sustainability, in addition to its sustainability initiatives. For fiscal 2022, the Group has created two different reports in order that a wider range of stakeholders can learn about the Group's initiatives. In addition to the Sustainability Report 2022, we have released a digest edition of the Sustainability Report 2022. The Sustainability Report 2022 comprehensively covers the management, social, and environmental initiatives being promoted by the Group in conformity with the Core GRI standards. Further, in the digest edition, we present the Group's approach to sustainability and the main sustainability initiatives taken by the Group in an easy-to-understand format. The report is written in a more casual, easy-to-read manner with a reduced number of pages and many photographs and illustrations.

Overview of the Digest Edition of Sustainability Report 2022

- Message from the President
 T&D Insurance Group's Corporate Philosophy/T&D Insurance Group's Management Vision/ Group Structure/CSR & Sustainability Trajectory of the T&D Insurance Group Dialogue Between Expert and Executive Vice President
- Priority Theme 1 Promote Healthy and Abundant Lives for All People
- Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively
- Priority Theme 3 Help Mitigate and Adapt to Climate Change
- Priority Theme 4 Invest to Help Build a Sustainable Society
- Social Activities
 Support Measures for Young People
 Employee Dialogue
- Principles That the T&D Insurance Group Endorses and Supports/External evaluation



Message from the President

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Creating Social Value through the Life Insurance

Business to "Sow Happiness in the World"

-SDGs Management and Creation of Value-

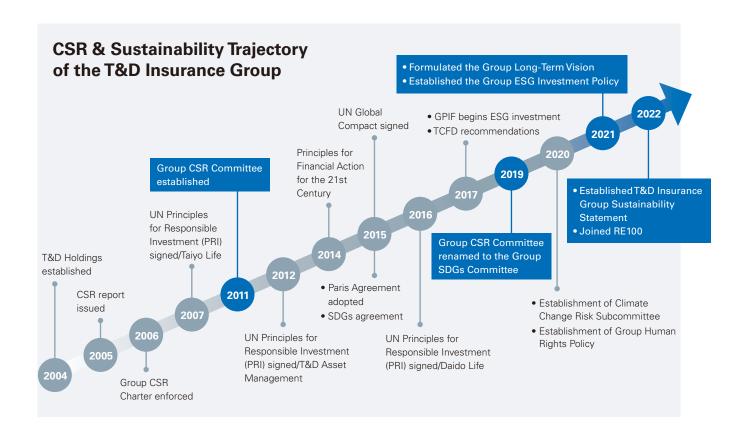
Group Long-Term Vision/SDGs Management and Creation of Value

Under 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 defined the T&D Insurance Group's Management Vision as "Sow happiness, make change with boldness," and we set five primary themes to work on in order to achieve this vision. One of these themes is "SDGs management and creation"

of value." We established "non-financial KPIs" to quantitatively measure the creation of social value, and we are committed to a policy of "creation of shared value" that is compatible with economic value creation.

Emergence of Serious Social Issues/ Announcement of Sustainability Statement

The global outlook is becoming increasingly uncertain, with frequent extreme weather events due to ongoing climate change, the global COVID-19 pandemic, and



other challenges. The most vulnerable in society are facing even more difficult lives. This situation only reinforces my conviction that the Group, as a corporate entity that is itself a member of society, should work on SDGs management that "leaves no one behind" to create a sustainable world with resilience to various risks.

Therefore, in May 2022, we reviewed our responsibilities to society through our business activities and published our basic policy for achieving this goal as the T&D Insurance Group Sustainability Statement.

The Group, whose core business is life insurance, which is a sustainable business, provides long-term safety and security to our customers through our products and services. 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.

Specific Initiatives for Solving Social Issues

Based on this idea, Taiyo Life has launched *Cancer and Critical Illness Prevention Insurance*, which supports efforts to prevent serious illnesses, and Daido Life has begun offering *Kaisha Minnade KENCO+*, which integrates the functions of preparing for unexpected retirement and promoting health and productivity management. These products contribute to solving the social issue of extending healthy life expectancy through our insurance business, and embody the SDGs management that we are pursuing.

In addition, the Group endorses the principles of the UN Global Compact (UNGC), and as a group we practice responsible behavior in the areas of the environment, human rights, and labor.

Message from the President

In the area of the environment, in order to achieve net zero emissions by fiscal 2050, we have set a non-financial KPI in the Group Long-Term Vision of reducing our own CO₂ emissions by 40% by fiscal 2025 (compared to fiscal 2013), and are actively switching our electricity use to renewable energy.

In addition, as a responsible institutional investor, through constructive dialogue with investees and the exercise of voting rights, we aim to reduce the CO₂ emissions of our investees by 40% by fiscal 2030 (compared to fiscal 2020). In the areas of human rights and labor, we have established the T&D Insurance Group Human Rights Policy, and we regularly conduct human rights due diligence. Most recently, we have focused on corporate harassment, which has become a major social issue, and we are examining whether appropriate measures are being taken in the Group's business activities.

In addition, in support of human capital, we are focusing on promoting the active participation of women. Women constitute the majority of the Group's employees, and as part of this commitment, leveraging the capabilities of women is a key management issue for continuous enhancement of our corporate value. Our initiative to support the active participation of women takes a multi-faceted, continuous approach that includes reforming our personnel and compensation systems, encouraging work-life balance, and supporting personal skills development.

The T&D Insurance Group Future Vision

I believe that working on SDGs management and solving social issues will lead to the "creation of shared value," which is the Group's future vision, and thereby "sow happiness in the world." We at the T&D Insurance Group will continue our step-by-step journey to achieve our aim of becoming an insurance group that grows sustainably in partnership with society.



T&D Insurance Group Sustainability Statement

We established the T&D Insurance Group Sustainability Statement in May 2022 to express the stance of the Group with respect to sustainability issues.



1 Basic Concepts

With life insurance as its core business, T&D Insurance Group puts sustainability at the heart of its business, providing products and services that deliver safety and security to customers. In addition, as an institutional investor, the Group is engaged in asset management, which is highly public in nature and closely linked to economic development and sustainable society building. The Group believes that it has a responsibility to contribute to society through these businesses.

In May 2021, T&D Insurance Group developed a Group Long-Term Vision towards fiscal 2025 under the Management Vision: "Sow happiness, make change with boldness." The Group Long-Term Vision identifies SDGs management and creation of value as one of the challenges to the Group's Growth Strategy and priority themes and sets new non-financial KPIs to quantitatively measure the created social value. The Group believes that its efforts to promote SDGs management and solve social issues will lead the Group to achieve its goals of creation of shared value and sowing happiness in the world.

We, T&D Insurance Group, will take steady steps to become a sustainable insurance group that grows along with society.

Group Management Vision/ Group Long-Term Vision

Group's Management Vision

保険を通じて、"ひとり"から、世の中のしあわせをつくる。 ていねいに向き合い、大胆に変えるグループへ。

Sow happiness, make change with boldness Group Long-Term Vision "Try & Discover 2025" **Pursuing** <u>Pursuing</u> Financial KPIs Non-Financial KPIs Creation **Financial Values** Social Values of Shared Expanding group revenue Providing solution to social Value through improvement of capital issues through business efficiency activities (Adjusted profit/Adjusted ROE/Value of (Customer satisfaction/Employee new business/ROEV) satisfaction/CO2 emissions) 5 primary themes of Group growth strategy (1) Strengthening of core (2) Diversification and optimization of business portfolio business (5) SDGs management and (3) Further (4) Promoting integrated advancement of ERM **Group management** creation of value

2 Sustainability Priority Themes

T&D Insurance Group has highlighted challenges in the area of sustainability related to its businesses as issues of importance to society and of relevance to its businesses, selected from the 17 goals and 169 targets of the SDGs, and framed these social issues under the four sustainability priority themes as follows. The Group Long-Term Vision "Try & Discover 2025" also articulates how to tackle these themes in business activities.

Priority Theme 1 Promote Healthy and Abundant Lives for All People

We will 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.

Our Target

Increase customer satisfaction <u>year-on-year</u>* until fiscal 2025
 For details, please see ► P.34









Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively

To respect the human rights of all people, respect the personality and diversity of our employees, we ensure a healthy and safe working environment, and develop our human resources.

Our Target

Increase employee satisfaction <u>year-on-year</u>* until fiscal 2025
 For details, please see ▶ P.58









Priority Theme 3 Help Mitigate and Adapt to Climate Change

We will contribute to climate change mitigation and adaptation and work to create a net zero society and conserve biodiversity through our own business activities as a provider of insurance products and services to customers.

Our Target

- Reduce our CO₂ emissions by 40% by fiscal 2025
- Reduce our CO₂ emissions to <u>net zero</u> by fiscal 2050 For details, please see ▶ P.75









Priority Theme 4 Invest to Help Build a Sustainable Society

As a responsible institutional investor, we 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.

Our Target

- ullet Reduce the CO2 emissions of investees and borrowers by $\underline{40\%}$ by fiscal 2030
- Reduce the CO₂ emissions of investees and borrowers to <u>net zero</u> by fiscal 2050
 For details, please see ► P.87







^{*} Irrespective of the targets described here, we will aim to achieve each theme in a comprehensive sense.

1. T&D Insurance Group Vision

T&D Insurance 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.

Ensuring the Group's sustained growth by practicing our corporate philosophy

Creation of shared value

- •The Group must confront continually changing issues of people and society (social issues) as business opportunities.
- •Through its businesses, the Group creates value for society and value for the enterprise from the perspective of resolving social issues.

Enterprise that can grow over the medium to long term

- Contribute to the development of society through our business, and through this business make a fair profit.
- → Enterprise that creates social and economic value

Goal of the T&D Insurance Group

Be an insurance group that shares value with society and grows sustainably.



2. Philosophy and Policy of T&D Insurance Group

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The T&D Insurance Group has embraced the following corporate philosophy as the starting point for the Group and the bedrock of all of its business activities: "With our 'Try & Discover' motto for creating value, we aim to be a group that contributes to all people and societies."

The T&D Insurance Group is centered on the life insurance business, which attaches fundamental importance to the principle of mutual assistance. This is why our fundamental guiding principle as a business enterprise, and the very rationale for our existence, is to contribute to people and society through our businesses with the aim of achieving a sustainable society.

[Structure of Sustainability Basic Policies]



(Other Related Basic Policies)

- The T&D Insurance Group's Basic Policies Related to Customer-oriented Business Operations
- Basic Policy on Corporate Governance
- Basic Group Policy on Human Resources
- Group Risk Management Policy

etc

* All of these basic policies have been established by the T&D Holdings Board of Directors as in-house regulations.

T&D Insurance 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 Insurance Group CSR Charter

The T&D Insurance Group is firmly committed to fulfilling the public mission of life insurance and other businesses and to undertaking its corporate social responsibilities based on the Group's Corporate Philosophy and by achieving sustainable growth along with society.

1. Providing Better Products and Services

The T&D Insurance Group will offer high-quality, optimal products and services that meet customer needs, and will contribute to the sustainable growth of society and to the solution of social issues.

2. Strict Compliance

- The T&D Insurance Group will strictly observe laws, regulations and rules, and act with sincerity and integrity according to high ethical standards.
- The T&D Insurance Group will maintain and promote fair and free competition.
- The T&D Insurance 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 Insurance Group will respect the human rights of all people, and make efforts to enlighten all its employees on human rights.
- The T&D Insurance Group will respect the individuality and diversity of all its employees, ensure a healthy and safe work environment, and develop its human resources.
- The T&D Insurance Group will respect privacy, and will strictly control and protect personal information.

4. Communication

The T&D Insurance Group will provide proper information concerning its products and services and disclose corporate information in an appropriate and timely manner to the general public as well as to its customers and shareholders, and will actively strive to maintain a dialogue with all its stakeholders.

5. Contribution to Local Communities and Societies

The T&D Insurance Group will implement social activities as a good corporate citizen, and will contribute to the sound development of local communities and society.

6. Global Environmental Protection

The T&D Insurance Group will carry out its activities with full awareness of the importance of consideration for environmental issues, and will strive to protect the global environment.

7. Establishment of Effective Governance and Thorough Implementation

To ensure that its actions are in compliance with this charter, the T&D Insurance Group will develop an effective governance structure and strive to cooperate with a wide range of stakeholders, including its customers, shareholders, employees, sales agents, business partners, and local communities.

T&D Insurance Group ESG Investment Policy

In accordance with the 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.

For more information, please see "T&D Insurance Group ESG Investment Policy" on page 88.

T&D Insurance Group Human Rights Policy

Based on T&D Insurance Group's corporate philosophy and the T&D Insurance Group CSR Charter, the T&D Insurance Group has established its Human Rights Policy as a standard for all executives and employees of the T&D Insurance Group to comply with. For more information, please see "T&D Insurance Group Human Rights Policy" on page 59.

T&D Insurance Group Environmental Policy

The T&D Insurance Group will carry out business activities with full awareness of the importance of environmental concerns and will give sufficient consideration to global environmental protection based on the T&D Insurance Group CSR Charter. The Group will achieve sustainable growth along with the society while fulfilling the public mission of life insurance and other businesses, and undertaking its corporate social responsibilities.

The Group established the following environmental policy and is committed to complying with it in all of its business activities.

1. Environmental Conservation Efforts through Business Activities

We will contribute to the protection of the global environment in all of our business activities.

2. Reduction in Environmental Impact

Recognizing the environmental burden of resource or energy consumption and waste emissions, we will work toward reducing environmental impact by conserving energy or resources, recycling resources, and promoting green purchasing.

3. Compliance with Environmental Laws

We will observe all environmental laws and regulations.

4. Promotion of Environmental Awareness-Raising Activities

We will raise environmental awareness among all Group members through awareness-raising activities to promote environmental protection initiatives.

5. Continuous Improvement in Environmental Initiatives

By setting environmental objectives and reviewing them regularly, we will endeavor to continuously improve our environmental performance.

All members of the T&D Insurance Group are notified of this environmental policy, which is also publicly disclosed.

The T&D Insurance Group Compliance Code of Conduct

Guided by its corporate philosophy of "aiming to be a group that contributes to all people and societies through the creation of value," the T&D Insurance Group has established the T&D Insurance Group Compliance Code of Conduct to conduct fair and adequate business activities with integrity and sincerity for all stakeholders, including customers.

For more information, please see our website

WEB https://www.td-holdings.co.jp/en/csr/csr-policy/csr-compliance.html

Basic Policy on Corporate Governance

T&D Holdings has committed to all the provisions of the Corporate Governance Code that has applied to listed companies since June 2015 for the purpose of ensuring the T&D Insurance Group's sustained growth and the enhancement of its corporate value over the medium to long term. T&D Holdings has also disclosed a Basic Policy on Corporate Governance on its website setting forth the Group's initiatives and policies as they pertain to the salient principles and rules in the Corporate Governance Code.

For more information, please see our website.

WEB https://www.td-holdings.co.jp/en/csr/csr-policy/corporate.html

Reference: Information on Japan's Corporate Governance Code (Tokyo Stock Exchange website)

WEB https://www.jpx.co.jp/english/equities/listing/cg/

3. The T&D Insurance Group's Value Creation Process

Identifying important social issues

We identify the social issues to be addressed through our businesses by examining the SDGs, social changes, technology innovation, our Group business models, and other sources.

Identifying the social issues to be addressed through our businesses

> **SDGs** 17 goals 169 targets



Changes in the social environment		
Issues	Risk awareness	
Further decline in birthrate, aging population, and population decline • Increasing needs to make self-provision for pension, medical care, and nursing care • Increasing social inequality • Increasingly diverse households	Now, in the era of the 100-year life, due to the aging population, more people are suffering from chronic diseases and dementia, and there are increasing economic burdens on each household and society every year.	
Technology innovation • Advances in IT technology • Advances in medical technology	Against a backdrop of diversified lifestyles, insurance products that satisfy various needs of customers are required and responses to technology innovation are also important since there are a wide range of routes of taking out insurance depending on the preferences of customers.	
Human rights issues • Emergence of new human rights issues	Social and economic disparities have been widening due to the COVID-19 pandemic. Emergence of new human rights issues.	

Increased clima	te change risks
Issues	Risk awareness
Rise in average temperature	Increase in various illness risks, such as those of heat strokes, heat death, and respiratory diseases due to an increase in heat stress driven by rising temperatures.
Increase in and intensification of natural disasters	Rise in the number of injuries and fatalities due to natural disasters because of an increase in extreme weather events such as typhoons and floods.
Transition to a society with low or net-zero carbon emissions	Increase in business costs due to tighter regulations on greenhouse gas (GHG) emissions and the introduction of a carbon tax.

Competitive advantage sources

Financial Capital

Robust financial base

Human Capital

Diverse human resources

Intellectual Capital

Development of a wide array of products and management know-how Further advancement of capital and risk management

Social and Relationship Capital

Strong bond with customers and partner companies

Natural Capital

Protection of the global environment

I. Strengthening of Core Business

TAIYO-LIFE

T&D Asset Management

Business activities

Core

Sow happiness,

Distribution of resources

Reinforcing

II. Diversification and Optimization of B

III. Further Advancement of ERM (Upgrading Capital Management)

Promote healthy and abundant lives for all people

















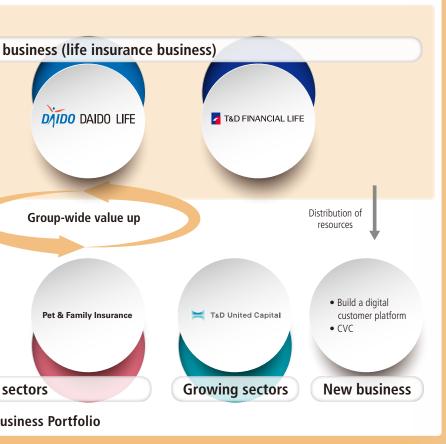
Corporate

We will create shared value by leveraging our cha

while enhancing our capital and risk management.

(implementation of the Group Long-Term Vision)

make change with boldness.



IV. Promoting Integrated Group Management



governance

racteristics and strengths

Creation of shared value

KPIs of the Long-Term Vision (targets for fiscal 2025)

Group adjusted profit

FY2021 (actual) ¥39.2 billion ¥130 billion (¥116.0 billion)*

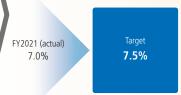
Adjusted ROE

Value of new business

FY2021 (actual) 2.7% 8.0% (7.8%)*

Customers





ROEV

Society

Business Partners

Employees

Shareholders

Customer satisfaction

FY2021 (actual) Minimum Over target level FY 2020 Achieved level

Employee satisfaction

FY2021 (actual) Over target level Achieved

Minimum FY 2020 level

CO₂ emission volume

FY2021 (actual) Compared to FY2013 31.0% reduction

Compared to FY2013 40% reduction

^{*}Figures exclude the impact of Taiyo Life's reinsurance (news release dated March 31, 2022).

4. Priority Themes for Promoting Sustainability

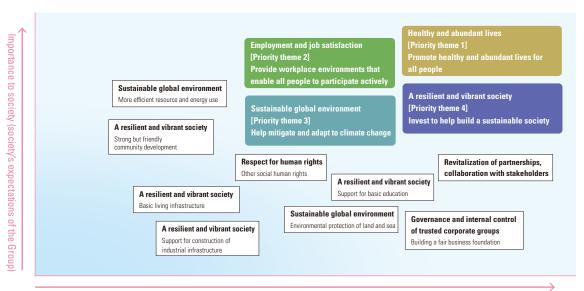
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4-1 Sustainability Initiatives

Sustainability Priority Themes

Among the various sustainability fields that relate to its business activities, the T&D Insurance Group has identified social issues that are highly important to society and highly relevant to the Group's operations. Based on this, we established the following four sustainability priority themes.



Relevance to the Group's business and initiatives (importance to the Group)

Process for Selecting Priority Themes

(1) Identify important social issues

We considered various social issues to be targeted, based on what society expects of us as a Group engaged mainly in the insurance business, as well as how we can help develop a sustainable society.

After examining the SDG goals and targets, our Group CSR Charter, changes in the social environment, trends in technological innovation, and other sources, we identified 40 (important) target-related social issues relevant to our policies, products, services, and business model.

(2) Identify initiatives that address the important social issues

We identified the initiatives that have been implemented to increase social value with respect to the important social issues through our business activities and our critical business and sustainability management platforms.

(3) Identify the shared value to be realized by the initiatives and the corresponding sustainability themes

We identified initiatives that address important social issues and the shared value of their impact. In order to create shared value, we set themes that promote Group sustainability from the perspectives of the areas of the issues to be addressed and the ways of addressing them.

For more details on (2) and (3), please see "Initiatives for solving social issues and creating shared value" on page 13.

(4) Prioritize shared values and sustainability themes

We evaluated the importance of each shared value and sustainability theme based on both a) importance to society, and b) relevance to the Group's business (influence on social issues). We then clarified the priority of the initiatives for the Group to pursue.

- a) Importance to society: Evaluation based on its impact on society and its contribution to the SDGs
- b) Relevance to the Group's business: Evaluation based on the relationship with policies and actions defined in the T&D Insurance Group CSR Charter

(5) Select sustainability priority themes

We set priority themes for promoting Group sustainability that can have an impact on the creation of shared value by addressing important social issues.

(6) Verify the adequacy of sustainability priority themes

- We engaged in dialogue and exchanged views on the selection process of priority themes with a qualified third party, then confirmed the adequacy of social issues to be targeted and the validity of our priority evaluation.
- In addition, we received approval from the Group SDGs Committee and reported to the Executive Committee (now the Executive Management Board) and Board of Directors.

Initiatives for Solving Social Issues and Creating Shared Value

The T&D Insurance Group is committed to creating shared value and contributing to solving social issues through the Group's broad range of business activities.

Social Issues and T&D Insurance Group Initiatives

Important social issue	T&D Insurance Group initiative B: Sustainability promotion in business activities P: Insurance business products and services I: ESG investment C: Social contribution	Shared value and sustainability theme (major activities)	
Reduce economic and social risks in an aging society	P: Insurance to support the prevention of dementia, insurance to protect a wide range of conditions requiring long-term care P: Pension products to address the 100-year-life era, insurance for long-term care and dementia C: Research grants for various health problems and the issues accompanied by rapid increase in the elderly population		
Help people maintain good health	P: Prevention insurance to prevent diseases such as cancer and critical illnesses with insurance I: Investment in funds that support businesses that contribute to improving people's health C: Foundation grants to welfare projects for the elderly and disabled	Healthy and	
Promote use of insurance and financial services for all	P: Protection-oriented products at an affordable price, income protection insurance that can add specific disease insurance P: Integration of Internet-based insurance enrollment with face-to-face support service P: Develop systems such as "creation of explanatory materials in foreign languages" and "establishment of an interpretation desk in multiple languages," etc. in order to meet the insurance needs of foreign workers in SMEs	abundant lives [Priority theme 1] Promote healthy and abundant lives for all people (person/household)	
Encourage all people to engage in social and economic activities	C: Engagement and support with the Down Syndrome Association and volunteer activities to support people with disabilities P: Asset-formation products for comfortable postretirement life for seniors		
Support establishment and growth of SMEs Promote decent work Create healthy and safe workplace environments Provide financial services to SMEs	P: Supporting the spread and promotion of health-oriented management® and the enhancement of the welfare system at SMEs P: New power bidding support service to support the efficient management of SMEs P: Helping SME owners confirm employee safety in the event of a large-scale disaster P: Commence web services for working on the solution of social issues together with SMEs		
Respect worker personalities and diversity Support human resources and skills development	B: Education and training centered on on-the-job training, group training, support for personal development, reskilling, and relearning B: Introduction of a re-employment system and implementation of life plan seminars for employees who are reaching the mandatory retirement age B: Promotion of employment for persons with disabilities, implementation of training on LGBT (sexual minorities), and establishment of a consultation desk to promote diversity	Employment and job satisfaction [Priority theme 2] Provide workplace environments that enable all people to participate actively (workplace)	
Promote the advancement of women Create healthy and safe work-place environments	B: Establishment and implementation of action plans for promoting the active participation of women and targets for promoting female employees to management positions B: Implementation of a mentor system in which executives and managers support newly appointed female managers B: Establishment of systems for return to the workplace, including formulating a program for returning to work after childcare leave		
Increase use of renewable energy Promote investments in clean energy Strengthen resilience to climate change	B: Set Group-wide targets to reduce CO2 emissions, reduce electricity consumption, reduce office paper consumption, and improve the green purchasing ratio. B: Participate in the RE100 international initiative which aims for renewable energy to be 100% of electricity used, and promote the introduction of renewable energy B: Conduct "Cool Biz" in summer and "Warm Biz" in winter B: Energy saving through the Lights Down Campaign, a range of initiatives for electricity saving, utilization of the power demand monitoring system, and implementation of "no overtime days."	Sustainable global environment [Priority theme 3] Help mitigate and adapt to climate change (global environment)	
Promote investments in sustainable development	I: Investment in Green Bonds and investment and loans for renewable energy power generation projects and energy efficiency projects I: Investment and management of ESG-related funds that make selective investments from the perspective of ESG I: Investment in the Fund Supporting Good Health and the Japan Healthy Society Support Fund to support projects contributing to people's health promotion I: Exercise of voting rights and dialogue with investees based on the Principles of Responsible Institutional Investors	A resilient and vibrant society [Priority theme 4] Invest to help build a sustainable society (society/community)	

Important social issue	T&D Insurance Group initiative B: Sustainability promotion in business activities P: Insurance business products and services I: ESG investment C: Social contribution	Shared value and sustainability theme (major activities)
Improve energy efficiency Enhance efficiency of resource use Increase reuse and recycling activities	B: Promote initiatives to reduce office paper consumption. For example, in principle, the Board of Directors and the Executive Management Board are now paperless. B: Promoting green purchasing by giving priority to products that are compliant with the Green Purchase Act and to Eco Mark products	Sustainable global environment (other than climate change) • Efficient use of resources and energy
Provide equal access to education Provide safe and effective learn- ing environments	C: Support for under-resourced schools in Southeast Asia - donation of books and school supplies	A resilient and vibrant society • Support for basic education
Eradicate corruption and bribery Provide proper information on products and services Ensure fair and free competition	P: Preparing easy-to-understand product brochures, policy overviews, and policy proposals tailored to each customer's needs P: Sending notification of policy details to customers and confirming them in person through direct home visit P: Preparing and distributing service guidebooks and safety guides	Governance and internal control of trusted corporate groups • Building a fair business foundation
Build communities that are inclusive of the weak Build communities that are resilient to disasters	nclusive of the weak Build communities that are I : Constructing and operating nursing homes utilizing assets owned by the Company A resulte • Stron devel	
		A resilient and vibrant society Basic living infrastructure
		Respect for human rights Other social human rights
Protect marine resources and prevent marine pollution Conserve forests Conserve terrestrial biodiversity	/ent marine pollution serve forests C: Established "lalyo Seimei no Mori" (little Forests of lalyo Life) at two locations in Japan and implemented forest conservation activities E: Cellected and depended plantic bottle conservation activities E: Cellected and depended plantic bottle conservation activities	
Promote sustainable agriculture Provide low-cost, reliable energy	I: Investment in social bonds which contribute to support for developing countries and measures against the spread of COVID-19, etc.	A resilient and vibrant society • Support for construction of industrial infrastructure
Collaborate with stakeholders	P: Holding customer information meetings and business reporting meetings B: Participation in the Japan Association for the UNEP (Global Environmental Initiatives) C: Support for the Japan Down Syndrome Society	Revitalization of partnerships • Collaboration with stakeholders

4-2 GRI Material Topic

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GRI topic		Materiality assessment (mapping) or Compliance issues	
GRI 200: Economic	201 : Economic Performance	3. Improve nutrition in poor household	
dni 200. Economic	201 . Economic renormance	29. Strengthen resilience to climate change	
GRI 200: Economic	205 : Anti-corruption	33. Eradicate corruption and bribery	
GRI 200: Economic	206 : Anti-competitive Behavior	d) Ensure fair and free competition	
GRI 300: Environmental	301 : Materials	27. Enhance efficiency of resource use	
dni 300. Elivilorilleritai	SUL. Materials	28. Increase reuse and recycling activities	
GRI 300: Environmental	500.5	16. Improve energy efficiency	
GRI 300: Environmental	302: Energy	17. Increase use of renewable energy	
CDI 200: Environmental	202: Weter and Effluents	13. Provide access to safe and inexpensive water	
GRI 300: Environmental	303: Water and Effluents	27. Enhance efficiency of resource use	
CDI 200. Environmental	204. Disalivaraity	31. Conserve forests	
GRI 300: Environmental	304: Biodiversity	32. Conserve terrestrial biodiversity	
GRI 300: Environmental	305: Emissions CO ₂	29. Strengthen resilience to climate change	
GRI 300: Environmental	305: Emissions SOx, NOx etc.	18. Promote investments in clean energy	
CDI 200. Facilitation and al	306: Effluents and Waste	30. Protect marine resources and prevent marine pollution	
GRI 300: Environmental	SUb: Effluents and Waste	31. Conserve forests	
GRI 300: Environmental	307: Environmental Compliance	The T&D Insurance Group Compliance Code of Conduct 1.Rigorously Enforcing Compliance	
GRI 400: Social	401: Employment 20. Promote decent work		
GRI 400: Social	03: Occupational Health and Safety 21. Create healthy and safe workplace environments		
GRI 400: Social	404: Training and Education h) Support human resources and skills development		
	405: Diversity and Equal Opportunity	11. Promote the advancement of women	
GRI 400: Social		g) Respect worker personalities and diversity	
ODI 400 O I	412: Human Rights Assessment	12. Stop discrimination against women and violence	
GRI 400: Social		g) Respect worker personalities and diversity	
ODI 400 O I	440 1 10 37	25. Build communities that are inclusive of the weak	
GRI 400: Social	413: Local Communities	26. Build communities that are resilient to disasters	
GRI 400: Social	414: Supplier Social Assessment	o) Collaborate with stakeholders	
GRI 400: Social	418: Customer Privacy	i) Manage and protect personal information	
GRI 400: Social	419: Socioeconomic Compliance	The T&D Insurance Group Compliance Code of Conduct 1.Rigorously Enforcing Compliance	
		19. Support establishment and growth of SMEs	
	Better Products and Servies	22. Promote use of insurance and financial services for all	
		23. Provide financial services to SMEs	
Issues not identified in GRI		7. Help people maintain good health	
Standard topics	Promote community and employee health	21. Create healthy and safe workplace environments	
		18. Promote investments in clean energy	
	Responsibilities as an institutional investor	34. Promote investments insustainable development	
	Demographic Change/Aging issues	Reduce economic and social risks in an aging society	

5. Contribution to SDGs

At the United Nations Sustainable Development Summit 2015, "Transforming Our World: the 2030 Agenda for Sustainable Development" was adopted unanimously. The agenda sets forth Sustainable Development Goals (SDGs), consisting of 17 goals and 169 targets, for the realization of sustainable development at the global level through the cooperation of the global community, including national governments, ordinary citizens and private-sector corporations. The SDGs are aimed at realizing a sustainable world through initiatives that address issues in a wide range of fields. They are in line with the Group's corporate philosophy of "aiming to be a group that contributes to all people and societies through the creation of value." The Group will continue to incorporate contributions to SDGs into the process for selecting sustainability priority themes and make efforts to contribute to achieving SDGs through our initiatives to promote sustainability, taking advantage of the features and strengths of the business.

5-1 Sustainability Priority Themes and SDGs

Sustainability Priority Themes and the SDGs

Sustainability priority themes	Main related SDG targets	Initiatives
Promote healthy and abundant lives for all people	3 add till-diliku N till-station 8 till-station and any 10 till-station 9 till-station 9 till-station 9 till-station 9 till-station 9 till-station 10	We will 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.
2. Provide workplace environments that enable all people to participate actively	4 county 1 counts 8 counts counts 10 records 10 records 10 records 10 records	To respect the human rights of all people and respect the personality and diversity of our employees, we ensure a healthy and safe working environment and develop our human resources.
3. Help mitigate and adapt to climate change	7 CLIMATION 13 ACRES 13 ACRES 15 ONLINE 15 ONLINE 17 PRINTEDURE 17 PRINT	We will contribute to climate change mitigation and adaptation and work to create a net zero society and conserve biodiversity through our own business activities as a provider of insurance products and services to customers.
4. Invest to help build a sustainable society	2 street and a second statum of the statum o	As a responsible institutional investor, we 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.

5-2 SDG Compass Comparison Table

The SDG Compass serves as a guideline for how companies align their SDGs with their business strategies and measure and manage their contributions. The Compass was created jointly by the Global Reporting Initiative (GRI), United Nations Global Compact (UNGC), and World Business Council For Sustainable Development (WBCSD) in 2016. The five steps in the SDG Compass and the status of the Group's efforts are described below.

SDG Compass Comparison Table

Item	SDG Compass contents	Relevant material (P indicates the page of this report)	
Evactiva summan	Why do the SDGs matter for business?	P.2: Message from the President	
Exective summary	What is the SDG Compass?	P.17: 5-2 SDG Compass Comparison Table	
Step 1	What are the SDGs?		
Understanding the	Understanding the business case	P.16: 5. Contribution to SDGs	
SDGs The baseline responsibilities for business			
C4 2	Map the value chain to identify impact areas		
Step 2	Select indicators and collect data	P.12: 4. Priority Themes for Promoting Sustainability	
Defining priorities	Define priorities		
	Define scope of goals and select KPIs		
Step 3	Define baseline and select goal type	P.63: Priority theme 2 (Targets set for promoting female employees to	
Setting goals	Set level of ambition	management positions)	
	Announce commitment to SDGs	P.82: Priority theme 3 (Group-wide Targets and Results)	
		P.12: 4. Priority Themes for Promoting Sustainability	
0.	Anchoring sustainability goals within the business	Initiatives for solving social issues and creating shared value	
Step 4	Embed sustainability across all functions P.10: 3. T&D Insurance Group's Value Creation Process		
Integrating	Engage in partnerships	P22: 10. Principles That the T&D Insurance Group Endorses and Supports	
		P24: 11. External Evaluation	
		Publication of Sustainability Report (this report)	
		Website	
		https://www.td-holdings.co.jp/en/csr/	
		About 150 Insurance Group Investor Relations Corporate Information Sectionality New Releases	
		Control No.	
		Sustainability	
		Message from T&D Insurance Group Sustainability Statement	
		Herobias Unhare Among this is a supprise great that order-boxes to all orders and the control of	
Step 5	Fff-skin varantina and annualization	> Sustainability Report Busselik Nove local by 150 Halling No. may be	
Reporting &	Effective reporting and communication	described in PCF format. 3 Security State of the Security Securi	
communicating	Communicating on SDG performance	Integrated Reports	
		https://www.td-holdings.co.jp/en/ir/document/annual.html	
		About TaO Insurance Group Investor Relation Corporate Information Sustainability News Releases	
		Integrated Reports	
		perspective, about one the 15th however forward houses and estimate are timed to the Group's resolute to long the present part of the Company and the Company	
		and One of the discreption to detail entering of the Toll Sources Orace, capital, which represent to competitive advining represents and other tracts. In the Competitive Co	
		New Police March 17, 1987 New Police March 17, 1987 Internal Supported Reports Integrated Reports	
		e-Book (Institute Total Annual Statement (Institute Total Annual Statement (Institute Total Annual Statement (Institute Total Annual An	

For details on the SDGs and the T&D Insurance Group's initiatives, please see our website.

WEB https://www.td-holdings.co.jp/en/csr/effort/casestudy.html

6. Status of Sustainability Promotion

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FY2021 Status Report on the Promotion of Group Sustainability

The T&D Insurance Group has established the Group SDGs Committee, chaired by the president of T&D Holdings and consisting mainly of officers in charge of sustainability/CSR at each Group company. Under this Committee, we are pushing ahead with unified Groupwide activities.

The Group SDGs Committee serves as the cornerstone for promoting sustainability. It formulates basic policies for the Group's sustainability promotion activities and selects priority areas, along with drawing up annual plans and regularly confirming the implementation status of those plans. Since fiscal 2019, we have set four sustainability priority themes under which we are working to promote sustainability.

Plan Initiatives	Do FY2021 results/performance	Check/Act Activities planned for FY2022
Priority Theme 1: Promote healthy and abundant li		
Providing insurance products and services that meet the needs of society Support for maintaining good health	Offering Cancer/Critical Illness Prevention Insurance to prevent diseases with insurance Providing Maternity insurance to support women before and after childbirth Providing Kaisha Minnade KENCO+, a new health promotion-type full range of protection which promotes health-oriented management by SMEs Offering Hybrid Asset Life single-premium variable whole life insurance Deploying the Taiyo's GENKI Project to encourage good health Commenced Dodai?, a web service for working on the solution of social issues together with SMEs Bolstered product lineups to respond to diversifying customer needs	Continue contributing to solutions to social issues and developing and offering high-quality, optimal products and services that meet customer needs Continue to provide services to support the health of our customers and society as a whole
Priority Theme 2: Provide workplace environments	that enable all people to participate actively	
Creating a flexible and vibrant workplace where diverse human resources can demonstrate their abilities with a motivation to work and grow (work style reform, promotion of active roles for women, promotion of a diverse workforce) Creating a healthy and safe working environment	Revised personnel and compensation systems so that diverse human resources can participate actively Inhanced various support systems to enhance the work-life balance, including balancing work with childcare and nursing care Incouraged male employees to take childcare leave The three life insurance companies have been listed in the White 500 as organizations having outstanding health and productivity management Introduced a home-based work system and a satellite office work system to establish an internal structure enabling diverse work styles	Continue to advance the creation of a flexible and vibrant workplace where diverse human resources can demonstrate their abilities with a motivation to work and grow
Priority Theme 3: Help mitigate and adapt to clima	te change	
Reduction in CO ₂ Emissions Period: FY2021–FY2025 Scope: Buildings owned or leased and used by Group companies Baseline: CO ₂ emissions in FY2013 (value per unit of floor space) Target: At least 40% reduction from baseline by FY2025	 Reduced CO₂ emissions by setting targets for reducing electricity consumption, controlling energy consumption, and advancing the introduction of renewable energy FY2021 results: 0.0465 t/m², 69.0% of baseline (31.0% reduction from baseline) 	Reduced CO ₂ emissions by continuing to promot initiatives to reduce electricity consumption and promote the introduction of renewable energy
Reduction in power consumption Period: FY2018–FY2027 (Baseline year: FY2016) Scope: Buildings owned or leased and used by Group companies Baseline: Power consumed in FY2016 Target: More than 10% reduction in power consump	 Implemented a multitude of measures, including lights-out before business hours and during lunch breaks, turning off office appliances, setting a "no overtime day," new construction of owned real estate (including investment buildings), and energy saving investment when renewing facilities FY2021 results: 101.4 kWh/m², 91.3% of baseline (8.7% reduction from baseline) 	Reduce CO ₂ emissions by continuing to promote efforts to reduce power consumption through th measures listed on the left
Reduction in office paper use Period: FY2019–FY2023 Baseline: Average of office paper usage between FY2014 and FY2018 Scope: Paper used at head offices of Group companies Target: 12% reduction from baseline	Reduced usage by promoting paperless meetings, reducing storage documents, adding PC sub-monitors, installing PC connection monitors to meeting tables, managing the number of copies, promoting digitization of insurance policy provisions, etc. Reduced by 23.4% from baseline in FY2021	Initiate a new five-year target from FY2019 to further reduce paper usage

- Contribute to the realization of a sustainable society through ESG investments that take into account environmental, social and corporate governance issues
- Exercise voting rights as a responsible institutional investor and promote dialogue with investees
- <Environment> Implement investment in transition bonds and Green Bonds
 <Society> Invested in social bonds and infrastructure development projects in developing countries
- Exercised routine dialogue (engagement) with investee companies to promote their sustainable growth
- Continue investment and lending behavior based on ESG investment and the Principles for Responsible Institutional Investors (Japan's Stewardship Code)

Communication

- Dissemination of information related to the promotion of Group sustainability
- Issued a Group Sustainability Report and expanded the information disclosed on the website
- Disseminated sustainability/CSR-related information within the Group through Group newsletters and training including e-learning
- Expand report disclosure information and dissemination of sustainability-related information
 Continue measures to raise awareness of sus-
- Continue measures to raise awareness or sustainability of executives and employees through education and training

Contribution to local communities and society

- Group joint blood donations
- · Charity calendar exhibitions
- Held blood donation twice a year in cooperation with the head offices of each Group company
- Held a charity calendar exhibition with the cooperation of our business partners and donated the proceeds to facilities for people with disabilities
- Continue the efforts to contribute to society listed on the left

7. Sustainability Promotion Framework (FY2021)

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The T&D Insurance Group has established the Group SDGs Committee, which consists mainly of officers in charge of sustainability/CSR (planning and CSR) at each Group company.

Our sustainability promotion framework has been reinforced to facilitate coordinated efforts by way of deliberation by the Group SDGs Committee of Group-wide sustainability policies and initiatives, while encouraging each Group company to actively pursue sustainability promotion efforts in its respective operations.

Group SDGs Committee

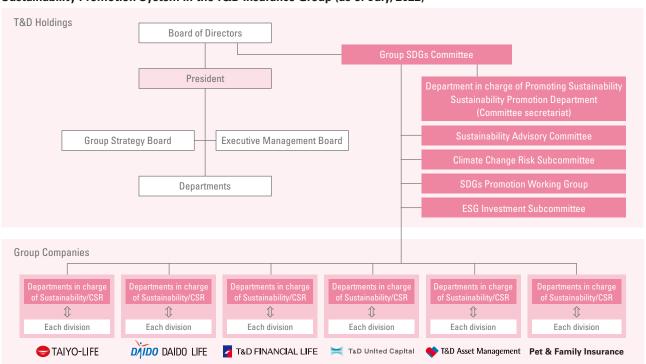
The SDGs express the goals of promoting sustainability in a way that is easy to understand. To further strengthen Group cooperation in promoting sustainability, the Group SDGs Committee was established directly under the Board of Directors with the goal of advancing efforts across the Group as a whole. The Committee serves as the cornerstone for promoting sustainability at the Group. It formulates basic policies for the Group's SDGs and CSR activities and selects priority themes along with drawing up annual plans and regularly confirming the implementation status of those plans. The Group SDGs Committee is chaired by the president of T&D Holdings (representative director and chairperson of the Board of Directors) and vice-chaired by the executive officer in charge of the Social Communication Department. In fiscal 2021, the Committee met four times. All the information shared and the issues deliberated and discussed are reported to the Board of Directors. In addition, in fiscal 2020 we established the Climate Change Risk Subcommittee and the ESG Investment Subcommittee as subordinate bodies of the Group SDGs Committee to proactively address the increasingly important issue of climate change. The subcommittees are chaired by the General Manager of the Social Communication Department of T&D Holdings, who is in charge of promoting Group sustainability, and consist of the heads of the planning, risk management, and asset management departments at each Group company, as well as the persons in charge of handling these issues (section managers). In addition, we have established the SDGs Promotion Working Group, which comprises the departments in charge of sustainability/CSR of T&D Holdings and each Group company. The Working Group advances each Group company's sustainability promotion activities by sharing information on sustainability promotion at each Group company, in conjunction with assisting with the management and activities of the Group SDGs Committee.

Sustainability Advisory Committee

This Committee was established in fiscal 2021 to improve the Group's sustainability initiatives by incorporating the perspectives of external experts and the latest trends.

- Executive officer in charge of sustainability at T&D Holdings
 - - 100% attendance at Group SDGs Committee meetings in fiscal 2021
- Department in charge of promoting sustainability at T&D Holdings
 - ------Social Communication Department*, T&D Holdings
- Departments in charge of sustainability/CSR at each Group company
 - Established departments in charge of sustainability/CSR at each Group company (planning and public relations departments)
- * Name changed to Sustainability Promotion Department following a reorganization on April 1, 2022

Sustainability Promotion System in the T&D Insurance Group (as of July, 2022)



8. Management Approach

T&D Holdings is promoting activities for each of the core subjects and themes of ISO 26000, through the meeting structure shown in the table below.

Co	ore Subjects and Themes of ISO 26000	Meeting Structure (Chairperson)
Organizational governance	Organizational governance	Executive Management Board [President of T&D Holdings] Group Strategy Board [President of T&D Holdings]
Human rights	Due diligence, human rights risk situations, avoidance of complicity, discrimination and vulnerable groups Group Compliance Committee [President of T&	
Employment and employment relationships, conditions of Labor practices Employment and employment relationships, conditions of work and social protection, social dialogue, health and safety at work, human development and training in the workplace Group HR Committee [Executive officer in charge of personnel at T&D Hol		Group HR Committee [Executive officer in charge of personnel at T&D Holdings]
The environment	Prevention of pollution, sustainable resource use, climate change mitigation and adaptation, protection of the environment, biodiversity and restoration of natural habitats	Group SDGs Committee [President of T&D Holdings]
Fair operating practices	Anti-corruption, responsible political involvement, fair competition, respect for property rights	Group Compliance Committee [President of T&D Holdings]
	Social responsibility in the value chain	Group Risk Management Committee [Executive officer in charge of risk management at T&D Holdings]
Consumer issues	Consumer service, support, and complaint and dispute resolution, education and awareness	Customer service department and product development department of each major group company
	Consumer data protection and privacy	Group Risk Management Committee [Executive officer in charge of risk management at T&D Holdings]
Community involvement and development	Community involvement	Group SDGs Committee [President of T&D Holdings]

The activities of the core subjects and themes of ISO 26000, other than Group CSR committees, are described below.

Executive Management Board and Group Strategy Board

T&D Holdings has established an Executive Management Board and Group Strategy Board. The Executive Management Board is composed of the chairman, president, executive vice president, and executive officers, and primarily discusses and resolves important matters related to the management of the Company and of the Group. The Group Strategy Board consists of the President, executive officers in charge of the business planning units and financial strategy units, and the presidents of Taiyo Life and Daido Life, who are also members of the Group's Board of Directors. The Group Strategy Board discusses matters related to the Group's growth strategies and other important matters associated with them.

Group Compliance Committee

This committee was established under the Board of Directors to strengthen the Group's compliance structure. Its chairperson is the president. The vice chairperson is the executive officer in charge of the Risk Management Department (responsible for compliance). In addition to promoting, monitoring and improving the Group's compliance structure, the committee investigates, plans, and discusses fair business performance, human rights violations, and other such issues. The committee verifies the compliance status of the T&D Insurance Group Compliance Code of Conduct and the effectiveness of the compliance structure through periodic monitoring of the Group's compliance practices and deliberations on them. The committee held four meetings in fiscal 2021 and reported issues covered and information shared to the Board of Directors.

Group HR Committee

T&D Holdings and the three life insurance companies share information about labor-related matters regarding the administrative personnel employed by the Group. The Group has established the Group HR Committee in order to cooperate in conducting surveys, formulating plans and holding consultations regarding important matters of policy to which the Group should respond. The chairperson of the committee is the T&D Holdings executive officer responsible for human resources, and the committee members are the heads of the human resource departments of the three life insurance companies. The committee meets every month. The Human Resources Strategy Council is promoting efforts to create a corporate culture that diverse human resources will find engaging to work in and that enables them to reach their full potential. The council does this by conducting surveys, formulating plans and holding consultations regarding policies and management methods concerned with the Group's labor-related matters. These include promoting the active participation of women and other forms of diversity, developing human resources, promoting a good work-life balance, and ensuring the health and protecting the safety of employees.

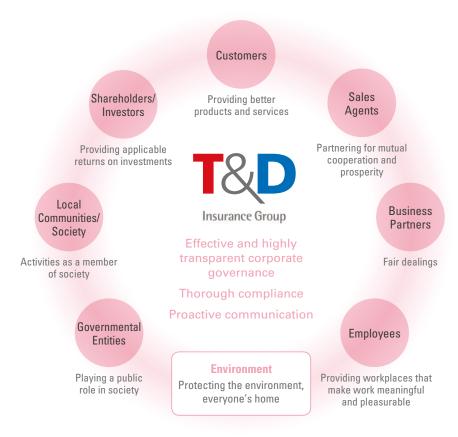
Group Risk Management Committee

Positioned directly under the Executive Management Board, the Group Risk Management Committee manages and controls risks that the T&D Insurance Group is exposed to and ensures thorough risk management. The Committee chairperson is the executive officer in charge of the Risk Management Department. The Committee also engages in conducting surveys, formulating plans, and holding consultations regarding the risks associated with outsourcing management of our business partners. In fiscal 2021, the Committee held 16 meetings and reported the results of deliberations to the Executive Management Board and the Board of Directors.

9. Stakeholder Engagement

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The T&D Insurance Group and Its Stakeholders



Management Reflecting Stakeholders' Opinions

The T&D Insurance Group proactively engages in dialogue with stakeholders as set out in the T&D Insurance Group CSR Charter (see "4. Communication"). By taking every possible opportunity to interact, the Group's three life insurance companies collect the opinions of policyholders, sales agents and other stakeholders and reflect them in their respective business management.

Proactive Information Disclosure

The T&D Insurance Group pursues proactive communication activities and works to make comprehensible information disclosures to customers, shareholders, investors, and all other stakeholders. To maintain and even heighten our trustworthiness in the eyes of society, T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life, and Pet & Family Insurance have formulated Disclosure Rules*. In keeping with these rules, we are striving to secure the transparency of management and to practice Group-wide and well-managed information disclosure in a timely, fair and accurate manner especially in the event of an emergency.

* Based on its Disclosure Rules, T&D Holdings has prepared and makes available its Disclosure Policy.

Dialogues with Main Stakeholders

	Shareholders' meetings, financial results briefings, individual meetings for institutional investors, and publication of shareholder newsletters
Shareholders and investors	In addition to shareholders' meetings, we hold information meetings, teleconferences, and individual meetings for institutional investors. T&D Holdings informs its shareholders, numbering 212,485 as of March 31, 2022, of the status of Group operations and other matters twice a year, in June and December, through shareholder newsletters.
	Customer feedback, customer surveys, customer meetings, business reporting meetings, Service Quality Improvement Committee, Service Supervision Committee, etc.
Customers	The Group has set up many points of contact with its customers, including sales representatives, agents, call centers and the Internet, as well as a new policy procedures survey that focuses on the attitudes of sales representatives and the understandability of application forms and other documents and customer satisfaction surveys, giving the Group access to a wide range of customer feedback. A committee has also been established to improve customer satisfaction, and the Group incorporates the opinions of outside committee members, including attorneys and experts in consumer issues, in its management.
	Education and training, human rights training, employee awareness surveys, dialogues and consultations with labor unions, an internal reporting system, etc.
Employees	Education and training are provided through on-the-job training and group training, and through support for self-education efforts. The Group also conducts human rights awareness training that addresses discrimination, harassment and other issues as a way of deepening employees' understanding of the importance of respecting human rights. Awareness surveys are conducted to collect information on employee opinions and requests regarding job satisfaction and enhancing motivation. Through dialogues with its labor unions, the Group has an opportunity to discuss a wide range of subjects, including management policies, wages, working hours, leave, human resource systems and benefits.
Protecting the environment and contributing to local communities	Participation in the UN Global Compact, Principles for Financial Action for the 21st Century, and the Japan Association for the United Nations Environment Programme (UNEP), support for the Japan Down Syndrome Society, working with the Japan Philanthropic Association, implementing Forests of Taiyo Life activities, supporting activities by The Nature Conservation Society of Japan, etc.
	The Group participates in the UN Global Compact, Principles for Financial Action for the 21st Century, and other initiatives. It also exchanges views in a wide range of areas through study groups and dialogues with the participating companies. Furthermore, the Group has opportunities to understand stakeholders' expectations toward enterprises and to explore possibilities of the Group's contribution through support of and participation in the activities of NPOs active in each field.

10. Principles That the T&D Insurance Group Endorses and Supports

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The UN Global Compact

The T&D Insurance Group has become a participant of the United Nations (UN) Global Compact (UNGC), a cooperative framework between the UN and corporations to realize sustainable growth advocated by the UN. The UNGC proposes ten principles applying to the four areas of the protection of human rights, the elimination of unfair labor practices, the protection of the environment and the prevention of corruption, and encourages companies to act in a responsible manner. The T&D Insurance Group endorses the UNGC's philosophy, and T&D Holdings, representing the Group, has signed a memorandum declaring its support for the ten principles.



UNGC's Ten Principles

Human rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses.
	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
Labor	Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.
	Principle 5	Businesses should uphold the effective abolition of child labour.
	Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.
	Principle 7	Businesses should support a precautionary approach to environmental challenges.
Environment	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.

Principles for Responsible Investment (PRI)

In the T&D Insurance Group, Taiyo Life, Daido Life and T&D Asset Management have endorsed and signed the Principles for Responsible Investment (PRI)*. PRI are guidelines that encourage global financial institutions and institutional investors to promote investment activities in consideration of Environmental, Social and Governance (ESG) issues.



* The UN Principles for Responsible Investment (PRI) were formulated by the UNEP Finance Initiative and the UN Global Compact as a set of principles that would facilitate the reflection of the ESG viewpoint in the decision-making processes of financial investors.

The Six Principles of the PRI

Principle 1: We will incorporate ESG issues into our investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG problems into our ownership policies for stocks and practices.

Principle 3: We will seek adequate disclosure on ESG problems by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)

T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life, T&D Asset Management, and Pet & Family Insurance endorse the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century)*, and have become signatories to this voluntary initiative organized by Japanese financial institutions.



* Principles for Financial Action for the 21st Century were formulated as guidelines for financial institutions that wish to fulfill their social responsibilities and play a role in the formation of a sustainable society. The principles were formulated by the Ministry of the Environment's Drafting Committee for Environmental Finance Principles, in which financial institutions from wide-ranging areas within the sector voluntarily participated.

Principles for Financial Action for the 21st Century

[Principle 1] Basic posture

Recognizing the responsibility and role we play as financial institutions in creating a sustainable society, we aim to create positive impacts on the environment, society, and the economy, as well as mitigate negative impacts, and take the initiative in implementing the best efforts through each business.

[Principle 2] Contribution to a sustainable global society

Leading the formation of a sustainable global society by developing and providing financial products and services that contribute to the creation and development of industries and businesses through innovation, for a steady and fair transition in society.

[Principle 3] Contribution to the formation of sustainable local communities

We support the resolution of environmental, social, and economic issues based on regional characteristics, and lead the formation of sustainable local communities through the improvement of regional inclusiveness and resilience.

[Principle 4] Human resource development

Recognize the importance of human capital in financial institutions, and develop human resources who can think and act on their own regarding environmental and social issues.

[Principle 5] Collaboration with Diverse Stakeholders

We recognize the importance of cooperation among various stakeholders, including financial institutions, in order to create a sustainable society.

[Principle 6] Build a sustainable supply chain

Actively address environmental issues such as climate change and biodiversity, as well as social issues such as human rights, and build a sustainable supply chain through constructive engagement with business partners, including investment and lending partners.

[Principle 7] Disclosure of information

Recognizing that activities to enhance the sustainability of society is a management issue, we will disclose information on our initiatives to a wide range of stakeholders and make constant improvements based on domestic and international trends and disclosure frameworks.

Task Force on Climate-related Financial Disclosures (TCFD)

T&D Insurance Group has stated its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)*, and we are keen to take action on disclosure of clear climate-related financial information.



* Task Force on Climate-related Financial Disclosures (TCFD): a task force established in December 2015 by the Financial Stability Board (FSB). It formulated its recommendations for clarified, comparable, and consistent information disclosure regarding the risks and opportunities posed by climate change. These recommendations were announced in June 2017.

RE100

The T&D Insurance Group has joined RE100*, an international initiative that aims to procure 100% of the electricity used in business activities from renewable energy sources. To realize a decarbonized society, the Group has set a goal of achieving netzero CO₂ emissions by FY2050. To achieve this goal, the Group has set a new interim target of "60% of electricity consumption to be derived from renewable energy sources by FY2030." Taking advantage of its membership in RE100, the Group will actively promote the transition to renewable sources for the electricity it uses.





* RE100 (Renewable Energy 100%) is an initiative bringing together companies aiming to procure 100% of the electricity used in business from renewable energy. Led by international non-profit the Climate Group in partnership with CDP.

Climate Action 100+

T&D Asset management is participating in Climate Action 100+, a global investor-led initiative calling for companies with high greenhouse gas emissions to respond to climate change through cooperative engagement.



11. External Evaluation

Inclusion in ESG Indexes

Evaluation by ESG assessment organizations

The Group makes efforts to disclose understandable and transparent information on its initiatives for addressing sustainability and ESG issues. The Group is included in major ESG indexes after being highly evaluated by ESG assessment organizations and index builders in and outside Japan.

* ESG (environment, social, and governance) investment is an approach to select targets not only on the basis of financial data, but also on initiatives for environmental and social issues, governance, and other considerations.

	International
FTSE4Good	The FTSE4Good Index Series is an internationally trusted major ESG investment index launched in 2001 by FTSE International, a wholly owned subsidiary of the London Stock Exchange Group. Our Group was added to the index in 2009.

Japan		
FTSE Blossom Japan Index	It is an index newly developed by FTSE in 2017 that consists of selected Japanese companies with excellent environmental, social, and governance (ESG) performance. Our Group has been included in the index since it was first developed.	
FTSE Blossom Japan Sector Relative Index	It is an index newly developed by FTSE in 2022 that consists of selected Japanese companies with relatively excellent environmental, social, and governance (ESG) performance in each sector. Our Group has been included in the index since it was first developed.	

Japan		
2022 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX	It is an index newly developed by MSCI in 2017 that consists of selected stocks with relatively high environmental, social, and governance (ESG) ratings. Our Group has been included in the index since it was first developed.	
2022 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)	It is an index newly developed by MSCI in 2017 that consists of selected stocks with excellent gender diversity in their industries. Our Group has been included in the index since it was first developed.	

As of July 1, 2022

Major Awards, Commendations

The Group's efforts for addressing CSR and ESG issues have been highly evaluated by society, and the Group has received various awards and commendations.

FY2021

Excellence Award at the 3rd
Platinum Career Award
Sponsored by TOYO KEIZAI INC.
Supported by Cabinet Secretariat and Ministry of
Health, Labour and Welfare

Ministry of Economy, Trade and Industry

<u>Certified as a DX-certified operator</u>

Information Technology Federation of Japan Cyber Index Corporate Survey 2021

Selected as one of the "42 companies with particularly good cybersecurity initiatives and attitudes and information disclosure which can serve as role models for others"

Ministry of Economy, Trade and Industry Listed as a Health and Productivity Management Organization White 500 HDI-Japan Telephone support desk (customers/agents) Quality rating Top quality rating of "3 stars"

12. Support Measures for Young People

Supporting the Studies of Ambitious and Capable Students (donations to the Japan Student Services Organization)

T&D Holdings made donations to the Japan Student Services Organization (JASSO) to help ensure that the young people who represent Japan's future do not give up on continuing their education for financial reasons, such as the sharp fall in household incomes in the wake of COVID-19.

JASSO provides equal study opportunities to all students. It also offers comprehensive support for all manner of student support projects in order to contribute to encouraging international student exchanges and enhancing support for students with disabilities, etc. at universities and other forms of higher education.

Special sponsorship of the Nikkei Social Business Contest (contributing to social business)

The T&D Insurance Group is a special sponsor of the Nikkei Social Business Contest held by Nikkei Inc. The contest aims to promote the healthy growth and greater awareness of social business and to increase the number of players who are willing to engage in it. Through our sponsorship of this contest, we hope to support the next generation of leaders who are willing to take on social issues and create value for society in order to contribute to the development of a sustainable society together.



Supporting young entrepreneurs and contributing to social business (sponsorship of musbun, Inc.)

For the purpose of supporting young entrepreneurs and social business, the Group has begun sponsorship of musbun, Inc., which won the student category prize in the FY2021 (5th) Nikkei Social Business Contest. This company supports the matching of students who wish to get involved in welfare activities with welfare providers who want to increase their points of contact with students.







Dialogue Between Expert and Executive Vice President

T&D Insurance Group's Initiatives to

Address Sustainability Issues

Morinaka The T&D Insurance Group has formulated the Group Long-Term Vision looking ahead to fiscal 2025, with "SDGs management and creation of value" as one of its priority themes. Our aim is the "Creation of Shared Value" that will both solve social issues related to the SDGs and improve financial value. In addition, in order to unify the Group's approach and direction and demonstrate our commitment to sustainability issues to society at large, in May 2022 we formulated the T&D Insurance Group Sustainability Statement, in which we once again clearly lay out the four pillars of our approach.

The first of these is "Promote healthy and abundant lives for all people," which can be said to be the number one goal of the insurance business. The second is "Provide workplace environments that enable all people to participate actively." For example, we have launched a "Head Office Anywhere" initiative that uses DX technology so that our employees can work on the head office tasks regardless of their location, whether at home or in a rural area. The point is not just to deal with COVID-19 but to enable a way of working that allows employees to balance work with childcare or nursing care. The third pillar is "Help mitigate and adapt to climate change." To become carbon neutral by 2050, the Group has set a goal of reducing CO₂ emissions by 40% from the

fiscal 2013 level by fiscal 2025. We have also joined RE100, an international initiative that aims to procure 100% of the electricity used in business activities from renewable energy sources. The fourth pillar is "Invest to help build a sustainable society." As a responsible institutional investor, we are committed to ESG-conscious investment.

We established a Sustainability Advisory Committee based on the belief that it is important to incorporate the perspectives of outside experts and the latest trends in order to improve these sustainability activities, and you have graciously agreed to join the Committee as an advisor. That's why I'd like to take this opportunity to ask your honest opinions on the Group's sustainability initiatives.

I'd like to see you play a leading role in leading the industry in a sustainable direction

Fuma When exchanging views with you all on the Committee, I really feel that insurance has been intended from the very beginning as a system to support a safe and secure society, which makes it a business that is closely related to sustainability by its very nature. At the same time, in these days when uncertainty is increasing, expectations for the insurance industry are very high not only in Japan

Dialogue Between Expert and Executive Vice President

but also in Europe and the U.S., so I think it's commendable that T&D Holdings has sorted out anew what is required of it by stakeholders and published it in the form of a statement. T&D Holdings is also in a position to provide long-term funding, so I'd like to see you play a leading role in leading the industry in a sustainable direction.

Morinaka Among many insurance companies, Daido Life is one that has focused on insurance for SME owners, and most of its 370,000 customers are companies with five or fewer employees. For such companies, insurance is extremely important to protect the company and the livelihoods of employees and their families when the owner dies or becomes unable to work due to injury or illness. In Japan, when an SME receives a loan from a bank, the company management and the individual are one and the same, and the owner and the owner's family are required to be co-signers. It is said that this hinders the development of startups. With that in mind, we want to provide an environment where startups and SMEs can take on challenges confidently with the understanding that the essential function of insurance is "protection."

From Environment to Natural Capital

Fuma Insurance companies are the companies with the greatest sense of urgency about climate change. And in their role as a source of long-term financing, insurance companies have also become central players in creating a ground-swell of climate change action. However, we should keep in mind that there's a growing movement that recognizes that climate change and decarbonization are no longer enough — we have to approach the issue as "natural capital," including biodiversity conservation. In addition, in Japan, there's a growing information gap on sustainability between large enterprises and SMEs. I would like to see T&D Holdings fill that gap, since as an ESG investor, you're in a position to quickly obtain global information on this issue, while at the same time you have an excellent channel to the SMEs.

Morinaka Yes, we're frequently asked to play that role. Especially for SMEs embedded in overseas supply chains, addressing sustainability is an existential risk, and we believe we have a responsibility to provide information to ensure that they are not cut out of the supply chain. We also believe that increasing the level of sustainability of SMEs is beneficial to us, as it leads to business stability.

Long-Term Funding to Support Social Business

Morinaka As a company entrusted with funds for 30 or 40 years, long-term investment is something we do better than banks. The Group's ESG investment balance has increased by about ¥100 billion every year to over ¥600 billion today, including the hydrogen power generation business, which

emits no CO₂, and green bonds. We would also like to use long-term funding to support social businesses that can't be part of our core business, so in June 2022, we established a corporate venture capital fund with a partner company with the goal of investing aggressively in startups with innovative technologies and ideas. This is directly related to the development of startup companies I mentioned earlier.

As an aside, at the fifth Nikkei Social Business Contest in 2021, which we co-sponsored, to my surprise, a team of high school students won the grand prize for developing an app that contributes to reducing CO₂ emissions by recording CO₂ emissions in a household account book as if it were a game. In addition to the brilliance of the idea, I was impressed that the members of Generation Z are so conscious and serious about the environmental issues, taking them as a crisis they will have to face.

Fuma With regard to non-environmental SDGs, Japan's Ministry of Health, Labour and Welfare has taken up the topic of "health and nutrition" in an effort to maintain Japan's universal health insurance system and prevent the collapse of medical care. The government has also issued alerts related to nutrition amidst climate change, the COVID-19 pandemic, and now the Russian/Ukrainian situation threatening food security. The Ministry has long been concerned about the negative impact of climate change on the health and nutrition of Japanese citizens, and is eager to share its awareness of the problem with the private sector and to enlist their help. Looking to the future, the deeper we dig, the more challenges arise. For companies like T&D Holdings that are in a position to view the sustainability of the world from a very long-term perspective, it's a moment of enormous risks and opportunities, and I hope T&D Holdings will exercise leadership on the "Creation of Shared Value."

Morinaka The number of people newly diagnosed with cancer decreased for the first time in 2020. This is attributed to the decrease in cancer screening visits due to the COVID-19 pandemic. We live in an era when cancer can be cured if it is detected early enough by annual cancer screenings. The decline rate of early-stage cancers that are less symptomatic and more likely to be detected by screening is usually greater than that of advanced cancers that are discovered later through obvious symptoms. The Ministry is therefore encouraging cancer screening, and an increasing number of large companies are engaged in this kind of health and productivity management, but I think there are many SMEs where even the owners don't get medical examinations. Comparing cancer screening rates in Japan and the U.S., the U.S. rate is about 80%, while Japan's rate is about 40%. Just improving this figure alone would have an impact, so in terms of contributing to the health of everyone, we believe we can be of service in this area as well.

Taiyo Life also has a subsidiary called the Taiyo Life Aging Society Institute that investigates and researches social

issues such as countermeasures to the declining birth-rate and extension of healthy life expectancy, publishes its results, and develops them into insurance products and services. For example, walking speed gradually decreases with age, but it is now known that if a person's walking speed drops suddenly, the person may be at increased risk of mild cognitive impairment, a precursor to dementia. We utilized these results in our Taiyo Life health promotion app, which supports customers in improving various aspects of their health including walking and sleeping. In addition, Taiyo Life is developing products and services such as *Himawari Dementia Prevention Insurance* to help everyone live long and healthy lives in the era of the 100-year life.

Spreading Awareness of SDGs Management and Creation of Value

Morinaka By the way, do you have any advice on how to spread awareness of the Sustainability Statement throughout the Group?

Fuma Sustainability awareness is not something that can change dramatically over a few hours of training. DX should be used to maintain a constant flow of information, and it's also important that both management and in-house sales representatives on the front lines can explain the importance of sustainability in their own words, not someone else's. Also, since most employees will be passive at first, I think it's better to start by explaining sustainability in a way that is familiar to them, for example, and by giving them tips that they will be interested in and will want to pass on to the outside world.

Morinaka Indeed, if the motivation of employees increases and the number of employees who act autonomously increases, this will boost both productivity and profitability. To that end, we should continue to pursue becoming a good

company that solves social issues, and we should also keep this in mind when thinking about how we communicate with employees. Finally, do you have any thoughts to share with the Group?

Dialogue Between Expert and Executive Vice President

Implementing the "Creation of Shared Value"

Fuma The results of sustainability initiatives are not immediately apparent, but it is important to accumulate them on a daily basis. I often refer to it as "the long journey." It's also a journey where new challenges arise endlessly. That journey has begun anew, but as we know, there's nothing more unsettling than a journey without a clear purpose and goal, and if stakeholders become unsettled, they're likely to leave. For T&D Holdings, it's a journey with four priority themes, on which I am privileged to give advice as the Company clarifies the direction and implements the "Creation of Shared Value" in this ever-changing business environment.

Finally, another major social issue that has emerged in the world is the division caused by inequality. There is wage inequality, employment inequality, and regional inequality, and Japan is not immune. As these disparities widen and become entrenched, various effects arise. I would like you to do some research on this matter as well.

Morinaka Thank you for your wide-ranging opinions and suggestions on the theme of solving social issues. The initiatives set forth in the Group Long-Term Vision are now in their second year of implementation and, with your help, are making steady progress. The points you've raised will help us improve our initiatives in the future. Meanwhile, together with our employees, we will strive to become a better company while taking care of our stakeholders. So, thank you for your continued guidance and support.



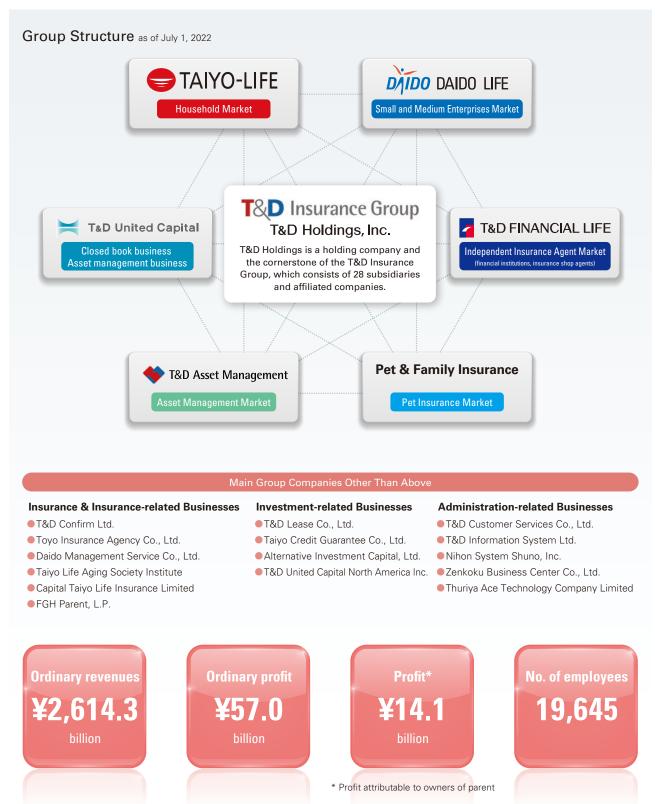
II Organizational Profile

1. Organizational Profile

1-1 Outline of the T&D Insurance Group's Business

102-2

The T&D Insurance Group is a unique grouping consisting of a core set of domestic life insurance businesses pursuing market-specific strategies together with other businesses with an affinity to the life insurance market, including a closed book business, an asset management business, and a pet insurance business, all underT&D Holdings, a holding company. This organization allows Group companies to work to fully exploit the strengths and uniqueness of their respective business models, in support of their customers' lives and businesses.



T&D Insurance Group Companies and Foundations

102-2 102-4 102-6 102-45

Organizational Structure

The T&D Insurance Group consists of T&D Holdings, 18 consolidated subsidiaries and 10 affiliated companies that are engaged in life insurance and other businesses as described below.

T&D Holdings, Inc.		https://www.td-holdings.co.jp/en/	
		○ Taiyo Life Insurance Company	https://www.taiyo-seimei.co.jp/
		O Daido Life Insurance Company	https://www.daido-life.co.jp/
	Insurance	○T&D Financial Life Insurance Company	https://www.tdf-life.co.jp/
		Pet and Family Insurance Company	https://www.petfamilyins.co.jp/
Insurance & Insurance-		◇ Capital Taiyo Life Insurance Limited	
related Businesses		◇ FGH Parent, L.P.	https://fortitude-re.com/
Du311103303		○T&D Confirm Ltd.	
	Insurance-related	○Toyo Insurance Agency Co., Ltd.	https://www.sonpo.co.jp/toyohkdaiko/
	irisurance-related	Daido Management Service Co., Ltd.	https://www.dms-hp.co.jp/
		○ Taiyo Life Aging Society Institute	https://www.taiyo-institute.co.jp/
	Investment Management and Advisory, etc.	⊚T&D Asset Management Co., Ltd.	https://www.tdasset.co.jp/en/
Investment-		○T&D United Capital Co., Ltd.	https://www.tduc.co.jp/en/
related Businesses	Other Investment-related	○T&D United Capital North America Inc.	
Dusillesses		○T&D Lease Co., Ltd.	http://www.td-lease.co.jp/index.html
		○ Taiyo Credit Guarantee Co., Ltd.	https://www.taiyo-sinyo-hosyo.co.jp/
		◇Alternative Investment Capital, Ltd.	http://www.aicapital.co.jp/english/
	Administration- related	○T&D Customer Services Co., Ltd.	
Administration-		○T&D Information System Ltd.	https://www.td-system.co.jp/
related Businesses	General Affairs and Calculation-related	Nihon System Shuno, Inc.	https://www.nss-jp.com/
		Zenkoku Business Center Co., Ltd.	https://www.zbc-jp.com/
		○ Thuriya Ace Technology Company Limited	
	The Taiyo Life Welfa	re Foundation	http://www.taiyolife-zaidan.or.jp/
Foundations	Daido Life Welfare F	oundation	https://www.daido-life-welfare.or.jp/
	The Daido Life Foun	dation	https://daido-life-fd.or.jp/english/

^{*1} Includes main Group companies and foundations as of July 1, 2022.

^{*2} Thuriya ACE Technology Company Limited is an affiliate company for designing and developing information technology systems in Myanmar.

Corporate Profile (as of March 31, 2022)

102-1 102-3 102-13

T&D Holdings, Inc.

Established	April 2004
Head office location	7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo 103-6031, Japan
Capital stock	207.1 billion yen
No. of employees	117
Independent accounting auditor	Ernst & Young ShinNihon LLC
Description of business	Insurance holding company for the T&D Insurance Group conducting the following: • Management control of life insurance subsidiaries and affiliates under the Insurance Business Act and other laws and regulations • Other businesses associated with the above

Taiyo Life Insurance Company

Established	February 1948 (Founded May 1893)
Head office location	7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo 103-6031, Japan
Capital stock	62.5 billion yen
No. of employees	Sales: 8,534 Administrative: 2,319 Total: 10,853

《Taiyo Life's Business Model》





Protection-oriented products covering medical care, nursing care and death security that meet customer needs

Face-to-face consultations Focus on major metropolitan areas and major local cities 8,534 in-house sales representatives



Daido Life Insurance Company

Established	July 1947 (Founde	d July 1902)
Head office locations	550-0002, Japan	me, Nishi-ku, Osaka chome, Chuo-ku, Tokyo
Capital stock	110 billion yen	
No. of employees	Sales: Administrative: Total:	3,699 3,137 6,836

《Daido Life's Business Model》



Products for corporate risk management (protection against death and disability)

Collaboration with tie-up groups in the SME market

Corporate organizations (NFCTA/TPA, etc.)

3,699 in-house sales representatives 1,269 non-life insurance agents

Professional organizations of tax accountants (TKC National Federation/local branches of CPTA Associations)

13,717 tax accounting agencies



T&D Financial Life Insurance Company

Established	July 1947 (Founded April 1895)
Head office location	1-1, Shibaura 1-chome, Minato-ku, Tokyo 105-0023, Japan
Capital stock	56 billion yen
No. of employees	274

《T&D Financial Life's Business Model》

Independent insurance agents (financial institutions and insurance shops)



Products for securing a comfortable retirement life and for lower household budgets

Products offered through independent insurance agents (financial institutions, insurance shops) Number of sales agents: 182



▶ Industry Association to which the Three Life Insurance Companies Belong: The Life Insurance Association of Japan

Organizational Profile

T&D Asset Management Co., Ltd.

Established	December 1980
Head office location	Mita Bellju Building, 36-7, Shiba 5-chome, Minato-ku, Tokyo 108-0014, Japan
Capital stock	1.1 billion yen
No. of employees	148

Pet & Family Insurance Company

Established	August 2003
Head office location	27-3, Higashiueno 4-chome, Taito-ku, Tokyo 110-0015, Japan
Capital stock	3.6 billion yen
No. of employees	81

《T&D Asset Management's Business Model》

Investors

Providing competitive products and services in a timely manner

Number of investment trusts: 246 Number of discretionary investment and advisory contracts: 52



《Pet & Family Insurance's Business Model》

Owners of pets

Products that cover the cost of veterinary care for pet illness and injury

Selling through agents (pet shops, etc.) 368 agents 696 pet shops

Pet & Family Insurance

T&D United Capital Co., Ltd.

Established	June 2019
Head office location	7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo 103-6031, Japan
Capital stock	5.5 billion yen
No. of employees	35
Description of business	Principal investment and investment management aimed at diversification and optimization of the Group's business portfolio Closed book business Other business

1-4 Number of Employees

102-8 401-1

Number of Employees (T&D Holdings, Consolidated)

Business sector	March 3	31, 2020	March 3	1, 2021	March 3	31, 2022	
Insurance & insurance-related businesses	17,827	(974)	18,354	(923)	18,411	(882)	
Investment-related businesses	450	(17)	472	(15)	451	(16)	
Administration-related businesses	781	(57)	789	(57)	783	(62)	
Total	19,058	(1,048)	19,615	(995)	19,645	(960)	

^{*} The number of employees shows the number of employed staff excluding executive officers. The number of part-time workers is shown in parentheses as an annual average, which is not included in the number of employees.

Number of Employees and Number of People Hired by the Group's Three Life Insurance Companies

	1	No. of employee	S	No. of employees hired		
	March 31, 2020	March 31, 2021	March 31, 2022	FY2019	FY2020	FY2021
No. of employees	17,457	17,945	17,963	3,377	3,464	3,090
Male	3,380	3,379	3,356	159	158	142
Female	14,077	14,566	14,607	3,218	3,306	2,948
Sales representatives	11,716	12,239	12,233	3,100	3,181	2,820
Male	307	293	290	56	45	38
Female	11,409	11,946	11,943	3,044	3,136	2,782
Administrative	5,741	5,706	5,730	277	283	270
Male	3,073	3,086	3,066	103	113	104
(Managers)	(2,108)	(2,085)	(2,117)			
Female	2,688	2,620	2,664	174	170	166
(Managers)	(432)	(454)	(499)			

^{*} Managers include head office deputy division managers, assistant officers, and other officers.

^{*} The figures for part-time workers differ from the Financial Report due to the rounding process.

Organizational Profile

1-5 Dialogue and Consultations with Labor Unions

102-41

Each of the three life insurance companies in the T&D Insurance Group has an independent labor union and a collective agreement. On this basis, the companies have proactively discussed with the unions on a wide range of issues including business management, corporate policies, wages, working hours, holidays, personnel management systems, fringe benefits and so forth. We believe that a truly meaningful cooperative relationship between employees and company, that is based on the spirit of trusting each other, can be built only through straightforward discussions based on their respective viewpoints, and that kind of relationship will motivate employees and bolster the competitiveness of the company.

Labor Unionization of the Administrative Personnel of the Three Life Insurance Companies

	FY2019	FY2020	FY2021
Labor unionization rate (%)	79.9	80.5	80.6

2. Supply Chain

2-1 Definition of Supply Chain

102-9

T&D Holdings defines its supply chain as shown in the table below, and works toward widespread sustainability and CSR throughout that supply chain.

Activities		Supply chain		
Sales of products	Media	Manufacturing of media to be used in the sales of products and services		
and services	Sales agents	Sales agents		
Contracting work		ICT systems, consulting, auditing		
	Buildings	Construction, maintenance, administration of office buildings		
Office buildings	Energy consumed	Petroleum refining and distribution, electric power providers		
	Waste	Waste disposal companies		
Delivery		Delivery company		
Movement of	Business trips	Airplane, rail, bus, taxi, accommodation		
employees	Commuting	Rail, bus		
Investment		Investees		

2-2 | Cooperation with Suppliers

414-1

Management of Outsourcing of Business Operations

The T&D Insurance Group outsources some business operations to third parties. In order to maintain our management soundness and strengthen our management control capability, we have prepared the adequate management system for outsourcing, specifically by formulating the methodology to select outsourcing partners and supervise them. T&D Holdings has formulated an Outsourcing Checklist as a part of the Guidelines for Outsourcing and Detailed Rules on Risk Evaluation for Outsourcing, based on the Procedural Guidelines for Implementation and Management of Outsourcing. The Group examines the risk-related issues, and assesses the suitability of each outsourcing partner with covered in the note respect to the issues including social aspects* such as human rights, labor conditions, and environmental initiatives.

* Social aspects refer to the occurrence of human rights violation, labor problems such as forced labor, excessive work hours, and health and safety, as well as measures to prevent and mitigate environmental pollution and climate change.

After the commencement of outsourcing, the Group checks the outsourcing partner more than once a year, monitors the performance of the outsourced operations, and, if necessary, asks for improvements.

Initiatives for Green Purchasing and Procurement

The T&D Insurance Group takes various initiatives to protect the global environment, based on the 'T&D Insurance Group CSR Charter' and the 'T&D Insurance Group Environmental Policy.' As one facet of these efforts, the Group has formulated its Groupwide Green Purchasing Standards to be applied when the Group procures or purchases the goods or services needed for its business operations. The Group promotes green purchasing and green procurement, giving priority to the purchase of goods or services that help reduce its environmental impact. Green purchasing mainly targets office furniture, equipment and consumable supplies, while green procurement targets printing of product brochures and policy documents and procurement of real estate facilities and system equipment. Results of these activities are reported to the Group SDGs Committee and its upper organization, the Board of Directors, every six months.

Promote Healthy and Abundant Lives for All People

With the main business of the T&D Insurance Group being the life insurance business, contributing to promote healthy and abundant lives for all people is one of our most basic responsibility to society. We have positioned "Providing Better Products and Services" as the first principle of the T&D Insurance Group CSR Charter. The Group clearly states its commitment to fulfilling its responsibilities to society through the insurance business by offering well-suited, high-quality products and services that meet customer needs. The provision of products and services that contribute to solving various risks faced by our customers, which occur due to societal changes such as the acceleration of Japan's declining birthrate and aging population, is both the Group's mission and an opportunity for growth.









Connected social issues and group initiatives to solve them







Social Issues	Primary Stakeholders	Initiatives		
Reduce economic and social risks in an aging society	Customers, local communities	Provide insurance to support the prevention of dementia and insurance that covers a wide range of conditions requiring long-term care		
Help people maintain good health	Customers, investors, local communities	Help spread and promote "Health and Productivity Management" and enhance welfare systems among SMEs Invest in funds that support businesses that contribute to improving people's health		
Promote the use of insurance and financial services for all	Customers	Integrate internet-based insurance enrollment wit face-to-face customer services		
Encourage all people to engage in social and economic activities	Customers, local communities	Deliver asset formation products for seniors to enjoy their lives post retirement		

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

- Offering Cancer and Critical Illness Prevention Insurance to prevent diseases with insurance
- Providing Maternity Insurance to support women before and after childbirth
- Providing Kaisha Minnade KENCO+, a new health promotion-type full range of protection which promotes health-oriented management by SMEs
- Offering Hybrid Asset Life single-premium variable whole life insurance
- Deploying the Taiyo's GENKI Project to encour-

- · Continue to provide products and services that meet the needs of society
- Offer insurance products which even customers concerned about their health status can apply for
- Offer insurance products which meet the asset management and asset administration needs of the 100-year-life era
- · Expand lineup of products offering a the sales tools, etc.



1. Provision of Products and Services which Meet the Needs of Society

The Initiatives of Taiyo Life

Taiyo Life has launched the Infectious Disease Plus Hospitalization Insurance (Lump-sum Payment Type) which covers hospitalization for certain infectious diseases, including COVID-19, in response to the unprecedented situation of the spread of COVID-19

infections, and has revised our business model to respond as quickly as possible, including rolling out "hybrid sales" utilizing information via Internet advertisements, etc., and introducing "Remote Application" which enables non-face-to-face solicitation, etc.

In FY2021, we secured funding sources for stable payment of pensions, etc. to our customers through ceded reinsurance of individual annuities policies with high assumed investment yield, and reduced investment risk to improve future revenue and capital efficiency.

Furthermore, based on the management policy of "helping as many customers as possible live healthy and long lives," and looking ahead to the full-blown arrival of the era of the 100-year life, Taiyo Life has been promoting Taiyo's GENKI Project, an initiative that began in June 2016 to energize all of our employees, customers, and society. The aim is to address the social issue of longer healthy lifespans, that is, living a long, healthy life. We are contributing to the "realization of a sustainable society" which is the aim of the SDGs, through a variety of actions taking into account the concepts of CSR, ESG, etc., such as the provision of products and services which contribute to the enhancement of the health and welfare of all people.





Product Development which Preempts the Changes of the Times

Taiyo Life is positively addressing dementia, a social issue, and is selling Himawari Dementia Prevention Insurance, etc., the first in our series of prevention insurance plans, as a product enabling customers to live their old age with peace of mind. At the end of March 2022, sales of our series of dementia-related products exceeded 790,000 policies, which shows that these products are well-received by many people, particularly by our senior customers.

Furthermore, in June 2021 we launched Cancer and Critical Illness Prevention Insurance, the second in our series of prevention insurance plans. This product guarantees coverage of up to 20 million yen for certain conditions due to 19 diseases, including cancer, acute myocardial infarction, strokes, and diabetes. In addition, by adding special



survival benefit provisions, customers can receive "preventive benefits" every two years starting one year after the policy begins. These preventive benefits can also be used for disease prevention services, etc., recommended by our company, leading to the prevention and detection of cancer and other critical illnesses at an early stage, thereby helping customers live longer, healthier lives. These products were well received by a wide range of customers of all ages, including the middle age generation, with over 70,000 policies sold as of the end of March 2022.



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Benefits Launched in October 2018



- Coverage of dementia using double insurance claims (diagnosis insurance claims and treatment insurance claims)*
- Payment of Preventive Benefits which can be utilized for the Dementia Prevention Service
- Coverage of hospitalization, surgery, and the like due to certain diseases and the like which are common in seniors

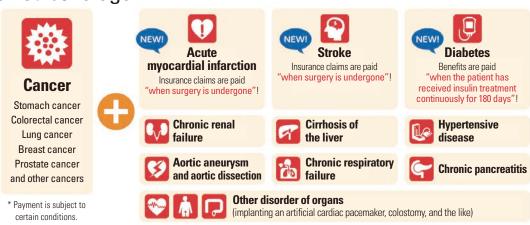
^{*}When enrolling in both "relaxed-underwriting type dementia diagnosis insurance" and "relaxed-underwriting type dementia treatment insurance"

Priority Theme 1





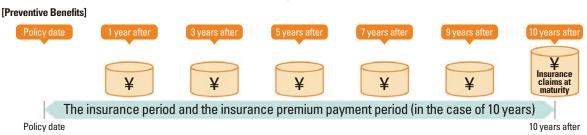
Broad coverage of cancer and critical illnesses through evolved coverage



Benefits 2

Can be utilized for disease prevention

Preventive Benefits which can be received in "as little as 1 year" can also be utilized for the Disease Prevention Service.



We are providing even more enhanced medical benefits, for example, in September 2021 we renewed the *Hospitalization Insurance (Lump-sum Payment Type)*, etc. in order to respond to changes in the medical environment, and in addition we launched *Surgery Coverage Insurance*. In November 2021, we carried out similar product revisions in the relaxed underwriting-type insurance for customers worried about their health, and in addition we abolished the reduction period for benefits, etc. in the first fiscal year of policies, meaning that we are now able to pay the full amount from the start of the policies.

We are also enhancing our product lineup as appropriate in *Sma-Hoken*, our Internet channel, and in September 2021 we launched *Maternity Insurance* as a dedicated product. We developed this product based on the idea that we wanted to "deliver peace of mind to customers who are expectant or nursing mothers and support birth and childcare through the provision of insurance" and we are providing it as dedicated insurance for expectant mothers under the supervision of obstetricians and gynecologists.

As a financial institution agent, we launched My Kaigo Best Plus in April 2020 as a successor to My Kaigo Best which can now arrange coverage for long-term care. In addition to the former coverage, customers will be paid insurance claims for a dementia diagnosis if they are ever diagnosed by a doctor with certain forms of dementia, and whole life dementia treatment benefits if conditions continue for 180 days due to certain forms of dementia.

As for the corporate insurance sector, in April 2020 we began selling benefit riders that can be added to our *Group Life Nursing-Care Insurance*, namely, the three major diseases benefit rider and disability income benefit rider. By introducing these riders, we have been able to meet the needs of individuals belonging to companies and organizations, along with their spouses, who wish to prepare financially for balancing medical treatments with work. By combining it with the existing life nursing-care insurance rider (for parents), customers can now arrange for coverage for parents requiring long-term care, the three major diseases, and loss of income with one product.

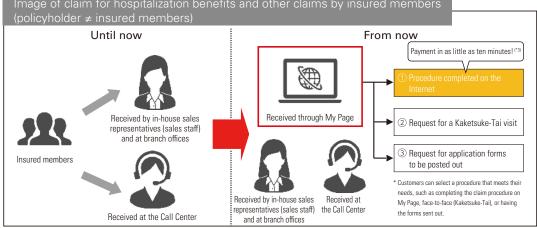
Delivering Peace of Mind to Families

Taiyo Life is continuously working on various reforms and improvements in order to deliver trustworthy and reliable services to customers over the long term, from enrollment and policy period, up to until a policy pays out.

We proactively recommend the family members of a senior customer to be present when he or she concludes a contract to prevent misunderstanding. Also, our in-house sales representatives make use of the video phone function of our Taiyo Life Concierge for mobile devices to contact customers directly and reconfirm the intention of the contract, application details, and more through our support desk, which offers ease-of-mind to our senior customers. We have also introduced the Family Registration Program, which allows the prior registration of contact information of customers' family members as preparation in case it ever becomes difficult to communicate with the policyholder due to the onset of dementia or hospitalization.

We are also implementing our Senior Visit Service, which involves visiting senior customers at least once a year during the enrollment period to confirm contract details and encourage customers to claim their benefits. Using our dedicated customer service Web portal Taiyo Life My Page, customers can complete procedures without having to visit the Company, including address changes and other insurance maintenance procedures, use of loans and other funds, hospitalization benefits claim procedures, and more. It is also possible to complete various procedures and benefit payments online. In October 2021, we became the first major insurance company in Japan to expand Taiyo Life My Page so it can be used by the insured members as well, and even in the case that the policyholder and the insured member are different, it is now possible to carry out the benefit claim procedures on My Page.





- (*1) This is the first time that insured members have been able to use the My Page service in the nine domestic life insurance companies with company names written in Japanese characters (Researched by the Taiyo Life as of October 7, 2021).
- (*2) Insured members (adults) with the policy format of "policyholder ≠ insured members." Note that you may not be a person eligible to use My Page depending on your policy details, age, and other factors.
- (*3) Differs depending on claim details, status of reception, and other factors.

When a payment is to be made, office workers with specialized knowledge visit customers and/or their families directly to help them with the procedures for claiming benefits as part of our Kaketsuke-Tai Service. This service, which makes use of the Taiyo Life Concierge to reduce paper consumption when claiming benefits, allows benefit payments to be made in as little as ten minutes. In addition, we have further expanded this service. For example, in October 2020 it went fully paperless due to claims for death benefits going paperless. Furthermore, concerning dementia, we are engaging in initiatives to follow up on customers who made claims for benefits, etc. but despite that could not receive payment at the time of the claims because they did not satisfy the payment criteria, in order to enable these customers to make future claims.



Priority Theme 1

Prevention Initiatives

Our goal at Taiyo Life is to help create a bright society with longevity where everyone can live long, healthy lives. Toward this goal, we are working on initiatives that not only support customers in the detection and improvement of critical illnesses at an early stage, but also help prevent disease, as well as improve our customers' health.

For customers eligible for payment of preventive benefits through our *Himawari Dementia Prevention Insurance*, we recommend dementia prevention services such as MCI Screening Plus, which determines the risk of mild cognitive impairment (MCI) through a simple blood test, and the Kurort Health Walking Experience Tour, which can prevent disease and improve health, among others.

In March 2021, we entered into a business agreement with Ajinomoto, H.U. Frontier, and H.U.Wellness, and began offering AminoIndex® Risk Screening, which can simultaneously evaluate the possibility of an individual currently having cancer and whether they are at risk of future strokes, myocardial infarction, or diabetes.

Moreover, we have started provision of the Taiyo Life Health Promotion App based on the concept of "improving health in a fun way using an app" which can support the health promotion of customers from a variety of perspectives, including walking, sleeping, etc. This app has functions which give advice based on the number of steps walked and hours of sleep every day regarding possible illnesses and conditions which can be prevented and for health promotion, so that the customers can confirm their own state of health.

Initiatives to Combat COVID-19

We launched *Infectious Disease Plus Hospitalization Insurance (Lump-sum Payment Type)* which covers hospitalization for certain infectious diseases, including COVID-19, in September 2020. This product is a product we developed as a way of giving our customers peace of mind and helping them live healthier, longer lives by taking the lead in providing life insurance with generous coverage for hospitalization due to COVID-19 infection in an era of coexistence with COVID-19, and had a huge impact on our business, with over 250,000 policies sold in March 2022.

Furthermore, we are implementing a variety of support measures such as special handling of various procedures, etc. for customers who have been affected by COVID-19 so that they can continue their policies and claim benefits, etc. with peace of mind. The support measures include extension of the grace period for payment of premiums and the period for policy renewal procedures, simple and rapid payment of claims, benefits, etc., and the waiving of interest on policyholder loans (new loans).

In order to fulfill our social mission to provide peace of mind by staying on top of changing customer needs in the midst of the coronavirus pandemic, Taiyo Life is protecting the health and safety of our employees while at the same time working on the development of new products and services which help us live with the coronavirus.

感染症プラス入院一時全保険











Switching of the Business Model through the Promotion of DX

Taiyo Life has changed the way life insurance solicitation is done. For example, we introduced the Taiyo Life Concierge mobile terminal for the in-house sales representatives in August 2018, enhanced its functions utilizing the latest IT, equipped it with consulting and presentation functions which listen to the requests of the customers and propose the optimal plan on the spot, and made it fully paperless in all processes from concluding the policy to receipt of payment.

In October 2019, we launched *Sma-Hoken* which enables customers to complete the application procedures online. *Sma-Hoken*, our completely new fully-online insurance system with extensive after-sales services, combines an online insurance quoting and application process that can be used any place and time a customer desires, with attentive visiting service from our personable staff.

Priority Theme 1

Furthermore, in January 2021 we introduced Remote Application (non-face-to-face solicitation), which combines Sma-Hoken with consultations with sales representatives and support with application procedures. Through this Remote Application service, proposals to a greater number of customers, including customers requiring non-face-to-face services due to the impact of COVID-19, etc. and also distant customers for whom direct face-to-face applications are difficult, etc., are now possible, and these customers can now easily complete policy procedures from their own smartphones or computers.

At a time when the cold-calling activities we were carrying out previously are facing constraints due to the impact of the spread of COVID-19, Taiyo Life has switched our business model to "hybrid sales" combining non-face-to-face services utilizing digital technologies based on the promotion of DX with the face-to-face services centered on sales representatives that we have cultivated to date. Going forward, we will work even harder to meet the diverse needs of our customers.









The Initiatives of 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. In recent years, changes in the environment surrounding SMEs and the diversification of their needs has been progressing, including longer working lives for business owners due to medical technology advances and other changes, responses to inheritance and business succession, growing interest in social issues, in particular health-oriented management® and the SDGs, etc. In the context of these changes in the environment, the Company is working on "evolution of the provision of coverage" to protect SMEs and "being a partner in the resolution of issues" to support the resolution of the various issues faced by SMEs.

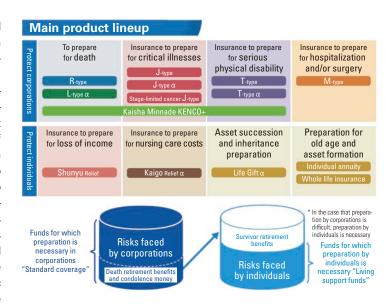
Provision of protection that widely covers the human risks faced by SMEs

Proposal of a full range of protection

There are many cases in which SMEs rely on the reputation and technical capabilities of the business owners themselves for their viability. For this reason, continuation of the business sometimes becomes difficult in the case that the business owner dies or becomes unable to work due to a major illness or injury, etc. In preparation for this kind of situation, Daido Life calculates the funds necessary to protect the company and family ("standard coverage" and "living support funds") to propose reasonable integrated coverage for the corporation and individuals (a full-range of protection).

L-type α , *J-type* α , and *T-type* α Products

With the arrival of the era of the 100-year life and facing a serious lack of successors, a phenomenon including the aging of SME owners and the lengthening of their working careers is advancing. Meanwhile, structural changes in society and industry are presenting SMEs with more diverse management challenges and risks. These changes in the environment have brought about changes in the insurance needs of SMEs, in particular a growing need for products with coverage that can be flexibly configured according to business conditions and other factors. In response to this situation, we launched the industry's first "madeto-order" insurance products to provide SME owners with long-term coverage against death, critical illness (cancer, acute myocardial infarction, and strokes), and severe physical disability. Specifically, in July 2019, we began offering L-type α [non-participating age-specific maturity term life insurance (specified surrender value suppression rate type)], J-type α [non-participating



critical illness insurance (specified surrender value suppression rate type)], and $\mathcal{F}type~\alpha$ [non-participating disability protection insurance [physical disability certificate-linked/specified surrender value suppression rate type)]. These products cater to the diverse needs of customers by allowing them to freely configure not only the insurance amount and period, but even the balance between premium and surrender value.

How it works (conceptual image) Made-to-order insurance period Made-to-order insurance period Insurance period Made-to-order insurance period Insurance period Made-to-order insurance period Adjusted by surrender value Surrender value Insurance period expires

Cancer Stage Limited J-type Product

In December 2020, in order to ensure critical illness protec-

tion for more customers while keeping pace with medical technology advances and other changes, we launched our *Cancer Stage Limited 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.

Kaigo Relief α

As a result of the aging society, there has been an increase in the number of people requiring long-term care in the public long-term care insurance system, as well as the number of elderly people with dementia. Accordingly, the needs for nursing-care benefits of SME owners and individual business owners are also on the rise. To satisfy these needs, in April of 2019, Daido Life launched *Kaigo Relief* α [non-participating whole life nursing care insurance (no surrender value type during premium payment period)] to provide wide coverage when long-term care is required, such as for dementia. This product ensures substantial coverage for times when long-term care is required, while realizing inexpensive insurance premiums by eliminating the surrender value during the premium payment period. By offering this product and the ancillary Kaigo Concierge service integrally, Daido Life is providing comprehensive support to relieve the financial, as well as psychological, burdens associated with nursing care.

Comprehensive support through Kaigo Relief α + Kaigo Concierge

Product

Kaigo Relief α (For financial burdens)

- Lifelong nursing-care benefits with inexpensive insurance premiums
- Coverage from the public long-term care insurance system "Care Level 1"
- High level of benefits of up to 100 million yen
- Multiple persons can be designated as beneficiaries, in accordance with needs



Kaigo Concierge (For psychological burdens)

- Care manager referrals
- Nursing-care facility referrals and visit arrangements
- Provision of dementia-related services and information through Dementia Plus +
- Application support for certification for long-term care certifications, etc.

HALFIT Service

Since April 2020, free access to up to three sessions of the Neuro HALFIT exercise program, which promotes the functional improvement of the nervous and muscular system using the wearable Hybrid Assistive Limb (HAL) $^{\circ}$ of CYBERDYNE, Inc., has been offered. This service, delivered as an ancillary service of *Kaigo Relief* α , etc., is intended to help prevent disease advancement and increase the independence of people who require relatively light levels of care while insuring them against financial risk in the event long-term care is needed.

About Neuro HALFIT

The Neuro HALFIT program uses the wearable Hybrid Assistive Limb (HAL)® to activate the activity loop of your brain-nerve system by repeatedly performing actions synchronized with your intentions, thereby inducing improvement in your brain-nerve-musculoskeletal systems even if you have difficulty moving your lower limbs on your own.

A look at the different types of HAL® programs



HAL lower limb type



HAL lumbar type



HAL Single Joint Type
Provided by ©CYBERDYNE, Inc.

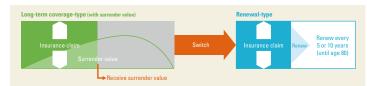
^{*} In addition to *Kaigo Relief* α , the company also provides *Shunyu Relief* [non-participating nursing care income protection insurance (no surrender value type)] to protect against loss of income when long-term care is required.

Initiatives for improving the convenience of insurance procedures and systems tailored to environmental changes

Expansion of the Policy Conversion System (Switch)

To respond more flexibly to changes in needs after enrollment, in April 2020 we introduced the Policy Conversion System (Switch) that allows products in the same benefit field with different coverage periods to be switched (converted) between one another. The system applies not only to the traditional death benefit, but also to disability benefit (J-type and T-type) insurance. This has further improved the flexibility of policies, allowing them to be revised in response to changes in business conditions and other factors.

Example of switch (conversion) from "long-term coverage-type" to "renewal-type"

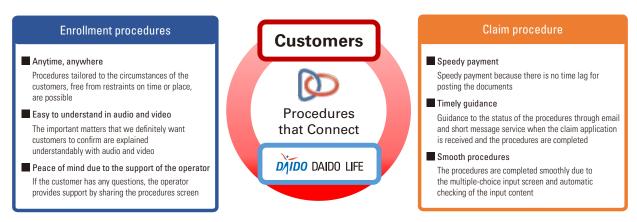


Procedures that Connect

In order to improve the convenience of customer procedures and respond to the "new normal" of coexistence with the coronavirus, we have introduced Procedures that Connect under which customers can carry out the enrollment procedures with their own smartphone and PC, and Remote Examinations offering examinations by doctors over the videophone.

In addition, from February 2022 we also introduced Procedures that Connect to the procedures concerning insurance claims, benefit claims, and cancellation requests.

We are continuing to try to make all insurance procedures non-face-to-face, so that customers can choose between "the security of face-to-face" and "the convenience of non-face-to-face" according to their needs.



Expansion of Services for Foreign Employees

Insurance needs are expected to increase due to further increases in the number of foreign workers. However, life insurance policies could not previously be purchased in cases where the application details could not be understood in Japanese. In order to respond to the wishes of SME owners to care for all employees regardless of nationality, from June 2019, Daido Life has implemented services for foreign employees (insured members) who have difficulty understanding Japanese.

By developing frameworks such as the preparation of explanatory materials in foreign languages and establishing multilingual contact points with interpreters, Daido Life has enabled applications from foreign employees for life insurance as welfare benefits.

Target languages

Eight languages: Chinese, Vietnamese, Filipino, Portuguese, Nepalese, Korean, English, and Spanish (Languages of the top eight countries, in terms of the number of foreign workers)

Initiatives toward support for the resolution of the management issues of SMEs

Initiatives to Promote Health and Productivity Management*

Daido Life assists SMEs in implementing Health and Productivity Management. The aims are to contribute to creating a society where SMEs and their employees can be active and vigorous and to solving issues faced by Japan's rapidly aging society.

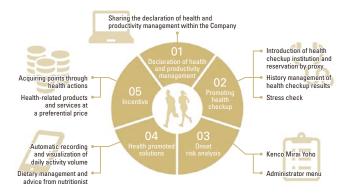
*The Japanese term for "Health and Productivity Management" refers to a corporate management style of paying additional attention to employees' health and strategically implementing policies aimed at employees' health management and maintenance, and is a registered trademark of the Workshop for the Management of Health on Company and Employee, a non-profit organization



Providing the KENCO SUPPORT PROGRAM

Since April 2017 Daido Life has been providing the Daido Life KENCO SUPPORT PROGRAM in cooperation with a multitude of companies, in particular Value HR Co., Ltd., that possess specialized technology and know-how.

This program is a comprehensive program targeted at SMEs. This program consistently supports implementation of the PDCA cycle necessary for health-oriented management. This includes assistance in encouraging employees to go through medical examinations for companies, risk analysis of development of lifestyle disease, etc. for individual SME owners and employees, and provision of health improvement solutions and incentives that promote continuous health promotion efforts.



Launch of Kaisha Minnade KENCO+

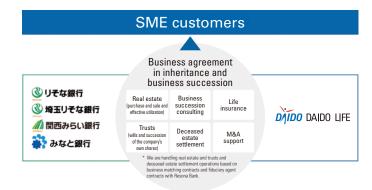
In order to realize "prevention of illness using health-oriented management" and "preparation for unexpected retirements," we launched a health-promoting insurance integrating the KENCO SUPPORT PROGRAM with protection in January 2022.

This product widely protects against a variety of risks such as death, severe disability, physical disability, critical illness, etc.; moreover, it has introduced a mechanism which discounts the basic policy insurance premiums the following year in the case that the customer's "average number of steps per day is 8,000 steps or more every year." We establish an "opportunity to start health-oriented management" by getting all of the owners, executives, and employees of SMEs to enroll in insurance together.



Support for Inheritance and Business Succession

For the enduring development of companies, we are supporting the owners of SMEs worried whether "they can hand on their business to a successor smoothly" through a variety of initiatives for the resolution of the issues. Specifically, for customers who have issues regarding business succession, expert consultants who have financial planning (FP) knowledge (FP and inheritance consultants) give advice about "methods of transferring the company's own shares" and "risk management based on financial analysis," and we cooperate with partner companies to provide the Corporate Value Calculation Service and M&A Support Service to calculate free of charge the corporate value of the customer as information to be used for judging the direction of cor-



porate management going forward. In addition, we have formed a business alliance with the Resona Group in the inheritance and business succession field, and we are accurately providing the solutions possessed by the insurance and banking fields and tailored to the issues of the customers for a variety of worries faced by business owners.

Provision of the DAIDO Sustainability INITIATIVE

In recent years, interest in sustainability has been growing in society, including the 2050 Carbon Neutrality Declaration by the government, and initiatives for the SDGs (Sustainable Development Goals) are becoming large management issues for not only major companies but also SMEs.

Taking into account these changes in the environment, we are providing a program which helps our customers deepen their understanding of the SDGs and tackle sustainability management.

Management aiming for the long-term continuity of the business Sustainability management = through the resolution of a variety of environmental and social

problems (initiatives for the SDGs)

サステナビリティ 経営支援プログラム

This is a program which boosts the practice of sustainability management by creating points of contact between "companies with an interest in the SDGs" and "companies possessing technologies and services which contribute to the resolution of social issues" and supporting the introduction of services and cooperation among companies.



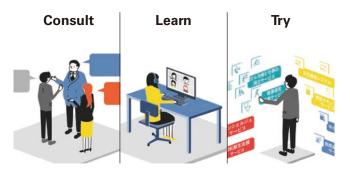
Commencement of "Dodai?", a site for business owners sharing their views with each other

In March 2022 we commenced the web service "Dodai?" for the owners of SMEs to meet and tackle the resolution of social issues together. Through this service, Daido Life, which has supported SMEs through protection until now, will put into practice the idea of "creating the future together with SMEs" going forward.

- "Dodai?" offers three functions:
- "Consult" (a community where the business owners can share ideas and worries with each other)
- "Learn" (introduction of real examples close to home for the business owners)
- "Try" (guidance to the service lineup of the Company useful for the management)

We are aiming for a service which can connect not only the owners of companies which have a policy with Daido Life but also all owners of SMEs throughout Japan. The service can be used free of charge regardless of whether or not the company has a policy with Daido Life.





Safety Confirmation System

In order to respond to the wishes of SME owners to confirm the safety status of employees accurately and promptly in the event of large-scale disasters, in April 2019, Daido Life introduced a safety confirmation system. This service is equipped with all of the functions necessary for safety confirmations at SMEs in the event of a disaster, and is provided free of charge to policyholders who meet the requirements prescribed by Daido Life.

Disaster occurrence

Automatic transmission function

When an earthquake of intensity 5+ on the Japanese intensity scale occurs, or when a special warning is issued for heavy rain, etc., a safety confirmation message is sent out to employees automatically.

(Employees) Safety status response

Automatic tracking function

Automatic repeated transmissions when there is no reply from an employee until they can be contacted.

(Managers) Response result confirmation

Automatic tabulation function

An employee safety status list can be viewed along with automatically tabulated results, enabling accurate secondary communications and instructions.

1-3 Initiatives of T&D Financial Life Insurance

T&D Financial Life Insurance has set out the management vision of "carefully giving attention to our customers and partners to become a chosen company: T&D Financial Life Insurance will partner with its sales agents to deliver future abundance and peace of mind in the lives of our customers." It is working on bolstering its product lineup, timely provision, and the improvement of customer service to meet diversifying customers needs by "carefully giving attention" to banks and other financial institutions as well as insurance shops and other sales agents where customers can drop in for consultations, which are its customers and partners in all situations, including product development, service provision, and sales and administration.

Provision of asset formation products taking into account changes in the social and economic environment

Mainly for senior customers, it provides asset formation products for supporting a comfortable post-retirement life through the preparation of post-retirement expenditures and the need for protection of bereaved family members and other needs.

In July 2019, we launched *Shogai Premium World 5*. This product is the latest renewal of our *Shogai Premium World* series of single-premium whole life insurance which utilizes overseas interest and foreign exchange to enable customers to leave money for their family members while receiving money to use for themselves. We have revised the content of the product so that it can meet the broader needs of customers. It inherits from its predecessor products the characteristic that the customers can enroll in the insurance without paying any foreign exchange fees, but it eliminates any initial fees previously borne by customers, and also adds a function minimally guaranteeing in yen the death benefits of the same value as a single premium for a certain period and other functions.



In October 2019 we launched *Fivetenworld 2*. This product is a product which renews the single premium individual annuities *Fivetenworld* utilizing overseas interest and foreign exchange, and it newly establishes the *Nursing Care and Dementia Protection Plan* for nursing care and dementia as well. Due to this, customers can now select from two plans, the *Target Plan* and the *Nursing Care and Dementia Protection Plan*, expanding the content handled compared to previously.

In February 2020, we launched *Choju Premium 2*. This product is the latest renewal of our *Choju Premium* single premium individual annuities which as an annuity to prepare for long lifespans enhances future annuity resources by keeping down death benefits and the surrender value during the grace period. We renewed this product into a product under which customers can get a recurring payment immediately after making a contract, in order to meet the customer needs to get money now while also preparing for the future. Furthermore, we offer three distinctive courses, including the course for nursing care and dementia, so customers can now make selections tailored to their diversifying needs.

In September 2020, we launched *Shogai Premium Japan 5*. This product is the latest renewal of our *Shogai Premium Japan* series of yen-denominated whole life insurance which enables customers to leave money for their family members while receiving money to use for themselves. In response to a rising awareness of nursing care and dementia coverage, we have newly established a Nursing Care and Dementia Prepayment Rider, which, in addition to the prior Nursing Care and Dementia Annuity Payment Transfer Rider, offers advance payment of death benefits in the case that "Care Level 4" or above of the public long-term care insurance system has been authorized or a diagnosis of certain types of dementia has been confirmed. In addition to eliminating any initial fees previously borne by customers, we have made reforms such as introducing a discount system for high costs.

We 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 the 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.

In December 2021, we launched *Hybrid Anshin Life*. This product inherits the product features of *Hybrid Asset Life* which we commenced sales of in June, but newly adds a guaranteed minimum death benefit rider, and as a service for long lifespans is a product specialized in asset succession and asset management functions.

Moreover, in April 2022, we commenced sales of *Hybrid Tsumitate Life*. This product is "asset formation insurance on a new axis which is closely attuned to the diversifying needs for the era of the 100-year life," and it is an asset formation product

which incorporates product schemes on a new axis based on the market research questionnaire conducted during its development. It can manage funds by accumulating steadily every month, while aiming for time dispersion when forming assets, and in addition adds the functions of "spot increase amounts" and "dollar-cost average plus riders" which enable customers to effectively utilize the surplus funds on hand, resulting in a product for which stabler and more efficient asset formation can be expected.







Protection-oriented products taking into account changes in the social and economic environment

For customers in the working and childrearing generation, it offers protection-oriented products at an affordable price.

It commenced sales of *Kakei Ni Yasashii Shunyuhosho* as a product which can "secure the monthly income of the family left behind" and "secure income when contracting the three major diseases" based on the concept "strong support for saving money in the household budget with inexpensive insurance premiums" in August 2012 and it renewed this product in June 2014 so that it has now become income protection insurance which is able to meet the needs of a broader range of customers.

In April 2020, we launched *Kakei Ni Yasashii Shushin Iryo*. This product is a medical insurance product updated from a prior product that enables customers to fully prepare necessary insurance coverage for everything from one-day hospitalization to long-term hospitalization, lifestyle diseases, and advanced medical care.

In February 2021, we launched *Hataraku Anata Ni Yasashii Hoken 2*. This product is a product that eliminates the death benefit and provides protection against loss of income and increase in expenses due to illness and injury. Customers may choose from two courses: the "annuity course," which provides for a continuous loss of income due to the three major diseases or injury, and the "lump-sum payment course," which provides for a temporary increase in expenses for treatment costs and other costs, due to the three major diseases.

Initiatives to make improvements in response to customer feedback

T&D Financial Life is working to make administration and system improvements that contribute to customer-oriented business operations. Such measures include collecting customer feedback, conducting interviews with solicitation agents, studying the market environment, including various financial products, legal aspects, industry trends, and the like.

In FY2021 it commenced the handling of electronic issuing of life insurance premium payment certificates. In addition, in response to feedback saying that designation of the death-benefits beneficiaries within the previous scope is impossible as a consequence of the falling birthrate and aging population, it expanded the scope of death-benefits beneficiaries in insurance claim single-premium products to "the relations of the insured members (blood relatives within 6 degrees of kinship and relatives by marriage within 3 degrees of kinship) and their spouses."

Initiatives to enhance customer service

T&D Financial Life is considering and pushing ahead with various efforts to further improve customer satisfaction.

From April 2021 it started the Family Registration Program in order to promote further improvement of the satisfaction of the customers and their families in a super-aged society. If family members are registered in advance, inquiries about policy details, obtaining claim forms, and carrying out some claim procedures on behalf of the policyholder are possible for the registered family.

In addition, from August 2021 it partnered with Mirairo Inc. to commence the *T&D Financial Life Insurance Sign Language Relay Service*. This is a service under which sign language interpreting operators use sign language and written messages in video calls to receive questions and inquiries from customers who are deaf, customers who are hard of hearing, and customers who have difficulty speaking, and audio interpret the content of the calls in real time.

From May 2022, it introduced an automatic voice response system to the Call Center in order to answer inquiries from its customers quickly.

1-4 Initiatives by T&D Asset Management

Contributing to the Promotion of a Healthy Society through Investment

To ensure the long-term growth of the assets entrusted to the company by our customers, the active management of Japanese equities by T&D Asset Management emphasizes the analysis of not just financial information but also non-financial information such as ESG (environmental, social and governance) factors. In particular, we are contributing to solving social issues, such as maintaining health and supporting the elderly, through active investment (supply of risk money) in companies that contribute to improving people's health. Examples include our "T&D Japanese Equity ESG Research Fund" that makes selective investments in companies that excel from an ESG viewpoint, and our "Health-related Social Contribution Fund" that invests in health-related and health-management stocks.

1-5 Initiatives with Pet & Family Insurance

Insurance Protection for Precious Family Members

More pet owners recognize their pets as family members, and therefore interest in pet healthcare and its associated costs is growing. With our Pet & Family Insurance, we have taken these circumstances into consideration and have worked to address needs concerning pet healthcare costs. We provide *Genki Number One Smart, Genki Number One Slim*, and *Genki Number One Best*, products that compensate for a portion of the cost of treatments for pets at veterinary clinics due to illness or injury. These products help to ensure that pet owners can receive veterinary treatment for their pets with peace of mind.





Providing Information on Pets' Lives

Pet & Family Insurance has posted on its website information for enriching pets' lives. The website also features special contents titled "Pet News Storage" that introduce questions closely related to pets' lives in an easily understandable fashion. It is regularly conveying information on various subjects related to pets in an attempt to deepen understanding of pets, which are precious family members. In January 2022, the number of articles topped 200.

Voice

Introducing the Pet & Family SDGs Promotion Project Team

Launch of the Pet & Family SDGs Promotion Project Team

We have launched the SDGs Promotion Project Team (Promotion PT) led by the President in order to tie together the SDGs and the management vision to "primarily use pet insurance to make the days customers spend with the pets close to them in their lives richer and happier." We will promote the SDGs of the Company with members from across all divisions, regardless of department or position.

"Protect life with a pet, a member of the family" Act boldly and with a sense of speed, without fearing change

The Promotion PT established initiatives for the Company's SDGs taking into account the T&D Insurance Group's management vision, the pet industry environment, and other factors. It established five items as the priority themes (goals) of the Company, including "Protect life with a pet, a member of the family," in 3. "Protecting the health and welfare of all people" which it deemed the most important item.

In addition, in order to inform everyone at the Company about tying the SDGs to



From left, Mari Shinoda (Policy Department), Keiko Sato (Claims Service Department), and Mihoko Suzuki (Policy Service Department)

the management targets of the Company, we are acting to ensure that everyone comes together to proceed with shared goals that cross the barriers of the divisions to which they are affiliated, for example by highlighting the issues and initiatives of each division through interviews with the heads of the divisions and other measures.

In the in-house questionnaire conducted after the commencement of the activities we received a lot of feedback to the effect that "I deepened my understanding about tying the SDGs to the initiatives of the Company."

In the current fiscal year, the Company is aiming for "further bolstering of customer service and improvement of satisfaction" through Product Development and utilization of the web based on the DX Strategy and is building an efficient operational infrastructure. In addition, it is giving consideration to the environment, such as implementing office power-saving and a Go Home Early Day as climate change countermeasures, and it is promoting work-life balance to build a comfortable workplace.

Going forward, the Promotion PT will continue to act boldly and with a sense of speed, without fearing change, to promote the SDGs.

Best Senior Service

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Based on the social situation that the aging of society is progressing, we are carrying out Group-wide efforts to improve the convenience and satisfaction of our elderly customers. At Taiyo Life and Daido Life, this initiative was named the Best Senior Service, and through this initiative, we are developing a variety of service improvements.

Major Initiatives by Taiyo Life

1 Home Visit Service

Taiyo Life launched the Senior Anshin Support Activities in July 2014 as a visiting service activity designed for customers who are seniors. Its staff visit them at least once a year. Confirmation of insurance contract coverage, and examination of whether claims have been fully submitted, are carried out in a careful and easily understandable manner. This service enables each of the senior customers to live with peace of mind.

2 Initiatives for Securing Peace of Mind at the Time of Contract Conclusion and during the Insurance Period

Taiyo Life proactively recommends the family members of a senior customer to be present when he or she enters into a contract. In addition, the person in charge at the headquarters reconfirms the intention of the contract and declaration (for some products) by using the videophone function of the terminal that each sales representative carries. Furthermore, Taiyo Life has adopted the Family Registration Program in the event contact with policyholders become impossible when large-scale disasters occur. The family members whose contact information has been registered are entitled, on behalf of the policyholder, to inquire about coverage and the procedure for claiming benefits, and depending upon the circumstances of the policyholder, may also obtain application forms (some forms excluded).

3 Kaketsuke-Tai Service

The Kaketsuke-Tai Service is provided by Taiyo Life's administrative personnel with specialized knowledge. They visit customers and their families to lighten the burdens of dealing with benefits claims and to provide meticulous support unique to administrative personnel. This service is very popular among many customers including senior customers. More than 149,000 home

Priority Theme 1

visits had been made through this service (as of the end of March 2022) since its launch in April 2016. In addition, the company introduced a paperless procedure to claim benefits, making it possible for customers to check the content of their claims and complete the procedure by merely signing on the Taiyo Life Concierge.

Major Initiatives by Daido Life

1 Initiatives for Enhancing Sense of Ease during and after Enrollment

<Recommendation on Presence of Family Members>

Daido Life recommends that family members of customers 70 years of age or older be present during the enrollment process. This is to ensure a full understanding of the content of insurance policies that customers are going to enroll in with a sense of ease. The company explains the content of the insurance coverage and important items that need extra attention in detail both to the customers and their families. It also carries forward the procedures by ensuring that the content is in line with the customers' intentions.

<Designated Proxy Application Rider>

The Designated Proxy Application Rider is introduced to customers for insurance policies in which the insured is the beneficiary of insurance claims, etc. In cases where it becomes difficult for the insured to file an insurance claim due to sickness, accidents, or other reasons, a representative who is designated in advance (a preregistered proxy) can file a claim.

<Family Registration Program>

We propose that our individual customers register their family members in the Family Registration Program, under which a family member registered in advance may make an inquiry about policy details on behalf of the policyholder. We also send out a copy of the Daido Life Guide to the registered family members if the policyholders request it.

2 Initiatives for Receiving Insurance Claims, etc. Reliably and Promptly

Daido Life regularly checks if there are no unclaimed insurance claims, etc. for individual customers who are over a certain age so they can receive insurance claims reliably and promptly.

3 Improvement of Treatment of Customers and Hospitality

In order to provide courteous and careful service in response to customers' situations, we formulated and use a service manual taking into account the general characteristics of our senior customers, such as changes in physical abilities and psychological aspects, as well as visual aides. Through these means, we are striving to provide an environment in which our customers can complete necessary procedures with peace of mind.

Major Initiatives by T&D Financial Life

1 Measures at the Time of Enrollment

During the enrollment process for customers who are 70 years of age or older, the company takes measures to confirm they have the intention of buying the insurance policy by recommending that a family member accompanies the customer, providing sufficient time for the customer to fully consider the features of a product, and similar. In addition, the company has employed universal color designs in the solicitation materials for customers with partial color-blindness, and universal design fonts that reduce reading mistakes. This helps customers to accurately understand the contents, systems, and important matters regarding recommended products. The Shogai Premium World 5 and Shogai Premium Japan 5 pamphlets have earned the "easy to look at" design certification from the UCDA. Furthermore, the company has prepared auxiliary solicitation materials that complement our pamphlets to clearly describe the risks and actual yields of foreign currency-linked single-premium whole life insurance with foreign exchange risks, as well as videos to introduce and explain our single-premium products, which are posted on our website.

2 Measures during Enrollment

We established the new Family Registration Program, which is a system that enables family members registered in advance by a policyholder (registered family) to act as a proxy to verify policy details, obtain various claim forms, and carry out certain claim procedures on behalf of the policyholder. In addition, the company implements its policy inspection system over the telephone for policyholders of a certain age and older to verify changes in contact information and identify unnoticed cases of eligibility for benefit claims, among other matters.

For customers whose postal items have not arrived, the Company looks up addresses and recommends making a bank deposit when the insurance premiums have not been paid, and for customers who have not claimed their hospitalization benefits, the Company implements a text message distribution service through short message service (SMS).

The Call Center, which serves as the point of contact with customers, has introduced an automatic voice response system in order to answer inquiries from its customers quickly.

3 Measures during Procedures

T&D Financial Life is working to improve convenience for customers to enable them to easily go through the procedures. It revises claim documents and uses colors for them as well as omitting the submission of an insurance certificate and a seal registration certificate.

2. Providing Wholehearted Reassurance

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2-1 Fairness in Offering Insurance Products to the Broader Public

Life insurance is a mutual aid system in which insurance premiums collected from a large number of policyholders are used to fund insurance payments and benefits in the event of someone's death or hospitalization. Life insurance companies use the law of large numbers to calculate fair premiums based on statistical data such as mortality rates and insurance accident rates presented in life insurance tables, which are calculated separately for each age and gender. Life insurance companies maintain the fairness of the life insurance system by adding some conditions such as additional premiums, or in the worst cases by not offering coverage, for those who do not meet the companies' predetermined standards due to health conditions or other factors. The Group's three life insurance companies and other Group members respect customers' human rights, and develop and offer many unique insurance products which meet a wide variety of customer needs, health conditions, gender, enrollment age and other specific circumstances at a fair premium.

2-2 Establishment of Solicitation Policies

The Group's three life insurance companies have established individual solicitation policies for offering life insurance and other products. Under these policies, each Group company strives to develop and offer applicable products that meet customers' needs and circumstances.

Solicitation Policy (In the Case of Taiyo Life)

The following are Taiyo Life's basic solicitation policies for offering financial products, including life insurance, to customers. We always endeavor to develop and offer products in a proper and appropriate manner in due consideration of customers' desires, circumstances and privacy in order to provide customers with proper services through consultation.

- We will comply with the applicable laws, rules and regulations in solicitation activities.
- We will endeavor to carry out adequate solicitation activities in consideration of the customer's circumstances.
- We will give due consideration to the time and the place for solicitation activities.
- We will explain the important issues properly.

- We will make efforts to enhance employee education and our training program.
- We will safeguard customer information strictly in confidence.
- We will make continuous efforts to establish an internal structure ensuring adequate solicitation activities.

2-3 Efforts to Offer Customer-oriented Services

From contract procedures and after-sales service to payment of insurance claims and benefits, the three life insurance companies endeavor to provide services with an emphasis on understandability as an approach to earn trust from customers.

Awards for Customer Service

Taiyo Life

Received the Easy-to-Understand Information Award and the Another Voice Award in UCDA Award 2021

Taiyo Life received three awards in the UCDA Award 2021, at which the Universal Communication Design Association (UCDA) commends outstanding communication design.

Award	Explanation	What was Subject to Evaluation
Easy-to-Understand Information Award	Awarded for something highly evaluated	Remote Application
Easy-to-Understand Information Award	by specialists	Dementia Prevention Security Guide
Another Voice Award	Awarded for something highly evaluated by consumers	Taiyo Life's health promotion app

Daido Life

Received the highest rank of "3 Stars" for HDI-Japan's "Quality Rating" for the second consecutive year

Daido Life's call center (point of contact for customers) and support desk (point of contact for sales agents) both received the highest rank of "3 Stars" in HDI-Japan's 2021 "Quality Rating," scoring full marks in all five quality evaluation categories. This is the first time in Japan for multiple points of contact at one company to receive a "3 Stars" rating with full marks at the same time for two consecutive years.

Received the Another Voice Award in UCDA Award 2021

Daido Life received the following awards in the UCDA Award 2021, at which the Universal Communication Design Association (UCDA) commends outstanding communication design.

Award	Explanation	What was Subject to Evaluation
Another Voice Award	Awarded for something highly evaluated by consumers	Daido Information (printed materials) and the explanation (video) about the Notification of Policy Details

Initiatives by the Three Life Insurance Companies

At the Time of Making a Contract

We work to enhance the understandability of various documents regarding policy procedures.

[Major Documents (including Electronic Forms)]

- Clearly worded "Product Pamphlet"
- "Contract Summary" and "Proposals" describing insurance plans tailored to individual needs of customers
- "Warning Information (notifications of important matters when making a contract)" for calling the customer's attention to particularly important points
- "Policy Leaflet and Policy Provisions" describing the various procedures when making a contract, and the structure of the product
- "Understanding/Confirmation of Intent" as a final step to ensure that the customer's needs are met by the insurance product offered
- "Overview Materials" which provide a concise overview of the product as well as information about fees and other matters
- "Important Information Sheet" enabling easy comparisons among diverse products transcending the boundaries of each business category, including the description of products and the like, the anticipated purchasing demographic, risks and fund management performance, costs, cashing and surrender conditions, the possibility of conflicts of interest, and the overview of taxation.

After-sales Services

We work to ensure customer satisfaction by providing various kinds of information after contracts. We also work to enhance our services so that the policyholders can make insurance and benefit claims more easily.

[Major Information Provision Services]

- Notification of policy details (from the three life insurance companies)
- Distribution of service guidebooks (Taiyo Life) (T&D Financial Life)
- Distribution of Security Guide (Taiyo Life)
- Notification of account transfer payment (from the three life insurance companies)
- Accounting method guidance service for corporate clients (Daido Life)
- Confirming policy details by visiting customers (Taiyo Life) (Daido Life)

[Examples of Measures to Facilitate Making Insurance and Benefit Claims]

- Handling of Direct Payment Service to Medical Institutions of advanced medical care benefits (Daido Life) (T&D Financial Life)
 - * Through this service, the insurance company pays benefits directly to medical institutions for expensive and advanced medical treatment such as proton-beam therapy and heavy-particle radiotherapy to ease the temporary burden on its customers. These benefits help customers receive treatment with ease of mind.
- Distribution of booklets and leaflets that comprehensively describe insurance and benefit claims procedures as well as payable case examples (Taiyo Life) (Daido Life)
- Reimbursement of expenses for obtaining a medical certificate in the event that the related insurance claim is completely rejected despite that insurance and benefit claims (from the three life insurance companies)
- If a claim satisfies certain requirements, submission of medical certificate can be omitted or a copy of a medical certificate can be accepted (from the three life insurance companies)
- Handling of Invoice-less Payment for paying maturity insurance claims without submitting claim forms in the case that certain conditions apply (Daido Life)
- Improvement of explanation and advice at Customer Service Center (call center) and branch offices (from the three life insurance companies)
- Introduction of designated proxy application option to allow the pre-registered proxy to file insurance claims in the event that the policyholder is unable to file the claim for a certain reason (from the three life insurance companies)
- Periodic follow-up of customers who take a long time to submit claim documents despite having declared an intention to make insurance claims (from the three life insurance companies)
- Services include confirmation of customer intent to file a claim, after which office staff may fill out claim forms on behalf of the customer, as well as obtaining medical certificates needed for benefit claims (from the three life insurance companies)
- Made it possible to designate a signing proxy other than a family member in the event that a customer has physical difficulty in signing, filling out or affixing their seal to claim forms due to illness or suchlike (from the three life insurance companies)

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2-4 Working Toward Better After-sales Service

The Group's three life insurance companies have each set up various systems aiming at providing quality after-sales services. At Customer Service Centers, professionally trained staff handles inquiries and insurance claims from customers nationwide over the telephone in a considerate, polite, prompt, and accurate manner. Also, all our branch office staff and sales representatives, fully aware of the importance of post-contract support, attend to individual customers, offering the best possible service to each of them. At Taiyo Life, employees visit homes of senior customers at least once a year and check the coverage and missing claims. In the case of senior customers who lack local branches and sales locations in their neighborhoods, Taiyo Life conducts confirmation activities that combine outbound calls with face-to-face distribution of brochures created for the purpose of, for example, checking unclaimed cases by courier. Daido Life is conducting activities to confirm policy details where sales representatives and sales agents regularly give advice on and confirm the policy details and necessary amount of benefits with customers. In addition, the company is making efforts to provide detailed services such as suggesting to customers that they also take measures against a range of risks and have services useful for the solution of management issues.

2-5 Other Services

As shown below, the Group's three life insurance companies offer diverse services to meet the requests of customers.

T&D Club Off

T&D Club Off offers a range of services to the policyholders of the three life insurance companies and Pet & Family Insurance that are useful in daily life and enhancing free time activities. T&D Club Off members can take advantage of a varied selection of over 200,000 facilities and services, such as hotels inside and outside Japan, leisure facilities, sports clubs, medical check-ups, and car rental, at special discount rates.

Example

- Domestic hotels, Japanese inns about 22,000 locations
- Amusement and theme parks/ About 1,000 locations
- Housework services, pet sitting, and phone consultations on health and legal issue

For more details about these services, please visit each company's website.

Customer Service Center Open for Inquiries on Saturdays and Sundays

In order to provide services to customers who are busy on weekdays but would like to use such services, Taiyo Life's Customer Service Center, or call center, is open and handles inquiries on Saturdays and Sundays from 9:00 to 17:00 as well.

Services Useful for SMEs

Daido Life provides various services to help policyholders with business support and health support.

Examples of Services

[Business Support]

- Services that comprehensively support the practice of health-oriented management® at SMEs
- Services that provide systems through which confirmation of the safety of employees can be accurately and promptly conducted in times of disaster
- Services that assess the potential for utilization of any of the approximately 200 types of public grants or approximately 80 types of public subsidies based on the situations of the companies
- Services under which Labor and Social Security Attorneys assess whether there are any problems with the employment regulations in light of the Labor Standards Act and other laws
- · Services that provide information such as content and systems concerning information security to SMEs
- Specialist support for use of M&As by SMEs
- Services that calculate corporate value as a basis for judging the future direction of corporate management

[Health Support]

- Services enabling customers to consult 24 hours a day, 365 days a year regarding worries related to their health, including the physical disorders they feel uneasy about in their daily lives and responses at times of emergency
- Services which provide a second opinion on the current diagnosis given in an interview or by telephone, by doctors in the medical university professor or honorary professor class
- Nursing care professionals provide one-stop support in resolving a variety of concerns and problems regarding nursing care

For more details, please visit the Daido Life website.

Dedicated Pet Consultation Center "Wan Nyan"

Through Pet & Family Insurance, we have established a pet consultation service that is only available to insurance policyholders and insured members (pet owners). The service handles inquiries or requests for information on everyday issues that arise when owning a pet. It is available 24 hours a day online. Advisors with specialized qualifications respond to a variety of concerns.

Service on the Internet

The Group firms, including the three life insurance companies provide various kinds of information on their websites. As part of our efforts to improve customers' convenience, we also offer online services for payment procedures, inquiries and change of registered information. At Pet & Family Insurance, customers can also purchase pet insurance on the company's website.

Other Services

We offer a wide range of services. Our private nursing-home referral service (from Taiyo Life) introduces over 320 facilities nation-wide in collaboration with other industries. The "best doctors service" (from Taiyo Life) introduces good and reliable doctors and hospitals for when policyholders have serious illnesses. The adult guardianship system introduction service (from Taiyo Life) (from T&D Financial Life) introduces experts in the adult guardianship system that supports people whose judgment has deteriorated. The M3 Patient Support Program (from T&D Financial Life) is a health consultation and support service.

Examples of Internet Services

Taiyo Life

- Inquiries about insurance policy details, *Himawari Tsushin* (general notice of policy terms), and life insurance premium deduction certificates (inquiries, downloads)
- Claims for hospitalization benefits, etc., change of name and cancellation of foreign currency denominated products (handled by financial institution agents)
- Use and withdrawal of funds (loans to policyholders, accumulated dividends, various types of deferred funds, etc.)
- Change of information related to contract, such as change of address, request for adding designated proxy application option, change of password
- · Request for application forms for change of account, change of family name, loan repayment
- Reissue of insurance certificates, annuity payment certificates and deferred fund payment certificates

Daido Life

- Change of information related to contract and insurance claim such as change of address, change of account, demands for insurance claims and benefits, and surrender requests
- Life insurance premium payment certificate (reissuance and electronic issuance)
- Web-ATM for making loans to policyholders, withdrawal of accumulated dividends, etc.
- Inquiries about insurance policy details, inquiries about accounts for automatic withdrawal of insurance premiums, various inquiries about guidance (guidance on insurance premiums accounting method, etc.)

T&D Financial Life

- Inquiries about summary and details of policies such as coverage details and change in accumulated funds
- Change of information related to insurance contracts and claim procedures (change of address, reissue of certificates for life insurance premium deduction and other matters)
- Sending out various forms for procedures (transfer of ownership, change of first/family name, reissue of insurance policy, etc.)
- Transfer of accumulated funds, set up transfer ratio in case of contracts with periodic increase of amount
- Registration and changes to Family Registration Program

Pet & Family Insurance

- Online application for Genki Number One Slim pet insurance
- Inquiries on contents of insurance policies
- Changes and procedures related to contracts (pet naming and correction, changes to address/telephone number, changing first or last name of policyholder, changing credit card information, etc.)
- Reception of demands for insurance claims
- Renewal procedures (reducing value of enrollment plan, changing number of insurance premium payments (changing between yearly and monthly payments), changing enrollment type (dog's weight))

For more details, please contact the Customer Service Center of each insurance company.

In Order to Provide Better Services

The Group's three life insurance companies are working to enhance the skills of their customer service staff based on a basic knowledge of life insurance, specialist knowledge and compliance essential to increase customer satisfaction. The three life insurance companies have diverse staff members such as sales representatives, customer service staff, agents and wholesalers who are engaged in duties to provide the most suitable services to customers depending upon each individual business model. We have developed human capital training programs for such diverse staff, and always work to provide them with the best educational and training opportunities.

Education Program for New Employees (Taiyo Life)

Taiyo Life has a system in place to train sales representatives to develop their capabilities to design and offer optimal insurance plans that meet each customer's needs depending on a variety of factors, including family structure, occupation, income, plan for children's education, insurance already purchased and so on, aiming to increase each customer's satisfaction. Our sales personnel undertake internal training programs and work to obtain external qualifications to gain specialist knowledge on insurance products as well as tax affairs and financial planning expertise.

Education Programs for New Sales Representatives (New-employee Education Programs and Financial Planner **Education Programs**)





Training Stage 1 Registration of basic product offering optimal customers

1st~3rd month Deepening understanding knowledge and improving

sales skills necessary for insurance plans to

Training Stage 2 Training Stage 3 4th~6th month 7th~12th month

Enhancing sales skills Developing capabilities necessary for offering and acquiring knowledge about after-sale services, insurance plans that best including insurance meet detailed needs of payout procedures individual customers with different life plans

FP 3rd Grade

Implementation of Education and Training for In-house Sales Representatives (Daido Life)

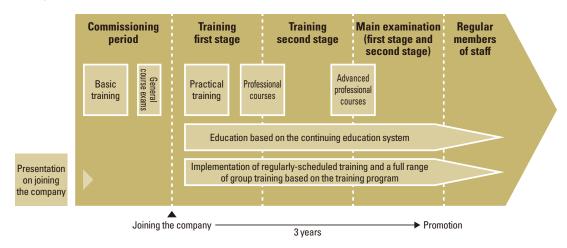
Training program in the development period

Daido Life is endeavoring to develop in-house sales representatives (sales staff) with a high level of knowledge and ethics so that they can comply with laws and regulations and other rules while meeting the variety of needs of the customers.

It positions the three years after joining the company as the "development period" and is implementing education and training based on the Company's original training program.

In addition to the industry-wide basic education,* the education and training is mainly comprised of basic knowledge and sales techniques so that the sales staff can give understandable explanations to customers and practice appropriate sales and service activities.

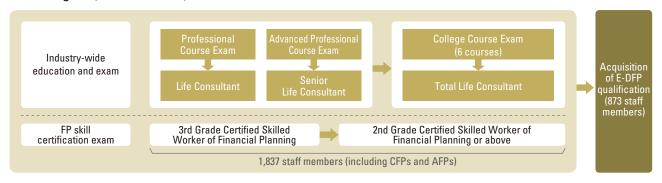
* In addition to basic training and practical training, it implements professional courses, advanced professional courses, and education based on the continuing education system.



E-DFP Program (Daido Life)

Sales representatives must get a firm grasp of customer needs, which are diversifying and becoming more sophisticated, and practice high-quality, consulting-oriented sales. For this reason, Daido Life has set up its own E-DFP (Executive Daido Financial Planner) program with the purpose of enabling its sales representatives to obtain a wide range of professional knowledge including taxation, finance, and financial products. The E-DFP qualification is awarded to those who have passed all six life insurance college course examinations and are ranked as a 2nd Grade Certified Skilled Worker of Financial Planning or above, including AFPs and CFPs.

E-DFP Program (As of June 2022)



2-7 Cooperation with Sales Agents and Cooperating Organizations

Sales Agent Training Program

At Daido Life, the head office and branches work together closely to provide high-quality support for sales agents by assisting them in responding to customers' diversified needs. As a part of these efforts, the company develops programs to offer practical training, using its own e-learning materials and practical guides to help sales agents acquire broad knowledge on the compliance and insurance business.

Business Partner Meetings

Daido Life has entered into partnerships with SME industry associations as well as the professional organizations of tax accountants, and has built a sales structure aimed at offering applicable life insurance products tailored to the needs of various member companies and the clients of those member tax accountants. Because these partner organizations and agents are key stakeholders of Daido Life, the company holds regular meetings with its partners to report the latest business developments and to hear their views on Daido Life's business operations.

Wholesaler Activities

T&D Financial Life carries out elaborate support activities for its sales agents, such as financial institutions, through its sales staff assigned to assist sales agents in order to enable them to make the best proposals to customers. In addition, to win the trust of customers and sales agents, T&D Financial Life provides practical training to sales staff, to deepen knowledge about insurance and other financial products and enhance sales skills, overall asset management, related laws and regulations as well as improve presentation skills for accurately explaining features of our products to customers and sales agents.

Proposal of Welfare Systems to Companies and Organizations

Taiyo Life is engaged in proposal activities for group insurance in order to enhance the welfare systems of companies and organizations. Due to changes in the environment such as the arrival of the era of the 100-year life and the progress of work style reform, the needs with respect to the welfare systems of companies are also diversifying. In that context, in order to alleviate the burden of nursing care, the Company is handling products tailored to the era, including *Group Life Nursing-Care Insurance*, which initiates payments when the parents of employees enter long-term care, the *Monthly Fee Support Plan*, a group annuity system which offers lifetime annuity support for the fees charged by homes for the elderly and other expenses.

In addition, taking into account the fact that the average number of days of hospitalization tends to be shorter due to medical technology advances and other factors and the present situation in which outpatient surgeries and hospitalizations due to COVID-19 are increasing, the Company has developed *Group Hospitalization Lump-Sum Payment Insurance* to which the Surgery Rider and the Disaster Hospitalization Lump-Sum Payment Rider, which also covers payments for COVID-19, can be added and introduced the insurance in April 2022.

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3. Improving Customer Satisfaction

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3-1 | T&D Insurance Group Basic Policy on Customer-oriented Business Operations

The T&D Insurance Group takes "customer-oriented" as a shared Group-wide value and has established the "T&D Insurance Group Basic Policy on Customer-oriented Business Operations" in order to conduct fair and adequate business activities with integrity and sincerity that lead to profits for our customers.

In addition, we are working on fostering a corporate culture which respects the intent and spirit of this policy.

T&D Insurance Group Basic Policy on Customer-oriented Business Operations

1. Providing better products and services

We provides optimal and high-quality products and services tailored to customers' situations and needs.

2. "Customer-oriented" proposals and sales

- (1) We make proposals of suitable "customer-oriented" products taking into account customers' situations and intentions.
- (2) When selling the products, we work on more understandable information provision to ensure that our customers can correctly understand the important information pertaining to the products.

3. Improvement of the quality of business operations

In order to build enduring relationships of trust with our customers, we work on improving the quality of business operations, including readiness for after-sales services and development of the administration and systems.

4. Appropriate management of conflict-of-interest transactions

In order to ensure that the interests of our customers are not unjustly prejudiced, we have formulated and announced a policy for appropriately managing transactions which could constitute conflicts of interest, and we are appropriately ascertaining and managing transactions which could constitute conflicts of interest.

5. Development of human resources who practice "customer-oriented" actions and other activities

- (1) We thoroughly instill "customer-oriented" attitudes in our corporate officers and employees, and in order to build enduring relationships of trust with our customers, we develop human resources who have high ethics and are also equipped with specialized knowledge.
- (2) We are working to build a framework which encourages actions based on this policy.

6. Promotion framework

In order to promote "customer-oriented" corporate activities based on this policy, the group companies operating the financial businesses separately formulate policies pertaining to the initiatives of their own company, regularly report the status of their initiatives based on the policies to the Board of Directors and other bodies, and announce the content of the reports. In addition, we regularly carry out confirmations of whether revisions of this policy or the policies of each company are necessary.

* The policies on implementing initiatives and specific content of the initiatives of the group companies can be seen at the Company's website. (Japanese)

WEB https://www.td-holdings.co.jp/information/business_operations.html

3-2 Initiatives to Respond to Customer Feedback

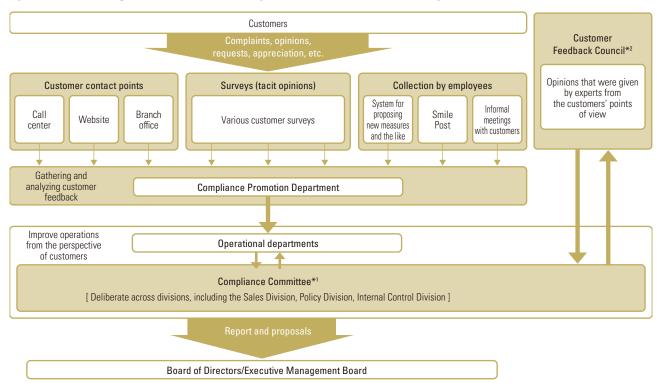
Customer Feedback Collected from Daily Sales Activities

To respond to the changing needs of society through the provision of better products and services, our three life insurance companies have set up a number of points of contact with customers, such as sales representatives, sales agents, call centers (customer service centers), and the Internet to collect as much customer feedback as possible. In addition, the company is conducting customer satisfaction surveys to inquire about the level of satisfaction provided by our products, services and after-sale services.

System to Reflect Customer Feedback in Operations

The Group's three life insurance companies have set up dedicated departments and committees that include external members to oversee our customer-oriented business operations. We have built a comprehensive system ensuring customer satisfaction at all stages of interaction with customers, from making contracts to payment of insurance claims and benefits, based on our customer-oriented business operation policy and specific guidelines for the amelioration of customer complaints. All the feedback collected from customers is input into a centrally managed database and shared by the relevant units for the development and quality improvement of products and services, as well as for the improvement of business practices.

System for Reflecting Customer Feedback in Operations (Illustration is an example from Daido Life)



*1 Compliance Committee

We established the Compliance Committee with the objectives of developing and establishing a compliance promotion framework on a company-wide basis and further promoting our corporate motto of "customer-oriented corporate activities." In addition to continuously reviewing all processes from insurance solicitation to payments from the perspective of customers, the Compliance Committee makes reports and proposals for promotion of improvements to the Board of Directors and the Executive Management Board.

*2 Customer Feedback Council

The company has established the "Customer Feedback Council" in order to utilize the insights of outside experts in sound business operations from the perspective of customers. The Customer Feedback Council monitors the situation with business operations related to improving customer service and reviews the adequacy and effectiveness of the content of deliberations by the Compliance Committee.

Examples of Reflecting Customer Feedback in Operations

Taiyo Life

Customer Information Meetings

Taiyo Life holds regular meetings with policyholders, called Customer Information Meetings, in order to help 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. At Customer Information Meetings, the company explains its management policy and yearly performance, information regarding the services it offers to customers, new products, and similar. The valuable opinions we have received from participating customers are used to improve our business practices and customer services.

Acquiring a Third-party Opinion on ISO 10002 Compliance

In March 2008, Taiyo Life declared the introduction of ISO 10002, an international standard for handling complaints as regards quality management, customer satisfaction and guidelines for complaints handling in organizations, and since then has been committed to continually enhancing customer-oriented service and operations by utilizing customer feedback (including complaints). In March 2022, following on from March 2021, we obtained a third-party opinion on ISO 10002 compliance that recognized our complaint management system as complying with ISO 10002 and functioning effectively. We have been working to improve our business processes based on ISO 10002 and educate employees through training programs.

Customer Complaints* by Type

(Units: no. of complaints received; proportion: %)

Type of foodbook	FY2018		FY2019		FY2020		FY2021	
Type of feedback	No. received	%						
New contracts	1,719	30.4	2,052	31.3	1,907	31.7	2,170	32.6
Payment of premiums	380	6.7	406	6.2	355	5.9	381	5.7
Conservation work	1,032	18.2	1,211	18.5	1,203	20.0	1,246	18.7
Insurance claims and benefits	1,127	19.9	1,272	19.4	1,060	17.6	1,508	22.6
Others	1,399	24.7	1,616	24.6	1,498	24.9	1,355	20.3
Total	5,657	100.0	6,557	100.0	6,023	100.0	6,660	100.0

^{* &}quot;Complaints" refers to an expression of dissatisfaction by customers.

Daido Life

Customer Satisfaction Surveys

Conducting surveys is useful in identifying hidden issues related to Daido Life's business that are difficult to uncover by passively receiving customer opinions and requests.

Major examples include the new policy procedures survey filled out by new policyholders after the completion of the contract procedures, with a focus on the attitudes of sales representatives and the understandability of application forms and other documents, as well as customer satisfaction surveys filled out by business owners/managers that inquire about the level of satisfaction provided by our products, services and after-sale services.

Response to Customer Complaints

We define "complaint" as an expression of dissatisfaction by a customer regarding the company's operations. Upon receiving complaints, we immediately respond in a sincere manner, setting out to resolve such issues. At the same time we take these complaints as valuable information to be used for improving our business processes.



Customer Complaints by Type

(Units: no. of complaints received; proportion: %)

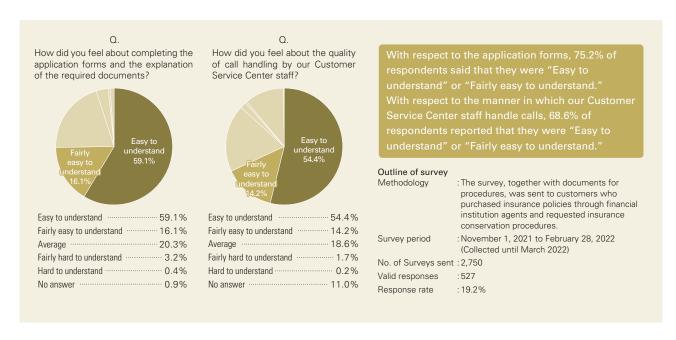
Type of foodbook	FY2018		FY2019		FY2020		FY2021	
Type of feedback	No. received	%						
Purchase of life insurance policy	1,203	11.8	919	11.8	809	13.1	802	13.4
Payment of premiums	736	7.2	639	8.2	429	6.5	454	7.6
Procedures after making a contract	3,816	37.5	2,685	34.4	2,200	35.6	2,015	33.8
Payment of insurance claims and benefits	2,169	21.3	1,475	18.9	980	15.9	1,087	18.2
Other	2,240	22.0	2,091	26.8	1,763	28.5	1,607	26.9
Total	10,164	100.0	7,809	100.0	6,181	100.0	5,965	100.0

 $^{^{\}star}$ As percentages are rounded to the second decimal place, totals will not necessarily add to 100.

T&D Financial Life

Customer Survey

T&D Financial Life conducts a customer satisfaction survey to proactively reflect customer feedback in customer service and operational quality improvements. This survey includes questions about the quality of T&D Financial Life's customer support such as the understandability of application forms and documents involved in various procedures and the quality of call handling by the Customer Service Center staff. Results of customer surveys are available on our website.



Provision of Information on the Internet

T&D Financial Life discloses a summary of information regarding customer feedback, such as frequently made complaints, comments and requests, on its website.

Customer Complaints* by Type

(Units: no. of complaints received; proportion: %)

Time of foodbook	FY2018		FY2019		FY2020		FY2021	
Type of feedback	No. received	%						
New contracts	205	17.6	295	24.0	209	23.6	284	32.8
Payment of premiums	80	6.9	95	7.7	60	6.8	69	8.0
Procedures after making a contract	506	43.5	500	40.6	371	41.9	310	35.8
Insurance claims and benefits	176	15.1	156	12.7	146	16.5	118	13.6
Others	195	16.8	185	15.0	100	11.3	86	9.9
Total	1,162	100.0	1,231	100.0	886	100.0	867	100.0

^{* &}quot;Complaints" refers to customers' complaints and dissatisfaction about products and services, and expressions of dissatisfaction.

Provide Workplace Environments that Enable All People to Participate Actively

We believe that in order to provide workplace environments that enable all people to participate actively, it is necessary to respect the individuality and diversity of all people, while realizing a healthy and safe work environment. In the T&D Insurance Group's CSR Charter and Human Rights Policy, we clearly state our respect for the human rights of all people and the individuality and diversity of all employees, as well as our commitment to nurturing human resources and creating a workplace environment that guarantees health and safety for all. Inadequate actions regarding respect for human rights in relation to business may result in the









risk of losing the trust of society. We believe that in order to realize a sustainable society, it is necessary to support and show respect for the protection of human rights, and to promote the creation of a healthy and safe working environment where employees are able to respond to the needs of society. We also believe that such measures will serve as opportunities to further vitalize the Company, and are promoting various initiatives accordingly.

Connected social issues and group initiatives to solve them







Social Issues

Primary Stakeholders

Initiatives

Respect worker personalities and diversity Support human resources and skills development	Employees	Education and training centered on on-the-job training, group training, support for personal development, and reskilling/relearning Promotion of employment for persons with disabilities, implementation of training on LGBT (sexual minorities), and establishment of a consultation desk for each kind of harassment to respect and promote diversity
Promote the advancement of women Create healthy and safe workplace environments	Employees	Establishment and implementation of action plans for encouraging the active participation of women and targets for promoting female employees to management positions Establishment of systems for returning to the workplace from childrearing, including returning to work after childcare leave

Policy

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

Results for FY202

- Revised personnel and compensation systems so that diverse human resources can participate actively
- Enhanced various support systems to enhance the work-life balance, including balancing work with childcare and nursing care
- Encouraged male employees to take childcare leave
- The three life insurance companies were recognized as Certified Health and Productivity Management Organizations "White 500"
- Introduced the home-based work system and satellite office work system to build structures enabling diverse work styles, etc.

Planned for FY2022

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



1. Initiatives on Respect for Human Rights

1-1 T&D Insurance Group Human Rights Policy

The T&D Insurance Group CSR Charter calls for "Respect for Human Rights," and the Group promotes business activities that respect the human rights of all executives and employees of the Group and all stakeholders.

As a concrete action, we established the "T&D Insurance Group Human Rights Policy," which expresses the Group's views on respect for human rights. The Policy was formulated in accordance with the Guiding Principles on Business and Human Rights, a standard of conduct for all nations and companies developed by the United Nations Human Rights Council.

For more information, please see our website.

WEB https://www.td-holdings.co.jp/en/csr/csr-policy/human-right-policy.html

1-2 Human Rights Due Diligence

The Group exercised human rights due diligence at the Company and its directly owned subsidiaries covering the period up to March 31, 2022.

Initiatives on Respect for Human Rights: overall process

STEP1	 Commitment The Group has established the "T&D Insurance Group Human Rights Policy" which clearly states that the Group respects internationally recognized human rights norms and implements human rights due diligence.
STEP2	 Formulation of the process Establish the items for confirmation in human rights due diligence. Establish particularly important human rights risks as the items for priority confirmation.
STEP3	 Human rights assessment Implement human rights due diligence in accordance with the formulated process. Investigate the status of occurrence of human rights issues within the Group.
STEP4	 Human rights risk mitigation measures and remedial measures In the case that human rights issues are identified by human rights due diligence, the Group will formulate and execute prevention/mitigation measures and remedial measures for the relevant human rights risks.

^{*} Recently, STEP 2 "Formulation of the process" and STEP 3 "Human rights assessment" have been implemented in T&D Holdings and its six directly owned subsidiaries as human rights due diligence covering the period up to March 31, 2022.

Human rights due diligence: confirmation results

As a result of this human rights due diligence, we have confirmed that no serious human rights issues requiring correction have arisen in the Group's business activities. This time we gave priority to confirmation of "harassment" as a particularly important human rights risk. The status of occurrence of harassment is as shown on the right. In addition, we also confirmed that there was no problem regarding the status of "consideration for human rights in our business activities in Myanmar."

Going forward, we will continue to exercise human rights due diligence in order to verify the status of the Group's response to human rights issues and to confirm whether or not there are any issues and report the results to the Group SDGs Committee on an annual basis. The contents of the report to the Committee will be reported to the Board of Directors of T&D Holdings as well as to the Group Compliance Committee. If human rights issues are identified during human rights due diligence, we will take measures to resolve them.

FY2021: Number of Harassment Incidents which Occurred

Confirmation target	Number of incidents
Number of harassment-related consultations received*	57
Of these, the number of incidents certified as harassment	4
Of these, the number of incidents resolved during FY2021	4

^{*} Total from all reception desks

Human rights management structure (human rights due diligence)



^{*1} Due diligence results are also coordinated with the Group Compliance Committee

^{*2} The results of each company's due diligence are reported to the board of directors of each company as appropriate

Priority Theme 2

2. Basic Group Policy on Human Resources

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Human Resources Development Policy

At the T&D Insurance Group, we believe that our human resources, working side-by-side, are the most important driving force behind our business activities to fulfill the T&D Insurance Group's corporate philosophy. Since its foundation, the Group has promoted the nurturing of a corporate culture where a diverse workforce can feel job satisfaction and reach its potential and has established the Basic Group Policy on Human Resources which aims to clarify the basic policy for human resource management within the Group. Under this policy, in which T&D Holdings and each Group company aim to improve their corporate value by leveraging the unique and specialized nature of their respective business strategies, each company formulates its own education and training plan and strives to develop and enhance the skills of its employees.

Initiatives to Provide Opportunities for Growth

The three life insurance companies conduct education and training, primarily through OJT (on-the-job training), group training, support for personal development, and reskilling/relearning. Each Group company encourages autonomous career development by each employee, by actively helping them to acquire qualifications and offering a diverse curriculum, including correspondence education, online courses, and e-learning, according to their educational plans.

Taiyo Life, Daido Life, T&D Financial Life

The three life insurance companies support employee career formation, by providing opportunities to actively pursue skill development.

In-house Recruiting

Under this system, employees can take up various challenges, such as application for dispatch to companies outside of the Group, positions of their choice, MBA programs, and application for dispatch to business schools.

Personnel Exchange within the Group

Personnel exchange is promoted among Group companies for facilitating the sharing of the well-developed skills and useful knowhow possessed by each Group company.

Phase I (2008–2012): Temporary transfer or transfer to other Group company for 1 to 2 years

Phase II (2013–): Short-term training program for a maximum period of 1 month was introduced

- Number of participants in fiscal 2018 (including long-term) 37 employees (13 men, 24 women)
- Number of participants in fiscal 2019 (including long-term) 42 employees (15 men, 27 women)
- Not held in fiscal 2020 and 2021 to prevent the spread of COVID-19

Global Human Resources Development

Taiyo Life

Looking ahead to future overseas business strategies, Taiyo Life dispatches young employees to a number of companies for approximately three months in order to develop personnel capable of successfully working on a global level. In addition, it dispatches a number of employees to the asset management companies overseas to acquire high-level asset management knowledge.

Daido Life

In order to nurture global talent through diverse experiences, Daido Life offers employees the opportunity to undertake internships at overseas companies and MBA studies overseas.

Provision of Reskilling and Relearning Opportunities

Taiyo Life, Daido Life, T&D Financial Life, T&D Asset Management

We provide time- and location-independent online learning materials to encourage the acquisition of knowledge and skills by employees who wish to develop themselves.

Management Training

For managers and managerial candidates, year-round training is offered to impart management knowledge and skills for managerial positions. In addition, study materials have been introduced to support personal development for branch general managers (video-based seminars) with the goal of providing new educational opportunities that contribute to the improvement of branch management. From fiscal 2020, Taiyo Life has been bolstering educational opportunities and strengthening initiatives for manager development.

Daido Life

At both the head office and branches, newly appointed managers are given training with the goal of improving managerial capabilities, and a select number of newly appointed managers are sent outside the company to graduate schools and business schools for further training. Furthermore, to support the flexible career development of junior employees, the company provides training on ways to reduce unconscious biases regarding age and gender and skill acquisition under guidance.

T&D Financial Life

Training for newly appointed key managers is conducted to help them acquire the foundational management skills required for key management positions and reinforce their understanding of risk management, compliance, accounting operations, personnel evaluations, work management, and more. Furthermore, training for newly appointed managers is provided to reinforce their understanding of the role of managers, personnel evaluations, and work management.

Daido Life

Challenge Navi

Challenge Navi is Daido Life's intranet portal for all things related to human resources development. The site has a company-wide feature, My Profile function, where any employee can publish their personal profile so other employees can read about their past experiences, strengths, and professional skills. In doing so, the careers of individual employees can be visualized. The portal site also provides a system (known as D-Career) that lets employees seek career advice from staff in other divisions.



Daido Life's initiatives on supporting employees' self-determined career formation were recognized in the 2017 Good Career Company Awards as the winner of the Grand Prize (MHLW Minister's Award). This owed mainly to the visualization of individual careers using Challenge Navi, the aforementioned D-Career scheme, and the meticulous collection of broad-ranging career information via one-on-one meetings and its use in HR placement and development.

D-Career Planning

Since fiscal 2020, Daido Life has implemented D-Career Planning, an initiative through which each employee visualizes what they want to become based on their own experiences and values and develops a career plan accordingly. Employees can then independently engage in personal development and work toward achieving their goals. Moreover, the company and its managers offer assistance to each employee taking up the challenge of realizing their vision.

2-3 Systematic Personnel Rotation

T&D Insurance Group implements systematic rotation taking into account the career aspirations, ability, and suitability of each individual with respect to human resources deployment needs under the business strategies of the T&D Insurance Group and each Group company, to ensure that each employee can make maximum use of the skills they possess. Young employees are assigned to different parts of the organization and different job areas for a certain period after joining the company. By moving between the head office and branches, as well as sales and administration, these employees work to acquire basic knowledge and hone their skills. Similarly, with regard to management staff, employees who have experience as head office division managers are put into positions such as branch general managers, while branch managerial staff are assigned to the head office, with the aim of improving their managerial capabilities. In addition, employees are assigned to highly specialized departments in accordance with their own characteristics, experience, and career aspirations, and they are developed into staff possessing specialized knowledge based on their operational experience and the development plans created for each division. With the objective of the development and expansion of the population of the human resources responsible for managing the T&D Insurance Group, in which a variety of companies exist, rotation from each company within the Group to T&D Holdings and personnel exchanges and dispatches within the Group are implemented, encouraging greater mobility of human resources within the Group.

2-4 Promoting the Active Participation of the Elderly

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The Group's three life insurance companies have introduced a reemployment system for employees who are reaching the mandatory retirement age. Also, in order to promote work style reform, we are working to give older people the opportunity to actively participate, and each Group company has introduced various systems according to its particular situation. Also, Taiyo Life and Daido Life hold life planning seminars for employees before they reach the mandatory retirement age, to give them an opportunity to think about the way they want to work and live in the future.

Taiyo Life

In responding to changing lifestyles and other factors, on April 1, 2017, Taiyo Life introduced a mandatory retirement age of 65 for administrative personnel, as well as a continuing employment system that extends employment up to the age of 70. At the same time, it abolished the mandatory retirement age of 57 for managerial personnel and rolled out a scheme under which company-approved employees can be appointed to the position of manager until the age of 65. In April 2020, Taiyo Life overhauled its performance evaluation standards so that it could better manage the mandatory retirement plan (65 years of age), let employees of all ages, including senior employees, demonstrate their capabilities more than ever before, and establish an environment in which employees can thrive in managerial positions. It also introduced a performance-based personnel system with the aim of developing an environment in which employees can work with a competitive spirit and be highly motivated regardless of age. The company also provides educational opportunities by inviting external lecturers so senior employees might become more motivated at work.

Priority Theme 2

Daido Life

From April 1, 2022, the mandatory retirement age was extended to 65 years old and a reemployment system enabling employees to work up to 70 years old was newly established. In order to meet the needs of diverse work styles, employees 61 years old or older are provided the option of working on alternate days in addition to the option of full-time work. To put in place a work environment in which employees can more easily achieve their life plans, Daido Life has introduced a Home Base system for personnel employed on a nationwide basis who are 55 years old or older that encourages assignment to positions at offices in the location they hope for, such as their homes.

3. Diversity Promotion Initiatives

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3-1 | Employment of Persons with Disabilities

As of the end of March 2022, a total of 376 employees with disabilities, including 39 new recruits for fiscal 2021, worked at the three life insurance companies, which account for 2.54% of the total number of employees. We have put in place several measures designed to create a comfortable workplace for employees with disabilities. As a pre-hire initiative, we encourage the attendance of a placement support worker at job interviews, so that job candidates can go through the screening process without worry. We also hold workplace tours for candidates to prevent assignment mismatches. After hiring, we strive to provide company-wide support, through measures such as preparing a comfortable working environment by introducing specialized computers and other equipment, and taking commuting routes into consideration. In addition, job coaches who specialize in support for employees with disabilities are dispatched to the company, and a placement support worker holds interviews together with the employee and his or her supervisor, and offers advice. We will continue working to create a workplace environment that encourages and supports persons with disabilities in working comfortably, and to expand employment opportunities for persons with various disabilities.

Employment of People with Disabilities at the Three Life Insurance Companies

🖈 indicates limited verification has been carried out by a third party. (page 85 "3–5 Independent Assurance Report")

	FY2019	FY2020	FY2021 ★
Employment rate of people with disabilities (%)	2.52	2.60	2.54

- *The organizations covered by the calculation of the employment rate of people with disabilities are Taiyo Life, Daido Life, and T&D Financial Life.
- *The employment rate of people with disabilities is calculated based on the Act to Facilitate the Employment of Persons with Disabilities, etc.

Daido Life

With the aim of creating workplaces in which a highly diverse workforce can thrive, Daido Life continues to establish safe and comfortable working environments for people with disabilities. As part of this initiative, in February 2018 the Company set up ACT* at its head office. This administrative services team of employees with disabilities currently has 16 members (as of March 2022).

* ACT is both an acronym for Advance Challenged Team, and a reference to persons with disabilities acting, or taking part, in society.

The company has distributed communication boards and tablets installed with "UDTalk," an app that converts voice to text in real time, to the head office and branches where employees with hearing disabilities work.

3-2 | Human Rights Education

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The T&D Insurance Group holds human rights education sessions for all employees more than twice a year on various issues, such as discrimination due to social class or disability, harassment and LGBT orientation, to deepen employees' understanding of the importance of respecting human rights.

Taiyo Life

With the aim of deepening an understanding of human rights issues and cultivating a spirit of respect for human rights, the company has created a Human Rights Education Program, which holds courses for all employees on the topic of human rights. In fiscal 2019, the company held four in-house study sessions for administrative personnel on various human rights issues, such as international human rights standards and harassment. Worksite study sessions for branch employees were conducted by outside instructors.



Training was also held for persons in management positions on the themes such as cultivation of a harassment-free workplace.

Ahead of revisions to Japan's anti-harassment laws, which took effect on June 1, 2020, Taiyo Life amended its policy on dealing with power harassment and regulations concerning employee awareness and training about this subject matter. It also implemented an e-learning training on harassment to be completed by all administrative personnel. In fiscal 2021, it distributed a monthly report to persons in management positions on the theme of enhancing working conditions, and it has worked to promote the fostering of an environment which does not lead to harassment and in which harassment does not occur.

Daido Life

With the aim of raising awareness about human rights issues, Daido Life has all employees, including dispatch workers, receive training on human rights awareness.

In fiscal 2021, manager training, video viewing training, and workplace training sessions were held on the theme of harassment prevention. The sessions focused on the key topics of: (1) preventing harassment, and (2) workstyle reforms and creating workplace environments in which a diverse workforce can thrive. Furthermore, training utilizing a suitability test which can assess the degree of risk that a manager will engage in power harassment was held for persons in management positions in the head office and branches.

In addition, the company participated in lectures on human rights awareness outside the company and engaged in awareness activities on various human rights issues, and similar activities, and the company accepts in-house proposals for a human rights slogan and carries out initiatives to deepen employees' knowledge of human rights through awarding prizes and displaying posters at the company.

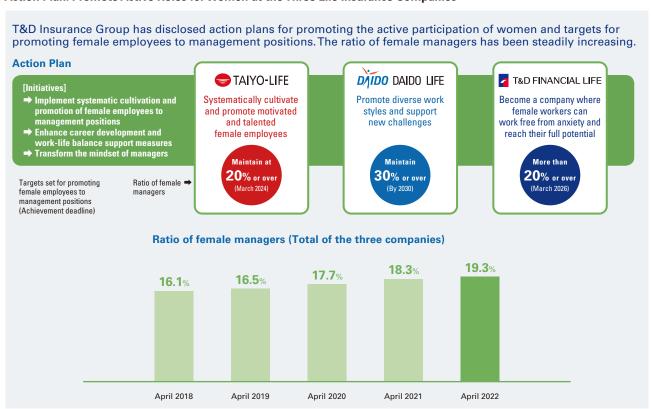
T&D Financial Life

The company holds human rights training to allow all employees to deepen their knowledge and understanding of human rights, and to proactively confront human rights issues. This training also seeks to assist each and every employee in maintaining mental health, and to cultivate a healthy, harassment-free workplace environment by providing employees with a better understanding of mental health and harassment (sexual harassment and power harassment). In fiscal 2021, the company held human rights training for all employees on topics such as responding to LGBT issues in the workplace and harassment. Training on cultivating a harassment-free workplace environment was also conducted for all personnel promoted to management positions.

3-3 Initiatives to Support Active Participation of Women

The T&D Insurance Group has accelerated efforts to create a corporate culture where a diverse workforce can feel job satisfaction and reach their potential. Among these, the Group recognizes that enabling women to further reach their potential is an important driver of sustainable growth in corporate value, and that their active participation is a crucial management priority for the Group. With this in mind, the Group's three life insurance companies are working to revise their respective personnel and compensation systems, as well as introducing various support systems to enhance employees' work-life balance, including balancing work with childcare and nursing care. In addition, by fostering a Group-wide collaboration to reduce total working hours and encourage male employees to take childcare leave, we are making an effort to create rewarding workplace environments where everyone is motivated to play an active role. To steadily advance these initiatives and promote the active participation of female employees, the Group's three life insurance companies have each formulated action plans based on their respective business models.

Action Plan: Promote Active Roles for Women at the Three Life Insurance Companies



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Taiyo Life

Appointment of A Female Director

The company's first female executive officer appointed in April 2017 has been appointed as a director in June 2018.

Education for Managers

Management training is conducted when employees are promoted to management positions, as well as regularly thereafter, so that managers will be able to smoothly carry out their duties.

Nurturing Candidates for Management Positions

The company systematically nurtures potential management personnel by providing group training in management skills for outstanding mid-career employees across the country, regardless of job category or gender. Employees can also acquire a variety of work experience, through opportunities such as exchanges between Group companies.

• Preparing an Environment to Enable Flexible Work Styles

In June 2017, the company expanded its flextime system to include employees on short working hours. It is working to create an environment where employees whose time is limited by childcare or nursing care can choose more flexible work styles and develop their careers. Accordingly, in April 2018, the company extended the eligible scope of the system for short working hours from "until the April immediately after a child enters elementary school" to "until the child graduates from elementary school." In addition, the company has formulated a support program for employees who resume work after childcare leave, and is developing a framework that enables a smooth return from childcare leave.

Daido Life

Greater Opportunities for Participation

Daido Life is working to support the career formation of female employees and improve managers' capabilities in supporting them. For example, it has put in place a comfortable workplace environment by implementing numerous support measures that aim to boost career mindsets and expand horizons. Further, opportunities are provided for employees to discuss balancing work with family life with colleagues who already have experience in such matters. Also, in April 2021, Daido Life appointed a new female executive officer, and in June 2021, it promoted its first female executive officer (appointed in April 2018) to Director and Managing Executive Officer.

• Career Challenge System

The company provides opportunities for growth by enabling employees to gain a wide range of business experience, beyond the work they have previously engaged. These include in-house internships that allow locally based employees who have few transfer opportunities to leave their workplace for short periods to try a different job, free-agent style applications for in-house jobs, and work assignments at outside companies in Japan.

• Development of Female Managers

For the purpose of nurturing female managers and enhancing awareness about furthering their careers, Daido Life is endeavoring to improve the managerial capabilities of female managers with the use of a mentor system whereby officers or general managers offer their support to newly appointed female managers, in addition to dispatching female managers to universities and other institutions. And in an effort to expand opportunities for female employees to take on new responsibilities and bigger roles, the company has an all-star program that runs over a number of years, which aims to systematically nurture candidates for general/branch manager positions.

T&D Financial Life

Training to Support Women's Active Participation

Group training is held regularly on topics such as Communicating with the People around You, Demonstrating Leadership, and Guiding and Nurturing Subordinates and Juniors, with the aim of allowing female employees to envision the type of leader they should become, and to acquire the skills necessary to do so.

3-4 LGBT-friendly

Welcomed by the Group

Underpinned by its basic approach to respecting human rights expressed in the T&D Insurance Group's Human Rights Policy, the Group strives to develop a workplace environment in which each and every employee can fully realize their own potential. From the viewpoint of diversity, each Group company is addressing LGBT (sexual minorities) issues by running training sessions and setting up consultation desks. In addition, from December 2016 to January 2017, the Group held seminars regarding LGBT issues for executives, department general managers, and managerial staff. Approximately 1,700 people attended a lecture on the topic of LGBT compliance in companies by an outside lecturer, and attendees became more aware of the importance of engaging in LGBT initiatives as a company. In addition, working-level training sessions primarily targeting Group company human resources division managers and other human resources staff were held.

Daido Life

In April 2018, Daido Life began treating same-sex partners as spouses under the company's leave and benefit program.

Major Applicable Systems

- Leave, short working hours Recreation facilities Family transfer system Company housing/transfer allowance
- Daido Life Mutual Aid Fund (congratulations and condolence allowance system), etc.

Customer-oriented

The T&D Insurance Group's three life insurance companies have also started to allow policyholders to designate same-sex partners as beneficiaries of insurance benefits, just like for a spouse, by submitting documents showing that the two people are in a partnership, such as a partnership certificate issued by a local government.

Daido Life

Daido Life is expanding the areas in which same-sex partners living together are accorded the same treatment as spouses, including procedures for new policies, payments, and policy changes.

Response	Date	
Possible to designate as beneficiary for death benefits	November 2015	
Possible to designate as registered family in the Family Registration Program	November 2015	
Possible to sign on behalf of a partner for procedures such as new policies, payments when the partner is unable to do so for him/herself	December 2016	
Possible to designate as a preregistered proxy	April 2018	

4. Worker-friendly Work Environment

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Work-Life Balance Initiatives

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The T&D Insurance Group companies are strengthening various initiatives, including enhancement of childcare leave and other systems, reduction of total working hours, and introduction of the home-based work system and satellite office work system to enable diverse work styles. Accordingly, employees can make full use of their skills and increase their performance at work, while fulfilling their responsibilities at home, such as housework, childcare, and nursing care. Furthermore, we believe that in order to promote the active participation of women, it is essential to create a workplace where women can continue working long term, while experiencing life events such as marriage and childbirth. As part of these efforts, the Group as a whole is striving to realize work-life balance by encouraging men to participate in childrearing, and the percentage of male employees taking childcare leave has reached 100% at the three life insurance companies.

Taiyo Life

Taiyo Life is taking steps to reduce overall working hours and encourage its employees to take paid leave. A number of flexible working options are on offer; for example, the company rolled out a system that allows workers to take time off in units of 10 minutes to look after their child if they have fallen ill or for nursing care, while the scope of Taiyo Life's shorter working hours system was expanded to include employees with children up until the end of elementary school. Also, Taiyo Life's flextime system can now be utilized by employees working shorter hours. The company also has other systems in place that go above and beyond what is required by law. For instance, a nursing care leave system that can be utilized for up to three years, a childcare leave system available to employees with children no older than three years, and paternity leave for male employees of one month or more. Also, in April 2020 Taiyo Life introduced a new system that lets employees work only three or four days a week if they need to take time off to provide nursing care or undergo cancer treatment. Support for employees balancing work with nursing care or medical treatment is also being expanded with cancer treatment being added to the scope of hospital leave, which was previously limited to pregnant employees, employees that had recently given birth, or employees undergoing infertility treatment. Moreover, in January 2021 the company made it possible for workers to take time off in units of 10 minutes to look after their child if they have fallen ill or for nursing care and from April 2022 use of hospital leave in units of 10 minutes also became possible.

Daido Life

Efforts are being made to reduce working hours, such as the implementation of automatic computer shutdown. In addition, the company is promoting work styles that allow employees to balance their jobs with life at home, such as encouraging employees to take paid leave and make use of the home-based work system. In 2017, the company was recognized by the Ministry of Internal Affairs and Communications (MIC) for initiatives such as its home-based work system, receiving the MIC Award as one of the Top 100 Telework Pioneers. Later, in February 2019, Daido Life was awarded the Excellence Award at the Telework Promotion Awards held by the Japan Telework Association, and in November 2019, the company took home the Shiny Telework Prize Excellence Award implemented and selected by the Ministry of Health, Labour and Welfare. Further, in January 2021, the company introduced an hourly leave system for paid leave and caring for sick family members/nursing care leave which enables employees to take leave in units of one hour. Also, in April 2021, the company launched its Work Experience Challenge system with the goal of supporting the development of each employee by providing them the opportunity to undertake work experience outside the company, and further, has been promoting initiatives for new working styles, such as the introduction of private shared offices which provides locations for employees to work outside of the office.

T&D Financial Life

The company is promoting initiatives to reduce working hours by implementing a "No Overtime Day" and a "Leave Work Early Day," automatically shutting down computers used for work, and other measures, initiatives encouraging employees to take paid leave such as making it mandatory to take planned annual leave of five consecutive business days + three business days, and home-based work (telework) systems to realize more flexible work styles. In addition, it is advancing initiatives for the realization of work-life balance, such as the introduction of the system for short working hours which employees can utilize during the raising of children, nursing care, and convalescence from illness, recommending that employees take children's birthday leave (until the child starts elementary school) and anniversary leave, and the introduction of a childcare leave system enhanced above the statutory requirements.

Acquisition of Maternity and Childcare Leave

	FY2019	FY2020	FY2021
No. of employees taking maternity leave	386	372	415
Number of employees eligible to take childcare leave	499	456	497
Men	113	84	82
Women	386	372	415
No. of employees taking childcare leave	484	415	463
Men	113	84	82
Women	371	331	381

^{*} The acquisition of maternity and childcare leave at the three life insurance companies.

Fiscal 2019 196 (96.1%) (Men 108 (100%), Women 88 (91.7%)) Fiscal 2020 172 (96.6%) (Men 84 (100%), Women 88 (93.6%))

Fiscal 2021 146 (95.4%) (Men 74 (100%), Women 72 (91.1%))

^{*} The number of administrative personnel at the three life insurance companies who have returned to work after taking childcare leave is as follows.

Acquisition of Nursing-Care Leave

	FY2019	FY2020	FY2021
No. of employees taking nursing care leave	1	3	3
Men	0	1	0
Women	1	2	3

Number of Administrative Personnel Taking Paid Leave

	FY2019	FY2020	FY2021
Average number of paid leave days taken	15.4	16.1	16.5

^{*} Number of administrative personnel of the three life insurance companies taking paid leave

Number of Employees Hired/Number of Employee Turnover

	Number hired					Number Turnover							
Number of administrative personnel hired /turnover		FY2019		FY2020		FY2021*		FY2019		FY2020		FY2021*	
		Number of persons	Percentage compared to number of employees at fiscal year end	Number of persons	Percentage compared to number of employees at fiscal year end	Number of persons	Percentage compared to number of employees at fiscal year end	Number of persons	Percentage compared to number of employees at fiscal year end	Number of persons	Percentage compared to number of employees at fiscal year end	Number of persons	Percentage compared to number of employees at fiscal year end
Takal	Total	277	4.85%	283	4.94%	270	4.71%	315	5.52%	258	4.50%	273	4.77%
Total	Under 30	247	4.33%	258	4.50%	234	4.08%	97	11.29%	70	7.22%	77	7.58%
(men and - women) -	30-50	23	0.40%	20	0.35%	34	0.59%	100	3.16%	66	2.18%	65	2.22%
	Over 50	7	0.12%	5	0.09%	2	0.04%	118	7.00%	122	7.02%	131	7.36%
_	Total	103	1.81%	113	1.97%	104	1.82%	144	4.60%	140	4.51%	138	4.50%
	Under 30	86	1.51%	99	1.73%	94	1.64%	35	9.49%	24	5.80%	38	9.09%
Men	30-50	11	0.19%	10	0.18%	10	0.18%	46	2.58%	34	2.01%	30	1.84%
	Over 50	6	0.11%	4	0.07%	0	_	63	6.43%	82	8.25%	70	6.90%
Women -	Total	174	3.05%	170	2.97%	166	2.90%	171	6.64%	118	4.49%	135	5.07%
	Under 30	161	2.82%	159	2.77%	140	2.44%	62	12.65%	46	8.27%	39	6.52%
	30-50	12	0.21%	10	0.18%	24	0.42%	54	3.92%	32	2.40%	35	2.69%
	Over 50	1	0.02%	1	0.02%	2	0.04%	55	7.79%	40	5.38%	61	7.96%

^{*} The number of administrative personnel hired and leaving employment at the three life insurance companies in fiscal 2021. All percentages are based on the number of employees at the end of fiscal 2021.

Measures to Support Raising the Next Generation

Since the enforcement of the Act on Advancement of Measures to Support Raising Next-Generation Children in April 2005, the Group has formulated a unified action plan every two years to enhance the childcare support system and promote work-life balance. Regarding support for the development of young people, the Group's three life insurance companies received certification as meeting the criteria of the Act on Advancement of Measures to Support Raising Next-Generation Children (Kurumin certification) for five consecutive biennial periods starting from the first period from April 1, 2005 to March 31, 2007. T&D Asset Management has obtained the Kurumin certification for four consecutive biennial periods starting from the fourth period from April 1, 2011 to March 31, 2013. Additionally, in April 2008, T&D Information System became the first company with 300 or fewer employees in the information services sector in Saitama Prefecture to acquire the same certification. The company received certification under the same initiative for four consecutive periods. Moreover, the Platinum Kurumin System was initiated on April 1, 2015. This certification is awarded only to Kurumin-certified companies that have satisfied certain requirements by undertaking even more advanced activities. All three of the Group's life insurance companies obtained the "Platinum Kurumin" mark in recognition of their proactive initiatives as enterprises that support child raising activities. T&D Information System and T&D Asset Management also obtained the "Platinum Kurumin" in August 2018 and June 2019, respectively.

T&D Insurance Group companies have been certified as being companies that support the raising of children





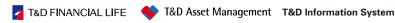


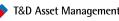












^{*} The number of persons leaving employment includes those who have reached mandatory retirement age, those who have left to assume posts as officers, and those who have died.

^{*} Over 50 includes Fixed-term contract (shokutaku) employees.

Workforce Composition

Information Regarding Employees and Other Workers

Category Employment type/ co	Social insurance	Welfare system	Paid leave	Salary	
	Administrative personnel	0	0	0	Fixed
Full-time, indefinite-term	In-house sales representatives	0	\triangle	0	Fixed + proportionate
	Contract employees	0	\triangle	0	Fixed
Full-time, fixed-term	Fixed-term contract	0	\triangle	0	Fixed
Part-time, fixed-term	Part-time	0	\triangle	0	Fixed

^{*} Exceptions are marked with a \triangle .

Employee Composition by Age Group

Number of employees -		Number of employees				
		March 31, 2020	March 31, 2021	March 31, 2022		
	Total	17,457	17,945	17,963		
Total	Under 30	2,420	2,880	2,967		
(men and women)	30-50	7,900	8,000	7,854		
	Over 50	7,137	7,065	7,142		
Men	Total	3,380	3,379	3,356		
	Under 30	397	438	438		
	30-50	1,784	1,779	1,723		
	Over 50	1,199	1,162	1,195		
Women	Total	14,077	14,566	14,607		
	Under 30	2,023	2,442	2,529		
	30-50	6,116	6,221	6,131		
	Over 50	5,938	5,903	5,947		

^{*} Number of employees at the three life insurance companies (including in-house sales representatives)

Officer Composition by Age Group (as of July, 2022)

		Under 30	30-49	50 or over	Total
Men		0	3	66	69
	Outside officers	0	1	13	14
Women		0	1	5	6
	Outside officers	0	1	2	3

^{*} Outside officers refers to outside Audit & Supervisory Board members and outside directors

4-2 Initiatives Reflecting Employee Feedback

102-43

The Group's three life insurance companies conduct employee awareness surveys addressing issues like job satisfaction, working conditions, and the personnel evaluation system, and have implemented various measures based on the survey results. We obtain views from employees as reference information for management, which includes gathering opinions from employees regarding the degree of penetration and operation status of current HR systems, as well as understanding employee satisfaction, a critical element leading to greater customer satisfaction. Furthermore, the T&D Insurance Group Long-Term Vision has established employee satisfaction as a non financial KPI among the Vision's key performance indicators, with the Group working to improve employee satisfaction.

Employee satisfaction level survey

One of the most crucial driving forces that will allow each T&D Insurance Group company to maintain stable and sustainable growth is human resources. Improving satisfaction and motivation levels among employees is indispensable for the realization of the Group's various measures. In particular, in today's world that is said to be in the era of VUCA, which stands for volatility, uncertainty, complexity, and ambiguity, the autonomous actions of employees are even more necessary, and taking into account the present situation that the independent actions of employees based on the creation of job satisfaction has become even more important than before, we implemented a survey of the employees of the directly owned subsidiaries, including the three life insurance companies, which focused on the satisfaction level of the employees, one of the non-financial KPIs.

^{*} Number of officers including executive officers at T&D Holdings and the three life insurance companies

4-3 Employee Questionnaire on Sustainability and CSR

102-43

T&D Holdings stresses the importance of communication within the Group and hopes to be able to grow with every employee—the key stakeholders of the Group—to fulfil the Group's public mission and social responsibilities. The T&D Insurance Group Sustainability Report helps raise awareness about sustainability and CSR throughout the Group as a mirror for self-reflection. Also, with the objective of enhancing the Group's initiatives on sustainability and CSR, the Group's corporate officers and employees were requested to answer a questionnaire after they had finished reading the report.

(Questionnaire Respondents)

T&D Insurance Group corporate officers and employees

* Questionnaires are completed anonymously.

About the Entire Report

Commendable Sections

(1) Promote healthy and abundant lives for all people23.6	%
(2) Provide workplace environments that enable all people to participate actively 18.1	%
(3) Help mitigate and adapt to climate change12.1	%
(4) Response to COVID-1911.0	%
(5) Message from the President 8.9	%
(6) Social activities 8.8	%
(7) Organizational profile 6.5	%



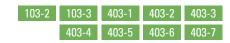
Opinions and Requests Received

Questionnaire respondents rated the report's comprehensibility, amount of information, as well as their level of understanding of the Group's sustainability and CSR initiatives, to be roughly the same as the previous year. They would like to see the following topics be further expanded upon and improved going forward: initiatives for employees (initiatives aimed at improving HR systems and workplace environments and the like); overall Group management (business outline and future vision of each Group company and the like.); and initiatives for the global environment (forest conservation, environmentally friendly product purchasing, and the like). In response to the comments and requests, the Group will make an effort to improve the content of these topics going forward.

Reflecting Opinions and Requests

To further raise the awareness of corporate officers and employees regarding sustainability and CSR issues, we made an effort to clearly demonstrate the Group's approach and policies on implementing initiatives and edited the report to make it easier to read so that readers could become more familiar with sustainability and CSR.

5. Health Promotion for Employees



5-1 Health and Productivity Management Initiatives (1)

The T&D Insurance Group companies believe that the mental and physical health of the employees and their families is important in order to realize the Group Corporate Philosophy and continue the growth of the Group, so they aim to realize workplaces where all employees can participate in the operations with peace of mind and work enthusiastically.

Taiyo Life

Taiyo Life promotes Taiyo's GENKI Project*, an initiative for energizing employees, customers, and society. This project provides various forms of support to encourage employees to maintain their health with the aim of preventing lifestyle diseases. The company cooperates with Kaminoyama City in Yamagata Prefecture to offer Kurort Health Walking and Smart Life Stay (accommodation packages that incorporate health guidance specified by the Japanese government) through the Kaminoyama Onsen Kurort (health resorts) Program. The company's health and productivity management initiatives have also included an increase in the subsidy for cancer screening since 2017, and MCI screening is performed to determine the future risk of dementia. In addition, beginning in fiscal 2021, Taiyo Life's health and productivity management initiatives also include AminoIndex® Risk Screening, which can assess the current likelihood of cancer and the future risk of strokes, myocardial infarction, or diabetes, all at once. Taiyo Life concluded cooperative agreements on health promotion with Gifu City, Gifu Prefecture in January 2021. It aims to support people's health and well-being in regional communities through Kurort Health Walking, buoyed by the active participation of Taiyo Life employees.

* Taiyo's GENKI Project is being promoted with the President at the helm and all executive officers as members.

Priority Theme 2

Daido Life

Daido Life's "DAIDO COCO-KARA" is a variety of actively promoted initiatives for improving the health of employees under the "COCO-KARA Declaration," a declaration of health and productivity management and a commitment from top management. These include initiatives to reduce working hours by automatically shutting down computers used for work, as well as planned yearly leave and leave taken in conjunction with weekends or national holidays, early regular preventive health checkups for all employees, establishment of consultation desks to discuss second opinions and cancer, the arrangement of wearable devices which allow the wearer to measure their health status during everyday activities such as heart rate and number of steps taken (some devices are subsidized by the company), the holding of walking campaigns, talks on health topics, the prohibition of smoking during working hours, and the introduction of measures to help employees quit smoking (the online quit-smoking program).

T&D Financial Life

As part of its pledge to proactively promote the creation of workplace environments where employees can participate actively and enthusiastically in good health, T&D Financial Life has formulated the T&D Financial Life Health Declaration. In line with the Declaration, the company has implemented measures to improve employees' health, including initiatives to reduce working hours by implementing a "No Overtime Day" and a "Leave Work Early Day," automatically shutting down computers used for work, and other measures, promoting home-based work (telework), fully implementing regular health checkups, conducting stress checks aimed at preventing mental health issues, acquiring Mental Health Management certification for its management staff, establishing the T&D Medical Hotline, which employees can call to consult about mental and physical health problems, abolishing in-house smoking areas, prohibiting smoking during working hours, and subsidizing the costs of engaging in sports through in-house club activities and the like. It is also engaged in specified medical check-ups and the provision of health guidance based on Data Health Plans in collaboration with the Health Insurance Association.

Taiyo Life, Daido Life, and T&D Financial Life have been listed in the White 500 as organizations having outstanding health and productivity management, based on the Certified Health and Productivity Management Organization Recognition Program set up by Ministry of Economy, Trade and Industry for the purpose of increasing the uptake of health and productivity management, which encourages health promotion among employees (Taiyo Life and Daido Life have been listed for six years straight).

Certified Health and Productivity Management Organization - White 500

The three initiatives of "Taiyo's GENKI Project" at Taiyo Life, "DAIDO COCO-KARA" at Daido Life, and "T&D Financial Life Health Declaration" at T&D Financial Life are being carried out to improve the health of employees through various measures, and they aim to realize workplaces where all employees can be both physically and mentally healthy and work in a spir-



ited manner. The three life insurance companies were recognized as Certified Health and Productivity Management Organizations "White 500" in the large enterprise category under the Ministry of Economy, Trade and Industry's (METI) Certified Health and Productivity Management Organization Recognition Program, which METI established with the aim of honoring organizations that engage in initiatives to improve the health of their employees.

5-2 | Health and Productivity Management Initiatives (2)

Initiatives by the Human Resources Department

The T&D Insurance Group has a clinic at its head office, and promotes the health of its employees through periodic health committee meetings at each branch office in collaboration with industry physicians and the labor union. The Group companies also take care of the mental health of their employees and, by contracting external physicians, provide a system for consultation and medical service that employees can utilize free from anxiety.

Stress Check Program

All employees at T&D Insurance Group companies were invited to undergo a stress check as part of the program's goal of preventing mental health disorders. The Group encourages self-care among its employees, and has also put in place a system for employees under particularly high stress to receive in-person advice from a physician, and when necessary, to introduce such employees to specialists the Group has contracted with on a part-time basis. Each company also conducts group analysis, which is beneficial in improving the workplace environment.

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 diseases and otherwise promote the health of association members. In addition to covering medical costs, such as due to illness or injury in members and their dependents, the societies conduct campaigns to raise awareness regarding the use of health insurance, subsidize the cost of health check-ups including annual physical examinations, and promote cancer screening. Since fiscal 2008, the societies have also carried out specified medical check-ups and healthcare guidance aimed at preventing lifestyle diseases. In fiscal 2015, the health insurance societies began activities such as providing health guidance to insured members as part of their Data Health Plans. A Data Health Plan is an efficient and effective approach to health maintenance based on the PDCA cycle and analysis of data such as medical information (receipts for health insurance claims) and information about health examination results.

Employee Dialogue

Providing Human Resources Development Programs and Enhancing Corporate Value

In order to create a corporate culture where a diverse workforce can feel job satisfaction and reach their potential, the T&D Insurance Group provides a variety of opportunities to improve skills and an environment where individuals can advance their careers.



Hiromu Nakayama

T&D Holdings
Business Development Department
(T&D United Capital)
Joined in 2017

Ryo Ogawa

Taiyo Life Field Education Division, Sales Department Joined in 2015

Yui Oki

Daido Life Human Resource Training Division, Human Resource Development Department Joined in 2013

Kenichi Tachibana

T&D Financial Life Product Planning Division, Product Department Joined in October 2018 (mid-career hire)

Ogawa I work in the Field Education Division of Taiyo Life, where my main duties include training for SS (sales staff) assistant managers (employees responsible for training the in-house sales representatives) of all branches across Japan, online training for in-house sales representatives at all branch offices, and preparation of various materials related to these training programs.

Tachibana I work in the Product Planning Division at T&D Financial Life, where I'm involved in the development of new products and the revision of existing products for financial institutions and independent insurance agents (insurance shops that handle products from multiple insurers). Specifically, we research market trends, come up with ideas for new products, plan products, promote sales,

follow up after sales launch, and manage progress.

Nakayama I was transferred to T&D United Capital from the Business Development Department of T&D Holdings, and I am currently working on the launch of our new closed book business. The closed book business acquires and consolidates blocks of policies in force ("closed books") of products that other insurance companies have stopped selling and monetizes them by increasing their value. In simple terms, it's a reinsurance business. Specifically, I'm involved in managing the investment portfolio of Fortitude Group Holdings, LLC., our affiliate that specializes in closed book business. In this role, I'm absorbing know-how, studying the development of the closed book business in Japan, and working to develop new investment opportunities.

Employee Dialogue

Oki I work in Daido Life's Human Resource Training Division, where I'm in charge of managing training programs for agency sales representatives, mainly of tax accountant offices, and operating an on-the-job training system for sales representatives. Also, since Daido Life dropped individual goals and changed them to team goals, we're conducting training and awareness surveys associated with this switch.

What human resource development programs do you use?

Ogawa Taiyo Life prioritizes the training of young career-track employees, and as part of this policy, they can study at business school through an open application process. I took advantage of the program to attend a critical thinking course to improve my business skills. I feel that learning together with people outside the company gave me a very valuable opportunity to come into contact with various opinions and ways of thinking.

Tachibana I took the same critical thinking course as Mr. Ogawa. It's a short three-month course aimed at teaching you the skills to encourage behavioral changes in others by clearly articulating the issues at the heart of problems faced in the workplace and explaining them in a logical manner. As Mr. Ogawa said, it was a very intense experience where you're actively learning together with people outside the company.

Oki I entered the company as a "locally-based employee (area career-track)," which does not involve nationwide relocation. I worked in agency sales for 8 years, and in my 9th year I took advantage of the "Career Challenge System." As I explained earlier, in the Human Resource Training Division, I take on the challenge of supporting branch offices standing in the completely opposite position when compared with the past. I was also responsible for training junior staff



at the branch office, but even though I could tell them a few things based on my past successes, my existing skills were limited when it came to motivating the junior staff members individually. That's why I decided to take advantage of this program, because I thought it would be a good experience to work at the head office, where I could learn from multiple perspectives.

Nakayama For my first three years in the company, I was responsible for training in-house sales representatives at a branch office of Taiyo Life, and then I transferred to my current department, where I'm involved in the closed book business. Since we're building the business ourselves, there's no special training program; it's based on self-study and on-thejob training. We have teleconferences with our overseas corporations two to three times a week, so communication in English is essential. At the time my English was not fluent, so my boss had to help me for a while. Meanwhile, I attended an English language training program and honed my English communication skills. And since I had no knowledge of investment and investment management, I also started studying to become a securities analyst. I've learned legal and other practical matters related to M&A through practice. Now that I've been assigned to my current department, there are lots of learning opportunities in addition to on-the-job training.

How do you apply what you've learned in your work?

Ogawa After taking the critical thinking course, I got into the habit of constantly questioning what the true issue is and thinking deeply about the nature of things. In our training for SS assistant managers across Japan, I ask them to get to the essence of things and to stick to what the issue is and what is important to solve it. One of our most important tasks is to analyze sales data and use it to drive subsequent results. In doing so, I've become very conscious of "missing the forest for the trees" to avoid into such a situation, which is to say, not seeing the whole or the essence because one is too caught up in the branches and leaves.

Tachibana Adding to what Mr. Ogawa just said, I learned the importance of prioritizing and addressing the various challenges that we face every day, and organizing what my argument is and the reasoning behind it in a way that is mutually exclusive and collectively exhaustive, and communicating it in a way that is convincing from the other party's point of view. In particular, the Product Planning Division does not start until the other party makes a move. Therefore, whether it's oral explanation or document preparation, I think attending the course helped me a lot to start thinking about things from the standpoint of the other party, imagining the situation of both sales side and consumer side, what is of most interest to them, and how to convey our suggestions.

Employee Dialogue

Priority Theme 2



Oki While working in my current department, I began to learn about coaching, including acknowledgment skills, and I think my teaching skills have improved. When I worked in agency sales at the branch office, communication between myself, the agency, and future customers was all one-onone communication. In other words, I didn't have to listen to the opinions of various people, I just had to think about the person in front of me. However, head office operations are completely different, and basically communication is one-to-many. No matter what measures you take, you need to listen to opinions from a variety of people. In these non-one-on-one communications, people tend to be overwhelmed by differences in opinions and positions and lose sight of the purpose of the meeting or training. In such situations, I've gradually learned how to clarify the purpose of what I'm trying to do and communicate with each person face-to-face.

Nakayama At first, I was worried about communicating in English, but now that I use English every day, I'm able to use it in my work. My skills in examining investment opportunities have also gradually reached a level where I can apply them to my work thanks to the help of senior staff who have a wealth of knowledge and expertise.

Unlike the rest of you, I'm in a situation where there are no junior colleagues in my department to teach. Can you give me some advice on how to deal with junior colleagues in the future when I'm in a position to teach them?

Oki First, as I mentioned earlier, I try to listen to the other person's ideas first, rather than imposing my own, which is my natural tendency. Another piece of advice is to thank them when they do something for you and apologize when you make a mistake. Also, instead of reacting negatively when they fail, I try to react positively, by finding and praising the good things. For example, I'll say, "It was good up to this point, but next time, let's watch out for this, and try to improve that."

Ogawa I try to approach them with the attitude of "let's work hard together," treating them as equals rather than my juniors. I value our attitude of proceeding with matters through consultation rather than one-way commands.

Tachibana My previous job was in sales at a bank, and I came to my current department after working in sales at our company. I feel that these experiences have given me strengths in certain areas, but I treat both my seniors and juniors with the understanding that they have various experiences and strengths that I don't have. In other words, I try to build a relationship in which we can say anything to each other with no division between seniors and juniors so that we can take advantage of each other's experiences and learn from each other.

Nakayama Your comments are very helpful, thank you.

What kind of career development do you have in mind for the future?

Ogawa Recently, I was involved in launching a new Taiyo Life sales office, and in support of this, I was sent to recruit and train in-house sales representatives for three to four months. This reminded me once again that I feel fulfilled when I can contribute to the growth of our in-house sales representatives. In my current department, I'm developing my own sales skills while fostering the employees in charge of training the in-house sales representatives. Also, in my critical thinking class, I learned how to communicate to others. Eventually, I would like to experience being a branch manager so that I can use these skills more in practice, especially in training the branch's in-house sales representatives. After that, I envision a career plan in which I would return to the Sales Department and contribute to improving the training level of in-house sales representatives on a company-wide basis.



Priority Theme 2

Employee Dialogue

Oki I intend to use the multifaceted perspective I developed at the head office to help foster junior staff. I've always been impatient by nature, and when junior staff asked me, "What's this? What should I do next?," I tended to respond, "Do this, do that, do that," rather than teach them. However, as a result of my experience working at the head office, instead of giving one-way instructions to junior employees or imposing my own ideas on them, I've begun to focus on eliciting what problems they're struggling with and how to solve them. If the opportunity arises, I hope to experience head office work outside of my current department, and eventually, as a manager, contribute to the creation of an organization where junior staff can freely demonstrate their abilities and achieve self-fulfillment.

Tachibana I still feel a gap with my boss in skills such as getting buy-in from various people to achieve objectives, encouraging others to change their behavior, and getting them to take action. To close this gap, I would like to actively apply what I learned in the critical thinking course, hone my skills in management work, and build a solid foundation for career advancement.

Nakayama I would like to get the greatest possible advantage out of this opportunity I've had to gain valuable experience in a highly specialized department at a young age. On top of that, if I have an opportunity, I would like to experience overseas investment management, and in the future, I would like to be in charge of the investment management department. For the time being, however, I'm focused on making the new business of closed books one of the Group's profit pillars, while learning more every day through my work.

What other programs are necessary for the sustained growth of the Group?

Oki I would like to see more Group-wide exchange programs and training. It's been 10 years since I joined the company as a new graduate, but when I talk with mid-career recruits during the training, I sometimes feel that my perspectives and insights are narrow. When I first joined the company, we had one or two days of joint group work with Taiyo Life during the new employee training, and I remember thinking that it was a good learning experience because the company cultures were quite different. Since we are Group companies, we should have the opportunity to incorporate each other's good points and suggest points that need to be improved. When I took advantage of the Career Challenge System, it broadened my horizons immediately. Also, here at this roundtable discussion, I feel I've learned a lot about Mr. Nakayama's closed book business, and I've become familiar with the work of T&D Holdings. I think more exchanges between Group companies and departments would strengthen the Group's sense of unity.



Ogawa After interacting with people from different industries and departments at the business school, I felt that interaction between Group companies is significant in the sense of having a balanced mindset that is not biased toward the thinking of our own company or department. At the same time, it fosters a competitive spirit, which I think is very important for our growth as a Group.

Nakayama In my department, there are people with various experiences such as Daido Life, Taiyo Life, and the outside world. In addition, I have exchanges with many different departments, and I'm fortunate to learn a lot. As you all said, I think that interaction within the Group is important when we consider the growth of the Group.

Tachibana It would be great if we could plan "hands on" training programs across the Group, regardless of whether you are a salesperson or office worker. It would be place where participants actively put the information and knowledge shared there into practice in the field and meet regularly to exchange information on their progress and reflections. Moreover, since we're in an era in which we must develop high value-added products and innovative sales methods in order to survive, it seems to me that it's becoming more and more necessary to cultivate autonomous and specialized employees who can think and act on their own initiative and have strengths in specific fields. It's important to cultivate employees who can learn, act, and communicate independently, rather than waiting for instructions. In that sense, I think we should enhance the Career Challenge System. I also think we need to create a system in which career counselors assist individual employees in formulating their career visions. It would provide opportunities and venues for employees to take stock of their career to date, identify challenges and strengths, and think about where they want to be in the future.

Help Mitigate and Adapt to Climate Change

A globally shared long-term target was established by the Paris Agreement, adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in December 2015, to keep the rise in global average temperature fully below 2°C in comparison to before the Industrial Revolution and pursue efforts to limit this rise to 1.5°C. Achieving net zero emissions and carbon neutrality by 2050 is required to realize this target. To transition to a low carbon/decarbonized society and adapt to climate change, it will be necessary to transform the industrial structure on a large-scale and modify our behavioral









patterns. The T&D Insurance Group also remains cognizant of the fact that we must do our part as a member of society. The T&D Insurance Group formulated the T&D Insurance Group Environmental Policy* to clarify the Group's stance on the environment. The Policy is to carry out business activities with full awareness of the importance of environmental concerns, and to ensure that executives and employees understand that they must act in consideration of the protection of the global environment. The Group will achieve sustainable growth along with society while fulfilling the public mission of life insurance and other businesses, and undertaking its corporate social responsibilities. In addition, based on the above Policy, the Group has set out its Green Purchasing Standards and Detailed Rules and gives priority to the purchase of products and services that help reduce its environmental impact when procuring a diverse group of goods ranging from office furniture, equipment and consumable supplies to real estate facilities and system equipment as well as in printing product brochures and policy documents. While climate change on a global scale is a risk for the continuity of the Group's business activities, the Group considers it an opportunity to undertake new activities.

* For more information, please see our website.

WEB https://www.td-holdings.co.jp/en/csr/csr-policy/environment.html

Connected social issues and group initiatives to solve them







Social Issues

Primary Sta	akeholders
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•	 •••	u	y	_	LU	120	-	•	u	<u> </u>	

Set common Group goals and reduce CO2 emissions, Local communities electricity usage, and office paper consumption

Local communities

Various initiatives to save electricity, utilization of power demand monitoring systems, energy-saving through implementing "no overtime days"

Enhance efficiency of resource use

Local communities

Promotion of "green purchasing" that contributes to protecting the environment, promotion of reduction and recycling of waste

Policy

Strengthen resilience to

Improve energy efficiency

climate change

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

- Established "CO2 emission targets" in the nonfinancial KPIs in the Long-Term Vision and declared the achievement of net zero by FY2050 in our own company and investees and borrowers
- Participated in the RE100 international initiative which aims for 100% of electricity used to be derived from renewable energy
- Implemented quantitative scenario analysis of transition risks to further enhance compliance with TCFD, etc.

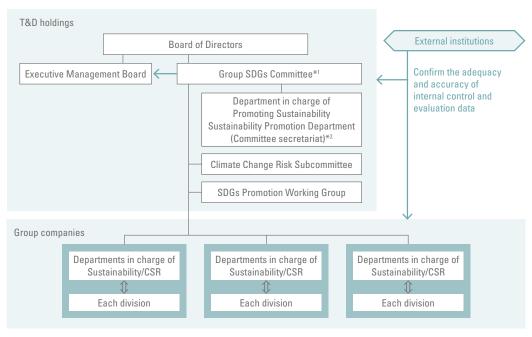
Planned for FY2022

- Further reduce CO2 emissions by promoting the introduction of renewable energy
- Implement "physical risks: quantitative analysis of the impact on underwriting profitability" in order to continuously advance the further enhancement of compliance with TCFD, etc.

1. Promotion Framework

103-2 103-3

Promotion Framework (Environmental Management)



- *1 The chairman of the Group SDGs Committee is the Representative Director and President. The vice-chairmen are a Director and Senior Managing Executive Officer (with jurisdiction over the Sustainability Promotion Department) and an executive officer (in charge of the Sustainability Promotion Department).
- *2 The committee secretariat = Group SDGs Committee secretariat.

2. Disclosure of Climate-related Financial Information **Based on the TCFD Recommendations**

201-2

The Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), formulated its recommendations for clarified, comparable, and consistent information disclosure regarding the risks and opportunities posed by climate change. These recommendations were announced in June 2017. 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 TCFD recommendations, and is actively committed to disclosing climate-related financial information in an easy-to-understand manner.

Disclosure of climate-related financial information

Governance

Oversight by the Board of Directors

- The Board of Directors has established the Group SDGs Committee as its subsidiary body, with the task of reviewing and deliberating its policies related to SDGs and CSR, along with measures concerning the global environment and social issues.
- The Group SDGs Committee is chaired by the Representative Director and President, who concurrently serves as chairperson of the Board of Directors, and consists of the directors and general managers in charge of Sustainability/CSR and investment management departments at Group companies. The Committee formulates basic policies regarding the global environment and social issues such as SDGs, and the targets and initiatives for climate change action. It is supervised by the Board of Directors, monitoring of the status of the initiatives is implemented every six months, and a report is made to the Board of Directors.
- The Board of Directors established the Climate Change Risk Subcommittee as a subordinate body of the Group SDGs Committee. The purpose of the Subcommittee is to support the SDGs Committee in formulating policies and considering actions related to climate change by investigating and reviewing the status of climate change risks and the necessary responses and then reporting these to the SDGs Committee and offering proposals. The Subcommittee consists of the persons in charge (section managers) of the planning, risk management, and asset management departments at Group companies.

Role of Management

• The Company has established the Executive Management Board, comprising the Chairman, the President, the Vice President and executive officers in charge of specified areas of operations, for the purpose of deliberating important matters related to management of the Group. The Executive Management Board receives detailed reports on all policies and measures regarding the global environment and social issues that are deliberated at the Group SDGs Committee. Important matters are also deliberated at the Executive Management Board, and the results thereof are reported to the Board of Directors.

Strategies

- The following scenario analysis was carried out in order to assess the impact of climate change risks (physical risks*1 and transition risks*2) 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 actions of government, corporations, and consumers in the process of carrying out the transition to a low carbon/decarbonized society (through a significant reduction of greenhouse gas emissions)

Scenario analysis: What the World Looks Like Under Each Scenario

The world under the 1.5°C scenario

Strict measures are taken against global warming. By the end of the century, the average annual temperature will increase by between 1.0°C and 1.8°C.

Overview

Premise

- Due to the rise in average temperatures, natural disasters become more frequent and intense. (However, the impact is kept below a certain level.)
- Strict measures to combat global warming increase business costs for each company.
- Technology innovation progresses (and new players emerge) in support of low or net-zero carbon emissions.
- Reallocation of investment away from companies that are unable to support low or net-zero carbon emissions.

■ Reference scenario

Scenario concerning transition risks based on RCP2.6 and the Disorderly and Orderly categories of NGFS

The world under the 4°C scenario

No measures are taken against global warming beyond the current status quo. By the end of the century, the average annual temperature will increase by between 3.3°C and 5.7°C.

Overview

Premise

- Due to the large rise in average temperatures, the impact of frequent and intense natural disasters becomes significant.
- Sea level rise, storm surge, flooding, and heavy rainfall have a significant impact on coastal areas. (A review of lifestyle and BCP is also necessary. The companies face increased business costs.)
- Reallocation of investment away from companies that are vulnerable to natural disasters.

Reference scenario

Scenario concerning transition risks based on RCP8.5 and the Hot House World category of NGFS

Physical effects caused by a rise in average temperature (1.5°C scenario < 4°C scenario)

[Acute]

- Natural disasters such as typhoons and floods become more frequent and intense.
- The number of injuries and fatalities due to natural disasters increases due to an increase in extreme weather events such as typhoons and floods.

[Chronic]

- Rainfall and weather patterns change, and average temperatures and sea levels rise.
- Increasing average temperatures lead to an increase in the number of heat stress deaths and heat stroke patients.
- The risk of contracting an infectious disease increases due to the expansion of the habitats of disease vectors.

Impact of the transition to a society with low or net-zero carbon emissions (1.5°C scenario)

[Policies, laws, and regulations]

• Tighter regulations on greenhouse gas (GHG) emissions and the introduction of a carbon tax. Expanded disclosure requirements (increased business costs for companies).

[Technology development]

- Progress in reducing the carbon footprint of existing technologies and the introduction of new technologies such as renewable energy, storage batteries, and electric vehicles.
- While some companies emerge and grow by seizing new business opportunities, others have been unable to respond to low or net-zero carbon emissions measures and fail.

[Changes in investor behavior]

• Reduced investment and lending to companies that cannot comply with regulations, companies that cannot exit from existing GHG emissions businesses, and companies that have recorded fossil fuels as stranded assets. Expanded investment and financing to companies that contribute to low or net-zero carbon emissions.



Scenario analysis: Impact on the Group and the Response Measures

		1.5°C scenario	4°C scenario
Physical risks	Impact on underwrit- ing profitability	 The number of heat stress deaths and heat stroke patients increases. Both of these increases will be gradual over a long period of time, which will limit their impact on underwriting profitability. This will be addressed by conducting an appropriate review of premium rates. 	 Significantly higher average temperatures will lead to larger increases in heat stress deaths and heat stroke patients than under the 1.5°C scenario. Both of these increases will be gradual over a long period of time, but will be larger than under the 1.5°C scenario. We will address this by conducting a more detailed review of premium rates to avoid a significant negative impact on underwriting profitability.
sks	BCP response	A business continuity plan has been established at another site in case a major disaster causes a disruption to the functions of critical sites.	• To address the increasing intensity of natural disasters, we will use hazard maps and similar tools to assess the risk level of our business sites, relocate important sites, establish backup sites, and implement remote decentralization measures using IT as appropriate.
Transition risks	Impact on asset management income	 In the medium-term time horizon, up to the middle of this century, some industries of the investees of the Group will be significantly affected due to tighter regulations on GHG emissions, the introduction of a carbon tax, the replacement of old technologies with new low or netzero carbon technologies, changes in consumer values and behaviors, etc. To avoid damage to asset management income from the impact on the investees and borrowers of the Group, we will work as appropriate in accordance with the Principles for Responsible Investment (PRI) through the promotion of investment and financing activities to businesses and companies that contribute to the transition to a society with low or net-zero carbon emissions, for example renewable energy businesses, and through engagement with existing investees. 	 The medium-term impact on the investees and borrowers of the Group will be smaller, since there will be no sudden changes in the environment expected in the 1.5°C scenario. However, in the long-term time horizon up to the end of the century, it is assumed that the increase in average temperatures and the intensification of natural disasters will have a significant negative physical impact on the business activities of each investee and borrower. In order to avoid damage to our asset management income, we will avoid or withdraw investment and financing to firms with significant physical risks.

Reference data: physical risks—Climate Change Adaptation Information Platform; transition risks—NGFS and Bank of England scenarios

Scenario analysis: Business Opportunities for the Group

- Changes in the morbidity rate and average life expectancy associated with the progress of global warming are expected to give rise to needs 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.
- As the reduction of GHG emissions progresses, the Group, as an institutional investor, has opportunities to enhance the value
 of investment assets and expand investment returns stably over the long term, by investing and lending to expanding clean
 energy development and energy conservation businesses, and by owning and managing real estate (such as office buildings)
 with superior environmental performance.
- The Group also has opportunities to expand its business domains and earnings as a business operator, rather than as an institutional investor, by developing or entering into new business domains related to the mitigation of and adaptation to climate change.

Risk management

Risk Identification and Assessment Process

• The Group exhaustively classifies the risks it faces through use of a risk profile, with a view toward dealing with increasingly diverse and complex risks. Risks are listed exhaustively by risk category. The Group then identifies and assesses these risks, and prioritizes initiatives by considering factors such as each risk's significance, potential impact, and current status of control, which are then reflected in management plans, as necessary. The Group registers climate change-related risks on the risk profile as critical risks to be managed, and scrutinizes, identifies, and assesses these risks. Climate change-related risks are identified and assessed as insurance underwriting risk, asset management risk, operational risk, reputational risk, and risks that may have broad-based impacts on overall management.

Risk Management Process

- In order to identify and grasp newly emerging risks, as well as changes in risks that have already been identified, a review of the risk profile is carried out twice per year, and reported to the Group Risk Management Committee and the Board of Directors.
- In the process of identifying and assessing risks on a company-wide basis through a risk profile, the climate change-related risks are managed using the perspectives shown below.

Management of climate change-related risks

1) Physical risks

- The Group considers to mitigate deterioration of underwriting profitability through reinsurance and other means, along with large-scale disaster risks (insurance underwriting risks).
- The Group monitors existing products and implements countermeasures, including product revisions, as necessary.

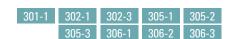
2) Transition risks

- The Group engages in investments and borrowings, taking into account climate change-related risks based on the Principles for Responsible Investment (PRI).
- The Group monitors trends in economic policies, laws, and regulations, and share the information across the Group, through the Group SDGs Committee and the Group Management Promotion Committee. Measures are taken to ensure that the Group responds to such trends in a sufficiently effective manner at the level expected of a listed company.

Metrics and targets

- The Group establishes its environmental protection-related targets and is working on initiatives to achieve them in its daily business activities. The four targets are "to reduce CO₂ 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 measured semi-annually, and disclosed in various reports and websites.
- As for CO₂ 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 Group is working toward reducing CO₂ emissions with an achievement deadline of FY2025, targeting a 40% reduction (Scope 1 + 2; compared to FY2013; per unit of floor space).
- Our target is a 40% reduction (compared to FY2020; this applies to the shares, corporate bonds, and loans of listed corporations in Japan) in the CO₂ emissions of our investees and borrowers (Scope 3: Category 15), and we are working on this target with an achievement deadline of FY2030.
- In addition to Scope 1 and Scope 2, we are aiming to achieve net zero emissions by 2050, which includes investees and borrowers of the Group (Scope 3: Category 15).
- As for the target to reduce electricity consumption, targets for the five-year periods from FY2008 and FY2013 were both achieved. Efforts are underway to achieve the new target for the ten-year period from FY2018. Furthermore, we have joined RE100, an international initiative that aims to procure 100% of the electricity used in business activities from renewable energy sources, and we are aiming to derive all of the electricity we use from renewable energy sources by FY2050. To achieve this goal, the Group has set an interim target of 60% of electricity consumption to be derived from renewable energy sources by FY2030.
- As for the target to reduce office paper consumption, the target for the five-year period from FY2014 was achieved. Efforts are underway to achieve the target for the next five-year period from FY2019.

3. Environmental Impact-reduction Initiatives



3-1 Environmental Initiatives

Efforts for Achieving Group-wide Targets

The T&D Insurance Group has set Group-wide targets related to environmental protection, and is working to achieve these targets in the course of its daily business activities.

The Group's four targets are to reduce CO_2 emissions, reduce electricity consumption, reduce office paper consumption, and improve the green purchasing ratio.

《CO₂ emissions》Targets and Results ▶ P.82

Over 90% of the Group's CO₂ emissions (Scope 1 + 2) arise from electricity use. For that reason, we are endeavoring to reduce CO₂ emissions by setting targets for reducing electricity consumption in order to curb energy usage and advancing the introduction of renewable energy.

《Electricity consumption》 Targets and Results ▶ P.82

In addition to the power-saving activities, we are endeavoring to implement a multitude of measures to reduce electricity consumption, such as introducing a power demand monitoring system for controlling peak-time use in each building and setting no overtime days. Furthermore, we encourage employees to put their computers into standby mode when they are away from their desk and turn off printers and multifunction machines when leaving offices.

《Office Paper Consumption》 Targets and Results ▶ P.82

We are striving to reduce the paper consumption in offices by promoting paperless meetings, two-sided and 2-in-1 printing, test printing and confirmations before printing a large quantity and rigorously insisting on printing only after confirming printing settings.

《Green Purchasing Ratio》Targets and Results ▶ P.82

When procuring office supplies and stationery, we promote green purchasing by giving priority to products that are compliant with the Act on Promoting Green Purchasing and to Eco Mark products. In addition to establishing Green Purchasing Standards and working to prioritize purchasing of products that meet those standards, initiatives include setting up a system that requires approval when ordering office supplies online that are not environmentally compliant.

Power-saving Efforts

Each year the T&D Insurance Group participates in a "Cool Biz" campaign from May to October (setting thermostats of air conditioners at 28°C) and a "Warm Biz" campaign from November to March (setting a room temperature at 20°C). In addition, as a power-saving measure to prevent global warming, the Group turns off or reduces the lighting in offices, meeting rooms, hallways and other areas when they are not in use.

"Lights Down" Campaign

As an initiative to raise the environmental awareness of each of the Group's executives and employees, the T&D Insurance Group has been conducting a campaign in which it calls for a simultaneous switch-off of all the lights in offices twice a year. In fiscal 2021, this initiative was conducted in July and December. Going forward, we will continue our initiative of a simultaneous switch-off of all the lights which can contribute to the prevention of global warming.

Promotion of Paperless Operations

At our head office in Nihonbashi, Tokyo, we have established an efficient and effective office environment by distributing mobile computers, installing wireless LANs, and providing displays on meeting room tables. In principle, meetings are now paperless, including the meetings of the Board of Directors and the Executive Management Board.

Green Procurement Initiatives (Total Costs and Quantities of Procurement Intended for Environmental Protection)

In addition to green purchasing initiatives, which mainly target office supplies and other consumables, Green Procurement Standards that reduce environmental impact have been established for the printing of product brochures, policy documents and riders; procurement of lighting, air conditioning and other equipment for real estate; and for system equipment and office automation equipment. The Group gives priority to procurement of items that meet these standards. The results of these efforts to promote environmentally friendly procurement are not only collated in terms of amounts spent and quantities, but specific measures are also studied, shared among the Group companies and used to benefit environmental protection initiatives.

Green Procurement Results

	Portion known to apply/ not apply to standard, in figures				Portion for which applicability/ non-applicability is unknown		Total	
	Standard	l applicable	Standard n	on-applicable	Quantity or	Amount		T
	Number	Amount (million yen)	Number	Amount (million yen)	number of orders	Amount (million yen)	Total number	Total amount (million yen)
			Printing of	product brochur	es, riders			
FY2019	241	561	602	97	303	0.1	1,146	658
FY2020	402	328	563	97	51	0.0	1,016	425
FY2021	1,007	396	55	34	1	0.0	1,063	430
		Syste	m equipment	and office autor	mation equipm	ent		
FY2019	10,929	19,171	10,914	251	1	0.2	21,844	19,422
FY2020	4,372	457	12,001	112	26	0.4	16,399	570
FY2021	9,846	702	31,519	319	20	212	41,385	1,021
	Real estate equipment							
FY2019	41	1,848	0	0	3,230	12,685	3,271	14,533
FY2020	39	1,018	0	0	2,995	5,889	3,034	6,908
FY2021	99	2,628	0	0	3,281	3,706	3,380	6,335

The total of T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life, and T&D Asset Management.

Environmental Performance Data

303-2 303-3

The T&D Insurance Group discloses its measurements of CO2 emissions, electricity consumption, water consumption, and waste generated and recycling rate. (The applicable scope and calculation methods of this data are described on page 83 in "3-4 Scope and Calculation Methods of Environmental Performance Data and Group-wide Targets and Results.")

CO₂ Emissions

★ indicates limited verification has been carried out by a third party. (page 85 "3–5 Independent Assurance Report")

	FY2019	FY2020	FY2021
Scope 1 (Direct emissions)	1,746 t	1,882 t	1,835 t 🖈
Scope 2 (Indirect emissions)	44,501 t	43,335 t	42,153 t 🖈
Scope 3 (Others)	48,856 t	34,367 t	31,085 t ★
Category 1 (Purchased goods and services)	237 t	184 t	177 t ★
Category 2 (Capital goods)	35,316 t	16,630 t	13,246 t ★
Category 3 (Fuel- and energy-related activities)	3,967 t	8,116 t	8,202 t 🖈
Category 5 (Waste generated in operations)	40 t	33 t	31 t ★
Category 6 (Business travel)	2,478 t	2,550 t	2,554 t 🖈
Category 7 (Employee commuting)	6,818 t	6,854 t	6,875 t 🖈
Total	95,103 t	79,584 t	75,072 t ★

[•] Regarding the CO2 emissions in FY2020, due to an adjustment of the figures subject to the calculation, Scope 2 increased by 102 t and Category 3 of Scope 3 increased by 332 t.

Data coverage: fraction of Group employees included in the target employee set 100%

Electricity Consumption

★ indicates limited verification has been carried out by a third party. (page 85 "3-5 Independent Assurance Report")

	FY2019	FY2020	FY2021
Electricity consumption	96,191 MkWh	96,711 MkWh	96,000 MkWh ★
(Of which, the renewable energy purchase amount)	_	801 MkWh	4,948 MkWh 🖈
Total floor space (including portion for tenant use)	940,757 m ²	954,207 m ²	941,227 m ²

Data coverage: fraction of Group employees included in the target employee set 100%

Water Consumption

🖈 indicates limited verification has been carried out by a third party. (page 85 "3–5 Independent Assurance Report")

	FY2019	FY2020	FY2021 ★
Water consumption (Utility + reclaimed water)	49,900 m ³	44,200 m ³	42,000 m ³
Reclaimed water usage rate	1.6%	1.2%	3.2%

Note 1: Water usage from our Group's business operations is limited to water withdrawal and effluent discharge (wastewater, etc.) at offices within Japan. Water is withdrawn using public utilities, and the amount of effluent is rigorously measured by a third party. Effluent is discharged into publicly managed drainage channels in accordance with effluent standards.

Data coverage: fraction of Group employees included in the target employee set (46.02%)

Waste Generated & Recycling Rate

★ indicates limited verification has been carried out by a third party. (page 85 "3-5 Independent Assurance Report")

1) Paper waste	FY2019	FY2020	FY2021 *
Total amount	301 t	249 t	238 t
Recycling rate	71.8%	71.8%	66.6%
2) Non-paper waste	FY2019	FY2020	FY2021 ★
Total amount	81 t	76 t	67 t
Recycling rate	62.6%	61.1%	66.7%

[•] The Group is aiming to reduce its environmental burden by making efforts to reduce waste and by recycling office paper, beverage cans, and plastic bottles. We will continue working toward this endeavor by thoroughly ensuring that recycling is carried out.

Data coverage: fraction of Group employees included in the target employee set (46.02%).

Note 2: Since the Group's water usage is limited to water withdrawal and effluent discharge at offices within Japan, no water is withdrawn from water stressed areas.

[•] The Group's waste does not contain any hazardous waste (the special management industrial waste designated by the Bureau of Environment, Tokyo Metropolitan Government).



3-3 Group-wide Targets and Results

The T&D Insurance Group is working on reducing its environmental impact by setting Group-wide targets for CO₂ emissions, electricity consumption, office paper consumption, and the Green Purchasing Ratio. (The applicable scope and calculation methods of this data are described on page 83 in "3–4 Scope and Calculation Methods of Environmental Performance Data and Group-wide Targets and Results.")

CO₂ Emissions

Baseline: CO₂ emissions in 2013 (value per unit of floor space) = 0.0674 t/m²

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.

🖈 indicates limited verification has been carried out by a third party. (page 85 "3-5 Independent Assurance Report")

	Baseline (FY2013)	FY2020	FY2021
CO ₂ emissions (Scope 1 + 2)	59,908 t	44,817 t	43,612 t 🖈
Total floor space	888,529 m ²	950,959 m²	938,081 m ²
Per unit of floor space	0.0674 t/m ²	0.0471 t/m ²	0.0465 t/m ²
Compared to baseline	_	69.9% (-30.1%)	69.0% (-31.0%)

[•] The CO2 emissions in FY2020 increased by 102 t due to an adjustment of the figures subject to the calculation.

Electricity Consumption

Baseline: Electricity consumption in FY2016 (value per unit of floor space) =111kWh/m²

Target: Reduction by at least 10% from baseline by FY2027

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

is applied for leased buildings.

🖈 indicates limited verification has been carried out by a third party. (page 85 "3-5 Independent Assurance Report")

	Baseline (FY2016)	FY2019	FY2020	FY2021
Electricity consumption	97,223 MkWh	95,360 MkWh	95,813 MkWh	95,139 MkWh ★
Total floor space	875,682 m ²	937,567 m ²	950,959 m ²	938,081 m ²
Per unit of floor space	111.0 kWh/m ²	101.7 kWh/m ²	100.8 kWh/m ²	101.4 kWh/m ²
Compared to baseline	_	91.6%	90.7%	91.3% (-8.7%)

^{*} As nearly all of the Group's CO₂ emissions (Scope 1 + 2) are derived from the usage of purchased electricity, we have set targets for reducing electricity use and controlling energy consumption, with the aim of reducing our CO₂ emissions.

Data coverage: fraction of Group employees included in the target employee set (100%)

Office Paper Consumption

Baseline: Five-year average from FY2014 to FY2018 (142.20 t)

Target: Cut five-year average from FY2019 to FY2023 by 12% compared to the baseline value.

★ indicates limited verification has been carried out by a third party. (page 85 "3–5 Independent Assurance Report")

FY2019	FY2020	FY2021 *	Progress made (average from FY2019 to FY2021)
129.43 t	100.70 t	96.70 t	108.94 t (23.4% reduction from baseline)

Starting from FY2019, the figures include Pet & Family Insurance Co., Ltd.

Total amount of office paper purchased

Data coverage: fraction of Group employees included in the target employee set (88.29%)

Green Purchasing Ratio

Target: Keep the green purchasing ratio for office stationery and supplies at a minimum of 80%.

FY2019	FY2020	FY2021
94.2%	91.9%	92.6% (Target exceeded by 12.6%)

Applies to purchases through online purchasing systems.

Data coverage: fraction of Group employees included in the target employee set (88.12%)

^{*} The reduction target is based on the premise that the CO₂ reduction target of the Federation of Electric Power Companies of Japan is achieved. It is equivalent to the reduction target (services/commercial buildings sectors) based on the scientific ground, combined with the relevant portion.

^{*} Starting from FY2019, the figures include Pet & Family Insurance Co., Ltd.

3-4

Scope and Calculation Methods of Environmental Performance Data and Group-wide Targets and Results

Scope of Environmental Performance Data and Group-wide Targets and Results

		Disclosu	Scope		
		Scope 1 (Direct emissions)		T&D Group (since FY2018); Major Group companies (FY2017 and earlier)	
		Scope 2 (Ir	ndirect emissions)	T&D Group (since FY2018); Major Group companies (FY2017 and earlier)	
			Category 1 (Purchased goods and services)	Major Group business sites and Pet & Family Insurance, excluding sales offices and branches of Taiyo Life and Daido Life (added FY2018)	
Environmental	CO ₂ emissions	Scope 3 (Others)	Category 2 (Capital goods)	T&D Group (added FY2018)	
performance data			Category 3 (Fuel- and energy-related activities)	T&D Group (since FY2018); Major Group companies (FY2017 and earlier)	
uata			Category 5 (Waste generated in operations)	Major Group buildings	
			Category 6 (Business travel)	T&D Group	
			Category 7 (Employee commuting)	T&D Group (added FY2018)	
	Electricity of	consumption	(Total floor space),	T&D Group (since FY2018);	
	renewable (energy purchase amount		Major Group companies (FY2017 and earlier)	
	Water Cons	sumption		Major Group buildings	
	Waste Gen	erated & Re	cycling Rate	Major Group buildings	
	CO ₂ Emissi	ione Flootric	ity Consumption	T&D Holdings, Core Group companies,	
0 '1	CO2 LITII331	Olis, Liectific	aty Consumption	and Pet & Family Insurance	
Group-wide targets and				Major Group business sites and	
results	Office pape	er use		Pet & Family Insurance, excluding sales offices	
				and branches of Taiyo Life and Daido Life	
	Green Purc	hasing Ratio		Major Group buildings	

Main Group companies, business sites, and buildings included in the scope of calculation			
T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life, T&D Asset Management,			
T&D Information System			
Buildings owned by Taiyo Life and Daido Life (including tenant leases)			
• Pet & Family Insurance, T&D Confirm, Toyo Insurance Agency, Daido Management Service,			
T&D Lease, Taiyo Credit Guarantee, T&D Customer Services, Nihon System Shuno, Zenkoku			
Business Center			
T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life, T&D Asset Management,			
T&D Information System			
Buildings owned by Taiyo Life and Daido Life (including tenant leases)			
Taiyo Life, Daido Life, T&D Financial Life, T&D Asset Management			
Each business site of T&D Holdings, Taiyo Life, Daido Life, T&D Financial Life and T&D Asset			
Management (excluding tenant leases of buildings owned by Taiyo Life and Daido Life)			
Tokyo Nihombashi Tower, Daido Life Osaka Head Office Building, Taiyo Life Nihonbashi Building,			
Taiyo Life Urawa Building, Hamamatsucho Building, Mita Bellju Building			

Calculation Methods of Environmental Performance Data and Group-wide Targets and Results

		Disclosure item	Calculation method		
Environmer	ntal perform	nance data			
	Scope 1 (Direct emissions)	The figures were calculated by multiplying the measured energy input by the predetermined coefficient in accordance with the Greenhouse Gas Emission Volume Calculation, Reporting, and Disclosing System. (The measured energy input comprises the measured gas, heavy oil, and kerosene.)		
	Scope 2 (Indirect emissions)	As above. (The measured energy input comprises the measured electric power, steam, and hot and cold water.)		
		Group-wide	Calculations are based on the Basic Guidelines (Ministry of the Environment and the Ministry of Economy, Trade and Industry) regarding the measurement of greenhouse gas emissions generated by the supply chain.		
		Category 1 (Purchased goods and services)	Calculated by multiplying the office paper use by the predetermined coefficient.		
CO ₂ emissions		Category 2 (Capital goods)	Calculated by multiplying the expenditure for purchased capital goods, excluding land, by the predetermined coefficient.		
	Scope 3 (Others)	Category 3 (Fuel- and energy-related activities)	The figures were calculated by multiplying the measured input of electric power, steam, and hot and cold water by the predetermined coefficient.		
		Category 5 (Waste generated in operations)	Calculated by multiplying the waste generated by the predetermined coefficient.		
		Category 6 (Business travel)	Calculated by multiplying the number of Group personnel at the end of the fiscal year by the predetermined coefficient.		
		Category 7 (Employee commuting)	Calculated by multiplying the number of Group personnel by employment type and urban development level at the end of the fiscal year, by the predetermined coefficient.		
	Total		The total emissions from the sum of Scope 1 (Direct emissions), Scope 2 (Indirect emissions), and Scope 3 (Others).		
Electricity consumption			The annual amount of office-use electricity purchased from each energy-supplying company is calculated in accordance with the law on the rationalization of energy consumption.		
Renewable energy purchase amount		rchase amount	We calculate the amount of electricity derived from renewable energy sources which is purchased from electricity utilities based on the Act on Special Measures Concerning Promotion of Use of Electricity from Renewable Energy Sources.		
Water cons	umption		The reportable item according to the environmental reporting guide- lines of the Ministry of the Environment comprises the amount used on the invoices received from the water supply authorities.		
		Group-wide	Measured based on the Waste Disposal & Public Cleansing Law and other laws concerned with waste disposal and cleaning.		
Waste gene		Waste generated	Calculated according to the invoices received from waste disposal companies.		
recycling rate Recycling rate		Recycling rate	The recycled amount is calculated according to the invoices received from waste disposal companies, and the recycling rate is calculated by dividing the recycled amount by the waste generated.		
Group-wide	targets an	d results			
CO ₂ emissions			The figures were calculated by multiplying the measured energy input by the predetermined coefficient in accordance with the Greenhouse Gas Emission Volume Calculation, Reporting, and Disclosing System. (The measured energy input comprises the measured gas, heavy oil, kerosene, electric power, steam, and hot and cold water.)		
Electricity c	onsumptio	n	Calculated by using the annual amount of office-use electricity pu chased, in accordance with the relevant energy-saving laws.		
Office paper use			A reportable item according to the environmental reporting guidelines of the Ministry of the Environment, and is calculated from the purchasing system data.		

Engagements (ISAE) 3000 (Revised) and 3410 (International Auditing and Assurance Standards Board).

Independent Assurance Report

102-56 306-2

The T&D Insurance Group obtained third-party assurance from Ernst & Young ShinNihon LLC for fiscal 2021 data presented in section "3-1 Employment of Persons with Disabilities" on page 62, section "3-2 Environmental Performance Data" on page 81, and section "3-3 Group-wide Targets and Results" on page 82 in accordance with the International Standard on Assurance



Translation

The following is an English translation of an independent assurance report prepared in Japanese and is for information and reference purposes only. In the event of a discrepancy between the Japanese and English versions, the Japanese version will prevail.

Independent Assurance Report

September 26, 2022

TO:

Mr. Hirohisa Uehara Representative Director and President T&D Holdings, Inc.

Kenji Sawami **Engagement Partner** Ernst & Young ShinNihon LLC Tokyo, Japan

We, Ernst & Young ShinNihon LLC., have been commissioned by T&D Holdings, Inc. (hereafter the "Company") and have carried out a limited assurance engagement on the Key Sustainability Performance Indicators (hereafter the "Indicators") of the Company and its major subsidiaries for the year ended March 31, 2022 as included in "Environmental Performance Data", "Group-wide Targets and Results" and "Employment of Persons with Disabilities" of the Company's "Sustainability Report 2022 " (hereafter the "Report"). The scope of our assurance procedures was limited to the Indicators marked with the symbol "★" in the Report.

The Company's Responsibilities

The Company is responsible for preparing the Indicators in accordance with the Company's own criteria, which it determined with consideration of Japanese environmental regulations as presented in the Scope and Calculation Methods of "Environmental Performance Data" and "Group-wide Targets and Results" of the Report.

Greenhouse gas (GHG) emissions are estimated using emissions factors, which are subject to scientific and estimation uncertainties given instruments for measuring GHG emissions may vary in characteristics, in terms of functions and assumed parameters.

Our Independence and Quality Control

We have met the independence requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectiveness, professional competence and due care, confidentiality, and professional behavior.

In addition, we maintain a comprehensive quality control system, including documented policies and procedures for compliance with ethical rules, professional standards, and applicable laws and regulations in accordance with the International Standard on Quality Control 1 issued by the International Auditing and Assurance Standards Board.

Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the Indicators included in the Report based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements: Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000") (Revised) and, with respect to GHG emissions, the International Standard on Assurance Engagements: Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board.

The procedures, which we have performed according to our professional judgment, include inquiries, document inspection, analytical procedures, reconciliation between source documents and Indicators in the Report, and the following:

- Making inquiries regarding the Company's own criteria that it determined with consideration of Japanese environmental regulations, and evaluating the appropriateness thereof;
- Inspecting relevant documents with regard to the design of the Company's internal controls related to the Indicators, and inquiring of personnel responsible thereof at the headquarter and a major consolidated subsidiary
- Performing analytical procedures concerning the Indicators at the headquarter and a major consolidated subsidiary
- Testing, on a sample basis, underlying source information and conducting relevant re-calculations at the headquarter and a major consolidated subsidiary;

The procedures performed in a limited assurance engagement are more limited in nature, timing and extent than a reasonable assurance engagement.

As a result, the level of assurance obtained in a limited assurance engagement is lower than would have been obtained if we had performed a reasonable assurance engagement.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators included in the Report have not been measured and reported in accordance with the Company's own criteria that it determined with consideration of Japanese environmental regulations.

4. Forest Conservation Activities

304-3

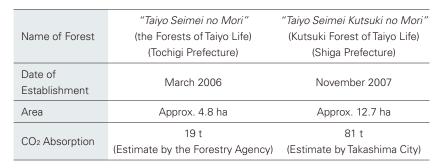
4-1 Forest Conservation Activities Taiyo Life

Forest Conservation Activities

Life insurance companies use vast amounts of paper, including life insurance pamphlets, policy provisions, and other documents, in the course of their business operations. To restore forest resources and preserve greenery, Taiyo Life conducts forest conservation activities. It has established *Taiyo Seimei no Mori* (the Forests of Taiyo Life) in Nasushiobara City (Tochigi Prefecture) and Takashima City (Shiga Prefecture).

The first *Taiyo Seimei no Mori* was established in March 2006 in Nasushiobara City, Tochigi Prefecture, as a project under the Forestry Agency's Corporate Forest program. In cooperation with the Enna District Forest Office and others, we continuously conduct forest maintenance activities such as thinning trees and maintaining walking trails, in addition to inviting members of the Japan Down Syndrome Society and their families to take part in forest studies classes.

Taiyo Seimei Kutsuki no Mori (Kutsuki Forest of Taiyo Life) was established in Takashima City, Shiga Prefecture, in November 2007. In collaboration with the Asosatoyama Center, a local NPO, we carry out forest maintenance activities, including maintaining forest roads and clearing fallen leaves from Japanese red pine forests. We also collaborate with local elementary schools to host the *Donguri Project* (Acorn Project), wherein elementary school students grow broad-leaf seedlings from acorns and then plant them in the forest upon their graduation.







5. Environmental Communications and Educational Activitie

5-1 Environmental Communications and Educational Activities

T&D Holdings endorses the activities of the Japan UNEP Association which produces the Japanese edition of *UNEP FORUM* — *Environmental Magazine Tying UNEP to Enterprises* — published by the United Nations Environment Programme (UNEP). This publication is distributed to all companies in the T&D Insurance Group as well as to local elementary and junior and senior high schools, public libraries, and other parties to raise awareness of environmental issues.



Invest to Help Build a Sustainable Society

With the main business of the Group being life insurance business, contributing to realizing a sustainable society through investment is one of the most fundamental roles of the Group. The sustainable and stable growth of society is essential in securing long-term stable profit through investment. The Group focuses on the impact that the investment activities of the institutional investors who manage long-term funds have on efforts to realize a sustainable world. The Group will contribute to the realization of a sustainable society through investment activities undertaken in consideration of the environment, society and corporate governance.













Connected social issues and group initiatives to solve them







Primary Stakeholders



Initiative

Promote investments in sustainable development

Investors/local communities

Performing various ESG investments in accordance with the Principles for Responsible Investment (PRI), and conducting promotion aimed at investment targets based on the Principles for Responsible Institutional Investors

Policy

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

Results for FY2021

- The T&D Insurance Group set a goal of net-zero CO₂ emissions from its investees and borrowers. In order to steadily accelerate our initiatives for achieving this goal, we also set interim goals to be achieved by FY2030.
- Based on the T&D Insurance Group ESG Investment Policy, our investment and financing decisions incorporated analyses and assessments related not only to the financial information of potential investees and borrowers, but also to non-financial information such as ESG.
- We invested both in "green bonds" that contribute to the resolution of environmental issues, and in "social bonds" that support COVID-19

Planned for FY2022

 Continue to make various ESG investments that contribute to the resolution of social issues and the realization of a sustainable society



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Priority Theme 4

1. Basic Concept

1-1 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 achieving a sustainable society through investment is one of the most fundamental roles of the Group. The Group focuses on the impact that the investment activities of institutional investors have on efforts to achieve a sustainable world. Through investment activities undertaken in consideration of the environment, society and corporate governance, the Group strives to grow continuously together with society while contributing to ensuring stable, long-term profitability and the formation of a sustainable society.

T&D Insurance Group ESG Investment Policy

The T&D Insurance Group strives to grow continuously together with society while contributing to ensuring stable, long-term profitability and the formation of a sustainable society through promoting investment and financing that considers ESG issues, namely, environmental (E), social (S), and governance (G) issues, in line with the Group's management philosophy.

1. Investment and financing activities that consider ESG issues

We incorporate ESG issues into the asset management process and make investment and financing decisions that promote our asset management to achieve a sustainable society.

2. Constructive dialogue on ESG issues with investees

We undertake appropriate stewardship activities that integrate ESG factors, with the aim of improving the corporate value of investee companies and contributing to resolving social issues.

3. Cooperation in ESG investment and financing and support for the development of a sound market

Through cooperation with Group companies in ESG investment and financing activities and sharing information with industry organizations, we strive to sophisticate the asset management process of ESG investment and financing, and support the sound development of its market.

4. Enhancement of disclosure regarding ESG investment and financing initiatives

We will appropriately disclose the status of our ESG investment and financing activities.

1-2 The T&D Insurance Group's stance on Investment and Financing for Coal-fired Power Generation Projects

With regard to fossil fuel-related businesses such as coal-fired power generation, we recognize that the consumption of fossil fuels is one of the major 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 and application of new technologies for carbon capture and storage (CCS) or carbon capture, utilization and storage (CCUS).

2. Our Initiatives as a Responsible Institutional Investor

2-1 Signing of the Principles for Responsible Investment (PRI)

Taiyo Life, Daido Life, and T&D Asset Management have signed the Principles for Responsible Investment (PRI)*, which is supported by the United Nations.

Signatory of:



Taiyo Life

In order to further fulfill its social responsibility as an institutional investor, Taiyo Life determined that it was essential to exert its influence for the betterment of society and the global environment through investment and lending activities to a greater extent, and to contribute to the realization of a sustainable society. In line with this thinking, in March 2007, Taiyo Life became the first Japanese life insurance company to sign the PRI. Based on these principles, Taiyo Life gives due consideration to ESG issues, namely, environmental (E), social (S), and governance (G) issues, and promotes asset management to achieve a sustainable society.

Daido Life

Daido Life supports the objectives of the PRI and became a signatory institution to them in November 2016. Based on these objectives, Daido Life is contributing to the formation of a sustainable society through promoting investing and lending that considers environmental, social and governance (ESG) issues. Specifically, the company is promoting lending and investment that aims to supply funds to companies and businesses that contribute to solving climate change and the development of social infrastructure. The company is also carrying out initiatives regarding asset management that incorporates ESG factors such as company analyses of investment processes.

T&D Asset Management

T&D Asset Management, to fulfill its responsibilities of being entrusted as an institutional investor that manages investments, endorses the concept of the PRI, and signed them in March 2012. In accordance with these principles, T&D Asset Management tackles ESG issues in a manner consistent with meeting the long-term interests of customers, fully grasping the status of investee companies. Accordingly, the company is also committed to pursuing the sustained growth of these companies, particularly through holding constructive dialogues with them and through the exercise of voting rights, with the aim of increasing the medium- and long-term investment returns on the funds entrusted to it by customers.

The status of each Group company's PRI initiatives is reported in PRI Transparency Report. Enter the name of the company of interest into the search box at the following link:

WEB https://www.unpri.org/searchresults?qkeyword=¶metrics=WVSECTION%7cSignatories

*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 5,000 financial institutions worldwide, and by 118 in Japan (as of August 2022).

Principles for Responsible Investment (PRI) Initiatives

Example from Taiyo Life

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

We reflect the PRI approach in our stance on asset management

Taking ESG issues into account is one of Taiyo Life's stances on asset management, as is clearly stated in our rules for asset management.

Our Stance on Asset Management

- 1. Under the principle of self-responsibility in management, we will strive to enhance and strengthen such organizations as our internal control organization by utilizing the function of mutual checks, our risk management organization based on the financial environment, etc., and our asset management organization.
- 2. Based on the nature of the life insurance industry, we aim to promote the interests of policyholders and others, taking social and public aspects into greater account. Such aspects include strictly refraining from speculative trading, as well as unsound investments and loans.
- 3. When making investment and financing decisions, we also account for the impact of our actions on domestic and international financial and capital markets. In addition, when investing or financing overseas, we take the local financial and economic impacts into account, as well.
- 4. We also strive to instruct our subsidiaries and other entities with special relationships specified by the Cabinet Office Ordinance ("subsidiaries and others") to take social and public aspects into account in their asset management actions.
- 5. We strive to contribute to the continuous development of society and the financial markets, taking into account issues regarding the environment, social responsibility, and corporate governance.
- 6. As a responsible institutional investor, we strive to properly fulfill our duty of stewardship, through means such as constructive dialogue with investment targets.

Taiyo Life ESG Investment Criteria

Taiyo Life has specified the "ESG Investment Criteria," in order to promote asset management that considers ESG issues. The main investment and lending methods based on these criteria are as follows.

1. Integration of ESG Issues into Investment and Financing Processes

ESG Integration

When investing in and financing stocks, bonds and other securities as well as real estate and loans, Taiyo Life incorporates corporate assessments related to non-financial information such as ESG into the financial information of the recipients of the investment and financing. In this manner, the company strives to improve the long-term outcomes of the investments, while at the same time fulfilling our mission based on PRI.

- Integration of ESG assessments into investment and financing decisions
- When investing and financing stocks, bonds and other securities as well as real estate and loans, we assess, for example, that organization's initiatives relating to ESG and incorporate that into our investment and financing decisions.
- Real estate investment that considers the environment and the senior society

When conducting the new construction or large-scale repair of a real estate property, we investigate and introduce initiatives that are considerate of the environment and the senior society. Moreover, while paying consideration to the beautification of cityscapes and harmony with the surrounding area, with regard to existing real estate properties as well, from the perspective of giving attention to environmental protection, we conduct continuous environmental initiatives such as monitoring, for example, the energy efficiency of all properties, both for operations and investments, and taking energy-saving measures as needed for lighting equipment, air conditioning equipment, etc.

Negative Screening

Taiyo Life manages the insurance premiums collected from our customers, while taking into consideration social and public perspectives, as well as profitability and liquidity. We prohibit investment and financing, in principle, in cases such as when the recipients are judged to be involved in antisocial behavior, or when an involvement in inhumane weapons* has been confirmed. We also prohibit, in principle, new investment and financing for coal-fired power generation projects. Furthermore, when an ESG-related scandal or a serious problem with ESG issues, etc. occurs at a business partner or the recipient of investment and financing, we will consider whether or not to invest or provide financing based on these Criteria, after confirming the situation through direct communication or other methods, as necessary.

* Biological weapons, chemical weapons, and, of weapons whose use is totally prohibited by the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects, those that are sanctioned by the Government of Japan.

2. ESG-Themed Investment and Financing

We endeavor to invest in and provide financing to assets that consider environmental, social, and corporate governance issues, and that contribute to the realization of a sustainable society. After investing in and providing financing to assets, we verify whether funds are being used according to stated goals.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Incorporating the Principles into our standards for exercising voting rights

We clearly state our approach to PRI in our standards for exercising voting rights by signing the PRI.

In this manner, we exercise voting rights based on social and public aspects, as well as our fiduciary responsibility to our customers, shareholders, and other stakeholders. In addition, we take the ESG perspective into greater account when exercising voting rights. In this process, we establish internal decision-making processes and a system for reporting to management, and disclose the status of exercising voting rights on the Company website.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Adequate disclosure of ESG issues

We strive to practice regular constructive purposeful dialogue (engagement) with our investment targets. In this regard, we also work to promote an understanding of our response to ESG issues, from the perspective of contributing to the realization of a sustainable society. At the same time, we seek adequate disclosure, while confirming the response to ESG issues by these companies.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Explanation of PRI activities to corporate pension plan and other contract partners

Taiyo Life includes information regarding PRI activities in its disclosure materials regarding corporate pension plans. In addition, as necessary, we explain details regarding our statement of accounts, asset management policy, PRI activity status, and the like to corporate pension plan and other contract partners.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Information exchange and collaboration with PRI signatory institutions

We regularly participate in meetings with PRI signatory institutions and related entities, in order to improve acceptance and implementation of the PRI, and promote our PRI activities more effectively and concretely. We also share best practices and global trends regarding the responsibility to take ESG issues into account in the investment and financing decision-making process. Furthermore, we discuss specific measures to promote the acceptance and implementation of the PRI, while taking into consideration circumstances unique to Japan.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Reporting on the status of our PRI activities on our website and elsewhere

We internally and externally disclose details regarding our PRI initiatives, including the history of our signing, on our website, in our disclosure materials, and elsewhere. In terms of the PRI framework, we also report on the status of our PRI activities for the fiscal year to the PRI Secretariat. This report includes the status regarding building an organization for PRI activities, as well as incorporating our ESG Investment Criteria in the investment stage.

Promoting an understanding of the PRI internally

Practicing asset management based on the PRI approach requires that everyone involved in asset management understand this approach. Accordingly, we use e-learning and other means to actively learn about the PRI approach, global trends, and the like.

2-2 Examples of ESG Investment and Financing

Taiyo Life, Daido Life, and T&D Financial Life carry out initiatives for the following types of ESG investment and financing.

• Investments in "green bonds," which help resolve environmental issues

We invest in green bonds issued by various issuers, including local governments and operating companies, with the goal of funding renewable energy generation projects and energy efficiency projects.

Specifically, we have invested in green bonds that provide financial support for projects carried out by local governments, independent administrative agencies, and companies, which can be expected to yield environmental improvements. Examples include smart city creation projects, and climate change adaptation projects.

• Initiatives for "transition finance," which contributes to the realization of a decarbonized society

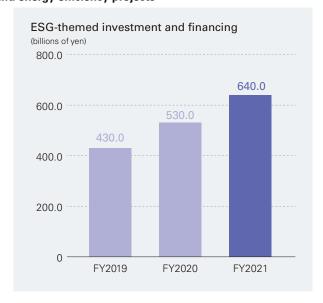
As part of our efforts to realize a decarbonized society, we engage in "transition finance," which provides financial support for reducing the environmental footprint of business activities with high environmental loads, and for decarbonizing them entirely.

Specifically, we invested in transition bonds issued by financial institutions and operating companies both in Japan and overseas.

• Investments in and financing of renewable energy projects and energy efficiency projects

We invested in funds that invest in large-scale wind power and solar power generation projects that help protect the global environment; we also financed energy efficiency projects (project finance) that help reduce energy consumption.

Through these initiatives, we are working to combat global warming and contributing to improved energy self-sufficiency.



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• Investment in "social bonds," which provide support to developing countries and support for COVID-19 countermeasures

We invest in social bonds, and engage in other forms of investment and financing that contribute to sustainable societies, with
the goal of supporting education and employment in developing countries, of resolving global issues such as gender equality,
and of supporting COVID-19 countermeasures.

Specifically, we financed COVID-19 vaccine loans, and invested in education bonds and JICA gender bonds.

Various types of investments and financing capable of contributing to the realization of a sustainable society

In addition to the activities outlined above, we also engage in investments and financing aimed at resolving various social issues in Japan and overseas. These include:

Investments in Nutrition Bonds

We invested in Nutrition Bonds issued by the Development Bank of Latin America, which are used to finance projects aimed at achieving sustainable growth and regional integration in Central and South America, and in the Caribbean; these projects include subsidy programs for children, pregnant women, and persons with disabilities to purchase basic food supplies.

Investments in Sustainable Development Bonds, which support development projects in developing countries

We invested in Sustainable Development Bonds issued by the World Bank, which are used to provide financial support for development projects in developing countries in wide-ranging fields, including: agriculture and food security; education; energy; finance; trade and industry; insurance; administration, infrastructure, and governance; water and public health; the environment; and gender equality.

• Initiatives for "impact investing," which seeks to create positive social and environmental impacts

We engage in "impact investing," which seeks not only to generate returns on investments, but also to create positive impacts on social and environmental issues.

Specifically, we invested in an impact fund that invests in renewable energy generation projects, and thereby seeks both to generate returns on investments and to have a positive environmental impact by reducing total CO₂ emissions.

We also engage in sustainability-linked investments and financing, which have variable investment and financing conditions. These conditions depend on the level of achievement of ESG-related management indicators and goals, which are set in advance by investees and borrowers. Specifically, we provided operating companies with loans whose interest rate varies according to the extent to which they achieve their CO₂ emissions reduction goals.

• Investment in the "Fund Supporting Good Health" and "Japan Healthy Society Support Fund," which support projects that promote human health

We invested in the Fund Supporting Good Health and the Japan Healthy Society Support Fund, with the aim of responding to the social issue of extending people's healthy life spans. The former is for listed corporations in Japan involved in businesses such as pharmaceuticals, healthcare, sports clubs, and health foods that contribute to the promotion of human health, while the latter supports projects that contribute to the promotion of human health.

• Investment in companies that contribute to the creation of a sustainable society

Taiyo Life and Daido Life invest in the "T&D Japan Equities ESG Research Fund." The fund selectively invests in companies with an outstanding ESG performance, through stock selection based on ESG research. T&D Asset Management established and manages the fund (management began in July 2015).

2-3 Initiatives to Conform to the Principles for Responsible Institutional Investors (Japan's Stewardship Code)

Three of the Group's companies, Taiyo Life, Daido Life, and T&D Asset Management endorsed and expressed their commitment to the Principles for Responsible Institutional Investors (Japan's Stewardship Code) in May 2014. Details regarding the policies of each company with respect to the Principles, policy on exercising voting rights, status of exercising voting rights, and self-evaluations are published on the companies' respective websites (Japanese).

Taiyo Life Insurance Company	https://www.taiyo-seimei.co.jp/company/activity/ssc.html	
Daido Life Insurance Company	https://www.daido-life.co.jp/company/csr/investor/ssc/	
T&D Asset Management Co., Ltd.	https://www.tdasset.co.jp/company/principles/stewardship/	

^{*} Since T&D Financial Life does not directly invest in listed stocks, the company does not express support for the Stewardship Code.

Policy on Exercising Voting Rights

Taiyo Life, Daido Life

Taiyo Life and Daido Life strive to make voting decisions based not only on formal determination criteria such as financial information, but also on non-financial information such as ESG. They also promote the sustainable growth of investment targets by practicing regular constructive purposeful dialogue (engagement). Based on this fundamental approach, they exercise their voting rights rigorously, in accordance with criteria (revised continuously in accordance with the economic environment and social conditions) established to ensure that voting rights are exercised properly. In order to strengthen our governance and conflict of interest management structures relating to stewardship activities as a whole, including the exercise of voting rights, we created a committee on exercising voting rights, which includes outside members.

Main Focal Points for Carefully Examining Proposals, Engaging in Dialogues and Making Voting Decisions

- ▶ Are dividends to shareholders insufficient or excessive?
- ▶ Does the investee company face problems in connection with any activities against public order and common decency (willful tax evasion, collusion, bribery, etc.) and/or antisocial activities such as environmental destruction (actions deemed questionable in light of ESG problems)?
- ▶ From the standpoint of requesting investee companies to ensure corporate governance is functioning effectively in management, does the investee company present problems in terms of any of the following:
 - Level of ROE
 - Number and independence of outside directors
 - Attendance rate of corporate officers at meetings of the Board of Directors and the Audit & Supervisory Board
 - Length of service of Audit & Supervisory Board members
 - Eligible recipients of retirement benefit payments
 - Eligible recipients and levels of incentive compensation

T&D Asset Management

T&D Asset Management believes that exercising voting rights is an effective means for shareholders to increase the corporate value of investee companies, by influencing the corporate management of those investee companies. We have established Guidelines for Exercising Voting Rights, which aim to prioritize shareholder profits; for assets under both active and passive management, we carefully examine every proposal put forward at Ordinary Shareholders' Meetings of investee companies, and exercise our voting rights accordingly.

Main Approaches to Individual Proposals

We carefully examine individual proposals according to our Guidelines for Exercising Voting Rights, from the perspective of improving corporate value and encouraging sustainable growth. To ensure our assessments of proposals do not rely solely on numbers, we endeavor to understand the actual circumstances at the company in question through dialogue and other means.

[Appointment of Executives] We oppose the re-appointment of representative directors if it is clear that shareholder value is being harmed due to sluggish performance or low capital efficiency. As a rule, we oppose the appointment of outside directors or Audit & Supervisory Board members in cases where their independence in the exercise of the expected management oversight functions or audit functions cannot be ensured. Moreover, we oppose the re-appointment of representative directors when a certain number of independent outside directors are not appointed, and when the reason for such is deemed to be invalid. When trust in the company has been seriously damaged due to executive misconduct or illegal business activities, and corporate performance or stock prices have been impacted or may be impacted, we oppose the re-appointment of the relevant directors.

[Executive Compensation] Although we are generally in favor of introducing performance-linked compensation systems, we oppose their introduction when it is deemed that payment to outside directors has a strong incentive factor. As a rule, we oppose payment of retirement benefits to outside directors or Audit & Supervisory Board members. With regard to the introduction of stock options and stock compensation systems, our decision is based on whether or not they contribute to the improvement of corporate value as medium- and long-term incentives.

[Capital Policies] We take business performance trends and financial conditions into consideration when making decisions on dividends and treasury stock acquisitions.

[Anti-takeover Measures] As a rule, we oppose proposals to introduce or update anti-takeover measures.



Status of Exercising Voting Rights

Taiyo Life, Daido Life

Taiyo Life and Daido Life exercised their voting rights on proposals at Shareholders' Meetings held between July 2021 and June 2022. Such exercise was conducted after holding dialogues with investment targets as necessary, in accordance with the criteria for determining the exercise of voting rights.

Status of Exercising Voting Rights

Taiyo Life and Daido Life reject proposals in cases where problems are not rectified despite constructive dialogue, cases where shareholder value is highly likely to be impaired and in certain other circumstances. The results of voting rights of shares listed on domestic markets exercised at Shareholders' Meetings held by domestically listed companies between July 2021 and June 2022 are as follows.

	Taiyo Life					Daido Life				
Туре	Approve	Reject	Abstain	Carte blanche	Total agenda items	Approve	Reject	Abstain	Carte blanche	Total agenda items
Company proposals	217	1	0	0	218	476	4	0	0	480
Surplus appropriation	39	0	0	0	39	84	0	0	0	84
Director appointment*1	67	1	0	0	68	113	3	0	0	116
Corporate auditor appointment*1	27	0	0	0	27	88	0	0	0	88
Partial change to Articles of Incorporation	57	0	0	0	57	119	0	0	0	119
Payment of retirement bonus	1	0	0	0	1	4	0	0	0	4
Change to officer compensation	9	0	0	0	9	43	0	0	0	43
Issue of stock acquisition rights	9	0	0	0	9	5	0	0	0	5
Appointment of accounting auditors	1	0	0	0	1	3	0	0	0	3
Reconstruction related*2	1	0	0	0	1	4	0	0	0	4
Other company proposals*3	6	0	0	0	6	13	1	0	0	14
Of which, antitakeover measures	3	0	0	0	3	2	1	0	0	3
Shareholder proposals	0	8	0	0	8	0	32	0	0	32
Total	217	9	0	0	226	476	36	0	0	512

^{*1} Regarding appointments of multiple candidates, if even one candidate was voted against, it is counted as "Reject."

Status of Dialogue

Taiyo Life and Daido Life make efforts to share awareness with investment targets through constructive, purposeful dialogue based on issues concerning sustainability. Through such efforts, the companies seek to stimulate the improvement of corporate value and sustainable growth from the mid- to long-term perspective in investment targets such as domestically listed companies and corporate bond-issuing entities. Between July 2021 and June 2022, Taiyo Life and Daido Life engaged in dialogue with 112 companies and 121 companies respectively.

Furthermore, in exercising voting rights, Taiyo Life and Daido Life emphasize dialogue with investment targets and endeavor, through proactive dialogue with those investment targets, to verify the management situation and share the awareness of issues, as well as to continuously conduct initiatives which contribute to the improvement of shareholder value.

- ▶ Examples of companies with whom Taiyo Life and Daido Life engaged in dialogue:
 - Companies whose ROE fell below a certain threshold
 - Companies issuing dividends despite having reported a net loss
 - Companies not paying adequate shareholder dividends despite having adequate resources
 - Companies at which the number of outside directors fell below a certain number
 - Companies with substantial doubts regarding the independence of candidates for independent outside director
 - Companies at which the number of directors increased, and the reason for such was unclear
 - Companies that proposed the introduction/continuance of anti-takeover measures
 - Companies paying retirement bonuses to outside directors and Audit & Supervisory Board members whose task is to monitor the status of management
 - Companies that introduced or increased executive compensation such as granting stock acquisition rights or restricted shares
 - Companies paying incentive compensation to outside directors and Audit & Supervisory Board members whose task is to monitor the status of management
 - Companies that have been involved in misconduct or other such incidents

^{*2} Includes mergers, business transfers, share exchanges, stock transfers, and company splits.

^{*3} Includes share buybacks, decrease in legal reserve, increase through third-party allotment, decrease in capital, reverse stock split, officer bonuses, antita-keover measures, and income statement approval.

Self-evaluation

Between July 2021 and June 2022, Taiyo Life and Daido Life performed self-evaluations of the status of implementation of each of the Principles in this code. The evaluations of both companies determined that activities were carried out steadily, in accordance with the policies on the Principles.

T&D Asset Management

Status of Exercising Voting Rights

T&D Asset Management has established the Stewardship Activity Committee to deliberate and make decisions on matters related to the exercising of voting rights. The Committee is chaired by the Chief Investment Officer (C.I.O.) of the Investment Management Department, and its membership consists of the executive officers of the Investment Management Department, the general managers of the Legal & Compliance Department, and managers of the Stock Management Department's Responsible Investment Promotion Office. To prevent conflicts of interests, the Committee is separate from the company's sales departments.

The Stewardship Activity Committee deliberates and makes decisions on matters related to the exercising of voting rights, including the company's Guidelines for Exercising Voting Rights. The Guidelines for Exercising Voting Rights are designed to go beyond simply providing guidance for formal assessments; instead, they are intended to contribute to the sustainable growth of investee companies.

Proposals for instructions regarding the exercising of voting rights are drafted based on the Guidelines for Exercising Voting Rights; taking feedback from the Stewardship Activity Committee into consideration, the Committee chairman then makes a final decision on these proposals.

Based on the above procedures, T&D Asset Management voted against 663 proposals submitted by investee companies (8.1% of the total) between July 2021 and June 2022. Examples of the status of exercising voting rights are provided below.

- 1. For proposals concerning the appointment and dismissal of directors, in cases where independent outside directors did not comprise a majority of the Audit & Supervisory Committee, and in cases where profitability was consistently low and showed no signs of improvement, the company voted against the reappointment of the directors responsible, while taking the prevailing circumstances of each company into consideration.
- 2. For proposals concerning the appointment of outside directors and outside Audit & Supervisory Board members, the company voted against their appointment in cases where there were doubts about the independence of the candidates in question.

Status of Dialogues

T&D Asset Management uses individual and small meetings with companies as opportunities to hold constructive dialogues that promote sustainable growth from such perspectives as business strategy, capital efficiency and shareholder returns, and ESG. In the period between July 2021 and June 2022, meetings were held with 237 companies. Examples of these dialogues are presented below.

- 1. In our discussions with a railroad company, we sought clarification about the proportion of renewable electricity they use for their business. The railroad company is considering expanding its use of renewable energy; however, it requires a massive amount of electricity to power its rail transportation business and, in order to ensure stable supplies, it has no choice but to purchase electricity from a major electric power company. For this reason, it is difficult for the railroad company to increase its use of renewable energy by switching to a green start-up electric power company; instead, the railroad company is working to reduce its energy consumption per unit output by investing in LED lighting and other forms of energy savings. We communicated our intention to follow up on whether its investments in energy savings would contribute to reductions in its CO₂ emissions per unit output.
- 2. We held discussions with a land transportation company that recognizes Japan's shrinking population and deteriorating regional infrastructure to be critical social issues, questioned how it intends to respond to these issues, and verified the state of progress of specific initiatives. Depopulation has led to a significant decrease in numbers of residents and workers in regional communities; as such, the land transportation company claims that it will be impossible to maintain its existing delivery supply chains in many of these regions. For example, on remote islands particularly hard-hit by depopulation, the shipping services used to convey the islanders' daily necessities are already being affected by a shortage of pilots and issues with profitability. Although the land transportation company's core business consists of drivers delivering small lots of luggage to customer residences, some of its Group companies specialize in medium-lot transportation and air transportation. By utilizing these internal resources, the land transportation company is confident that it can provide delivery services capable of substituting or making up for the decrease in shipping services to remote islands and other depopulated regions. We commented that such initiatives would not only lead to increased business opportunities, but also contribute to improved access to transportation services for residents of depopulated regions; we also communicated our intention to follow up on the matter in due course.
- 3. In discussions with a chemical manufacturer, we suggested that its low turnover and low share price was in part due to not holding financial results briefings; for this reason, we requested that it hold financial results briefings for investors in the future. The chemical manufacturer responded that it was gradually strengthening its IR activities—for example, after the announcement of its full-year results, it was now distributing videos in which the president dissected the company's financial results. However, the chemical manufacturer also agreed to communicate our request to hold financial results briefings to the president and other members of the management. We intend to continue discussions on and encourage change in this matter.

Self-evaluation

Between July 2021 and June 2022, T&D Asset Management carried out a self-evaluation of the status of implementation of each of the Principles in this code. It determined that activities were steadily being carried out in accordance with its basic policy for each Principle.

1. Basic Concept

1-1 Basic Concept

As a Group engaged in the life insurance business with its highly public and social nature, the T&D Insurance Group implements a variety of initiatives for social activities and conserving the environment. In addition, the Group supports the volunteer activities of its employees and gets involved in social programs by partnering with the foundations. As a life insurance group, our ultimate aim is to achieve sustained growth in step with society in view of our commitment to fulfilling our public mission and meeting our social responsibilities. To that end, our efforts focus primarily on "improving health, medical care and welfare" and "developing a sound society."

2. Improving Health and Welfare (Health, Medical Care, Welfare, etc.)

2-1 Blood Donation Drives

The T&D Insurance Group cooperates with the Japanese Red Cross Tokyo Metropolitan Blood Center to sponsor blood donation drives. We hold biannual blood donation drives in the summer and the winter at Tokyo Nihonbashi Tower, and executives and employees are encouraged to donate blood. In fiscal 2021, a total of 243 people in the Group donated blood during the drive.



2-2 Friends of Taiyo Life Goodwill Circles

The Friends of Taiyo Life Goodwill Circles ("Friends"), which was established in December 2005 and is composed of executives and employees from Taiyo Life and its affiliates, has 8,352 members as of March 31, 2022. In order to support social contribution activities on a monthly basis, the members contribute any fractions less than one hundred yen from their take-home salary. At present, the Friends mainly provides supports for local community-based social contribution activities driven by branches nationwide and head office departments, environmental conservation activities in cooperation with NPOs and the like, and educational support. Details of the activities are posted in Taiyo Life's in-house journal, through which the company is calling for broader participation by executives and employees in the activities.

Major Activities in FY2021

- Support for the Japan Down Syndrome Society
- Environmental conservation activities in Taiyo Seimei no Mori (the Forests of Taiyo Life)
- Collection and donation of CDs and DVDs, used books, PET bottle caps, and other items

2-3 Daido Life Employees' Community Contribution Club

Established in 1992, the Daido Life Employees' Community Contribution Club is a voluntary activity organization composed of Daido Life's executives and employees; it works to promote and support fund-raising activities and volunteer activities. The club has held a One-day Outing Volunteer Activity for the Physically Disabled since 1994, which is run by executives and employees taking volunteer work leave (the activity was cancelled in 2021 due to COVID-19). The club provides participants with opportunities to deepen their understanding of disabilities by directly interacting with disabled people, for example by assisting wheelchair users or providing walking assistance.

Major Activities in FY2021

- Fundraising and donations: Donations from executives and employees and
 revenues from the charity calendar exhibitions were used to make contributions to social welfare organizations, as well as to facilities for the disabled
 affected by natural disasters such as the Heavy Rain Event of July 2020.
- Volunteer activities: The club provided operational and other support for a music concert played by persons with disabilities.
- Other activities: Used postage stamps and other items collected from branches nationwide were donated to organizations that support social contribution activities, for the benefit of international medical cooperation; the club also made donations to UNICEF through the collection of plastic bottle caps.



2-4 Supporting the Japan Down Syndrome Society Taiyo Life

Taiyo Life and members of Taiyo Life Goodwill Circles support the activities of the Japan Down Syndrome Society by interacting with it.

Main Activities

- Support activities as a supporting member of the association.
- Provide Taiyo Life conference rooms for use as venues for seminars held by the association and for meetings of its Board of Trustees and Board of Directors.
- Participation of the corporate officers and employees of branches and head office departments as volunteers at association activities.



2-5 The Daido Life Welfare Foundation

Purpose of Establishment

Established by Daido Life in 1974, the foundation aims to contribute to the promotion of public health and welfare. It provides grants to research on health problems arising from worsening living conditions and various issues associated with the sharp increase in the elderly population.

Main Activities

Subsidies for Regional Health and Welfare Research and Volunteering

- Subsidies for regional health and welfare research: The foundation subsidizes research relating to community health, medical care, and welfare, which are carried out by public health and welfare professionals with close ties to local communities.
- Subsidies for volunteer activities by seniors: The foundation subsidizes volunteer exchange activities that promote the development of healthy minds in children and the welfare of the elderly and persons with disabilities, which are conducted by groups of people aged 60 and older.



• Subsidies for volunteer activities by business people: The foundation subsidizes volunteer exchange activities that promote the development of healthy minds in children and the welfare of the elderly and persons with disabilities, which are conducted by groups of people working at a company or other organization on their days off.

[Cumulative Grants from Establishment in 1971 to FY2021] 4,388 grants; 1,705.57 million yen

Publication of the "Environment and Health" Series Brochures

The foundation publishes the "Environment and Health" series of compact brochures, which contain articles written by experts on the environmental, health, and welfare issues of high public interest; a total of 75 brochures have been published thus far. To ensure that these brochures are accessible to as many people as possible, recent editions have been digitized and made publicly available on the foundation's website free of charge.

Home Care/Nursing Consultation and Workshop

The foundation has made DVDs depicting scenes from practical workshops available for rent free of charge.

2-6 The Taiyo Life Welfare Foundation

Purpose of Establishment

Established in 1984 to commemorate the 90th anniversary of the founding of Taiyo Life. This foundation works to improve social welfare in Japan by sponsoring the projects to enhance welfare of the elderly and the disabled.

* In December 2009, when the foundation was authorized as a public interest corporation, the name of the foundation was changed from Taiyo Life Himawari Foundation to the Taiyo Life Welfare Foundation.

Main Activities

- Project grants: Grants to the projects by volunteer groups working to contribute to the welfare of the elderly, the disabled living at home, and those with dementia.
- Research grants: Grants for study and research regarding healthcare and medical care for the elderly and lifestyle diseases and welfare of the elderly.

[Cumulative Grants from Establishment to FY2021] 2,364 grants; 1,333.79 million yen

Main Activities in FY2021

In order to fulfill its mission of improving social welfare, in fiscal 2021, the foundation continued providing grants to projects undertaken by volunteer groups working resolutely to enhance the welfare of local communities; it also subsidized study and research programs related to the welfare of the elderly. In fiscal 2021, the foundation offered grants worth 27.99 million yen to 103 volunteer/NPO projects, and grants worth 6.97 million yen to 12 research projects; in total, the foundation provided 115 grants worth a combined 34.96 million yen.

Social Activities

3. Developing a Sound Society (Education, Sports, Local Community Contribution, etc.)

3-1 Nationwide Clean Campaign Taiyo Life

Taiyo Life is active in cleanup efforts nationwide, an activity that contributes to the local community. We have cleaned up the areas around our headquarters each year since 1982. Since 2004, we have conducted cleanups around our branches nationwide as part of the "Nationwide Clean Campaign," from as far north as Hokkaido to as far south as Okinawa. Our employees are united in their commitment to contributing to society and conduct the cleanups as a way to thank local communities for their long-standing support.



3-2 | Sponsorship of the Japan Junior High School Rugby Football Tournament Taiyo Life

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). Taiyo Life chose this sponsorship in sympathy with the basic spirit of Rugby, "one for all, all for one" which is common to the basic principle of life insurance. At the same time, Taiyo Life agrees with the objective of the tournament, which can be summarized as "helping young rugby players and other youth to develop the quality and skills necessary for shaping a sound society." Accordingly, we are extending our support for the sound development of young people through the promotion of junior high school rugby competitions in Japan in cooperation with the JRFU.



3-3 Supporting Sports for People with Disabilities Daido Life

The inaugural National Sports Games for People with Intellectual Disabilities* was held in 1992, when Daido Life celebrated its 90th anniversary. The company has been a special sponsor of the National Sports Festival for People with Disabilities every year since.

* In 2001, the National Sports Games for People with Intellectual Disabilities was integrated with the National Sports Games for People with Physical Disabilities to become the National Sports Festival for People with Disabilities.



Every year, Daido Life sets up a company booth in the *Fureai Hiroba* (Get-Together Plaza), a venue for interacting with participating athletes; executives and employees

from Daido Life, Taiyo Life, and other affiliated organizations work as volunteers to support this event. The 21st National Sports Festival for People with Disabilities was scheduled to be held in Mie Prefecture in 2021 but was cancelled due to COVID-19.

We have been official partners of the Japanese Para Sports Association since January 2015 and of the Japan Para Archery Federation since January 2018. In our capacity as a partner, we work to further popularize and develop sports for persons with disabilities.

3-4 Official Partner Agreement Concluded with Japan Deaf Football Association (JDFA) T&D Financial Life Insurance

T&D Financial Life Insurance 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 the activities of the Japan national deaf soccer and futsal teams, and promoting sports for persons with disabilities.



3-5 The Sustainability Together Movement Daido Life

Starting in fiscal 2017, Daido Life has implemented the Sustainability Together Movement as part of its company-wide regional and social contribution activities. In fiscal 2021, under the theme of "Contribution to SDGs," divisions at head office and branches throughout Japan worked on various activities such as promoting 3R (reduction, reuse, and recycling), donating to developing countries, and conducting community-based cleaning activities.



3-6 Endowed Open Courses at Universities Daido Life

Daido Life began endowing annual open courses at universities in fiscal 2002, as part of its centenary celebrations. With topics combining theory and practice, the courses provide managers of small and medium-sized enterprises (SMEs) and their successors with opportunities for acquiring knowledge and skills relevant to management and business. Since their inception, the courses have been attended by more than 16,300 people and have been extremely well received. In fiscal 2021, courses were held online at Meiji University, Japan Women's University, Kansai University, and the *Hito wo Taisetsu ni Suru* (Taking good care of people) Institute of Business Administration.



3-7 Hosting Internship Program Daido Life

Daido Life provides college students with internship opportunities, so they can deepen their understanding of the life insurance business. In fiscal 2021, the program was held both in person and remotely and attracted many participants from across Japan. The introduction of the "elective program" enabled participants to experience different types of work and helped create even more opportunities to communicate with many Daido Life employees. The program gives students the chance to visualize themselves at work, to consider whether they are suited to working in the life insurance business, and thus to map out future career paths.



3-8 Daido Life Survey Daido Life

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. Thus far, Daido Life sales representatives have visited a total of approximately 10,000 SMEs across the country to hear the unfiltered opinions of their business owners. Survey reports are sent to customers across Japan and also made available to the general public.





Daido Life website
[Daido Life Survey]



Social Activities

3-9 The Daido Life Foundation

Purpose of Establishment

Established by Daido Life in 1985, the foundation seeks to promote international mutual understanding through cultural exchanges with or grants to other countries and thus contribute to the internationalization of Japan.

Main Activities

Presentation of Daido Life Foundation Awards for Area Studies

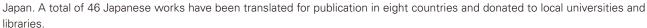
The foundation seeks to encourage academic research related to various regions around the world; to this end, it presents Daido Life Foundation Awards for Area Studies and Daido Life Foundation Encouragement Awards for Area Studies to researchers who have achieved superior results in area studies. Daido Life Foundation Area Studies Special Awards are presented to individuals who have made distinguished contributions to deepening international mutual understanding.

Translation and Publication Activities

In order to help Japanese people deepen their understanding of the history, culture, and customs of other Asian countries, the foundation undertakes translations of modern literature published in the region; thus far, a total of 78 works from 14 countries have been translated into Japanese for publication and donated to universities and public libraries across Japan.

Since fiscal 2012, the foundation has digitized these publications and made them available on their website free of charge, with a view to increasing readership of these works.

The foundation also translates Japanese literature into various other Asian languages, in a bid to help people in the region to develop a better understanding of





Educational Support Activities

The foundation provides support for improving educational awareness in Southeast Asian countries; it has sponsored 20 school construction projects in 5 countries and donated books and school supplies as part of its efforts to establish learning environments. In recognition of its contributions to education over many years, the foundation was awarded the Third Order of Labor Merit by the government of Laos in 2013.

3-10 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.

Shortly after the Great East Japan Earthquake, the Group promptly dispatched its executives and employees to the affected areas. There, they participated in volunteer activities such as removing rubble, bringing in relief goods, and rebuilding individual homes and temples/shrines.

3-11 NMWA Japan Committee Sponsorship

As part of our efforts to promote diversity and inclusion (D&I), the T&D Insurance Group sponsored the NMWA Japan Committee* dedicated to "championing women through the arts."

* The Japan Committee assists displays of works by Japanese artists at the exhibitions of women artists held at the National Museum of Women in the Arts (NMWA) in Washington, DC, USA.





1. Corporate Governance

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Basic Concept of Corporate Governance

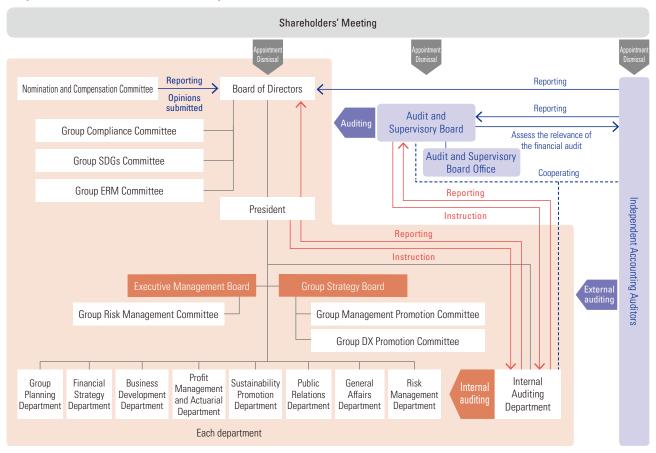
The basic concept of corporate governance at the T&D Insurance Group is to pursue an efficient and transparent business management structure capable of implementing flexible and united Group management. Based on this concept, T&D Holdings determines the Group's business strategies, adequately allocates management resources and sets capital policies. In addition, T&D Holdings properly identifies the business risks of its six direct subsidiaries centered on the three life insurance companies, together with T&D United Capital, T&D Asset Management, and Pet & Family Insurance, to create a system for supervising Group management by thoroughly managing revenues and risks for the entire Group. Meanwhile, the subsidiaries, which have their own business strategies, develop marketing strategies leveraging their strengths and conduct business operations autonomously, thereby increasing the Group's corporate value. In this way, the Group is committed to management that clarifies the respective roles and responsibilities of T&D Holdings and its direct subsidiaries.

For details about corporate governance, please see the Report Regarding Corporate Governance that T&D Holdings submitted to the Tokyo Stock Exchange. WEB https://www.td-holdings.co.jp/en/company/governance/

Outline of Corporate Governance Framework

T&D Holdings shall make decisions on important business matters and oversee the execution of business through its Board of Directors. The Company has adopted a "company with an Audit and Supervisory Board" system, and the Company shall audit the performance of directors' duties through its Audit and Supervisory Board, which is independent of the Board of Directors. In addition, an executive officer system has been instituted to further strengthen business execution, and by clarifying oversight and execution responsibilities, the governance function of the Board of Directors is reinforced. Furthermore, T&D Holdings has established a Nomination and Compensation Committee as an advisory body to the Board of Directors. The Committee deliberates on the fairness and appropriateness of the appointment, dismissal, succession planning, and compensation of directors and executive officers, thereby strengthening the corporate governance framework of T&D Holdings and the Group by ensuring the transparency of management and enhancing accountability. In addition, an Executive Management Board has been established to deliberate and resolve important matters related to the management of T&D Holdings and the management control of the Group. In parallel, the Group Strategy Board has been established to deliberate matters related to the Group's growth strategy and other relevant and important matters from the perspective of the Group as a whole, in order to achieve a sustainable improvement in the Group's corporate value.

Corporate Governance Framework (April 2022)



1-3 | Corporate Governance Framework

Shareholders' Meeting

The Shareholders' Meeting is the highest decision-making entity of T&D Holdings. At the meeting, reports are made on the Group's business and consolidated/non-consolidated financial statements for the fiscal year. Resolutions are made on important issues, which are stipulated in laws and ordinances and the Articles of Incorporation, such as the appropriation of retained earnings and election of officers. The Ordinary Shareholders' Meeting is held in June once in every year.

Board of Directors

(Roles and Responsibilities)

The Board of Directors of T&D Holdings shall make decisions on important business matters and oversee the execution of business in accordance with laws and ordinances, the Articles of Incorporation, and the Company's relevant rules. In addition, as a company with an Audit and Supervisory Board, some important business execution decisions are delegated from the Board of Directors to the directors by resolution of the Board of Directors pursuant to the provisions of the Articles of Incorporation. By doing so, the Company aims to separate management and oversight from business execution in order to further strengthen the management function (deciding on management policies and overall strategy) and oversight function of the Board of Directors and promote greater agility and efficiency in business execution. The Board of Directors met 17 times in fiscal year 2021.

(Composition)

The number of directors (excluding directors serving as Audit and Supervisory Board members) shall be no more than 9, and the number of directors serving as Audit and Supervisory Board members shall be no more than 5, as stipulated by the Articles of Incorporation. The Board of Directors shall be made up of individuals representing a balance of knowledge, experience, and skills. They shall have diverse backgrounds as befitting the expansive range of business domains in the life insurance business, which is the core business of the T&D Insurance Group. In addition, T&D Holdings shall appoint two or more directors (excluding directors serving as Audit and Supervisory Board members) who concurrently serve at T&D Holdings and its directly owned subsidiaries. This shall be done from the standpoint of facilitating adequate communication and prompt decision-making within the Group, along with bolstering Group-wide governance.

Furthermore, the Company shall appoint five outside directors with extensive experience and knowledge in their capacity as outside corporate managers, legal experts, accounting professionals, and so forth. The opinions of outside directors are properly reflected in the Group's management policies and development of internal controls and other systems, as well as in the oversight of business execution.

Chairperson of the Board of Directors	President
Directors	12
Men	11
Women	1
Outside directors	5 (including one woman)
Activities of outside directors (Fiscal 2021)	For its outside directors, the Company appoints attorneys who are familiar with corporate legal affairs, corporate managers with experience, such as partners in foreign-owned consulting firms, and individuals with experience in corporate management, such as through service as a certified public accountant or representative of a financial holding company. These directors express their opinions as necessary at the Board of Directors meetings, while drawing on their expertise and wealth of knowledge and experience. Additionally, as the chairperson or members of the Nomination and Compensation Committee, which is an advisory body to the Board of Directors, they deliberate on matters including the selection, appointment, and dismissal (including successor planning) and compensation of executives of T&D Holdings and its directly owned subsidiaries and report the results of such deliberations to the Board of Directors, while offering opinions as necessary. Activities also include regular exchanges of views with the representative directors, the accounting auditors, the heads of the departments under their supervision, and the presidents of major subsidiaries.

(Effectiveness Evaluation)

The Company conducts overall evaluation of the Board of Directors once a year, based on the self-evaluations of directors. In order to secure the Board's effectiveness, the Company evaluates if the Board is functioning properly to achieve results and how the Board is contributing to the improvement of corporate value in the medium- to long-term.

Summary of Evaluation of Effectiveness of the Board of Directors as a Whole in Fiscal 2021

1. Scope	T&D Holdings arranged anonymous questionnaires (self-evaluations) and interviews of directors conducted by third-party institutions for the purpose of ensuring objectivity and transparency and conducted an analysis and evaluation in the Board of Directors. These efforts related to the effectiveness of the Board of Directors as a whole (including the non-statutory Nomination and Compensation Committee) in fiscal 2021.
2. Evaluation Method	In the questionnaires, effectiveness with respect to evaluation topics such as the composition, operation, discussions (managerial functions), oversight functions, and performance of the Board of Directors was confirmed using multiple-choice answers and written opinions. The interviews confirmed the basis for the judgments of the evaluations given in the questionnaire and the issues of the Board of Directors.
3. Overall Evaluation	As a result of the analysis and evaluation, the following matters and other matters were confirmed, and the Company has determined that the Board of Directors has generally fulfilled the expected roles and is functioning effectively. • Diversity in the composition of the Board of Directors is being ensured. • Appropriate information disclosure such as prior explanations is being carried out in the processes leading up to discussions in the Board of Directors. • The proceedings and agenda item selections of the Board of Directors are appropriate. • Discussions are proceeding with an awareness of the business portfolio and capital costs. • Sufficient feedback on the content of the dialogues with investors is being given.
4. Status of Improvement of Issues from Previous Evaluation	We have worked on the issues recognized in the fiscal 2020 evaluation and perceive that steady improvement has been seen. Those issues included strengthening the functions of the Nomination and Compensation Committee, consideration of the composition of the Board of Directors, well-devised preparation of easy-to-understand materials, and efficient management of the Board of Directors meetings.
5. Issues from Current Evaluation and Future Initiatives	In addition, as issues in the Board of Directors, the Company recognized that there is room for improvement to further enhance and deepen the discussions concerning the Group management strategies, further propel the integrated Group management, and compose and prepare materials which simply summarize the points of contention for good discussions in the Board of Directors. Through our response to the issues recognized in this evaluation of effectiveness of the Board of Directors, we will continue working to further improve the effectiveness of the Board of Directors.

Audit and Supervisory Board

(Roles and Responsibilities)

The Audit and Supervisory Board, as an independent body entrusted by shareholders, performs such roles and responsibilities as auditing the performance of the duties of directors in accordance with laws and ordinances, the Articles of Incorporation, and the Company's relevant rules. In accordance with its audit plans, the Audit and Supervisory Board exchanges opinions with the accounting auditors and Internal Auditing Department, inspects and examines important documents, and conducts audits aimed at verifying the Company's internal management system. In addition, the Audit and Supervisory Board members attend important meetings of T&D Holdings, including the meetings of the Board of Directors, and audit the directors' performance of their duties. In fiscal 2021, the Audit and Supervisory Board met 21 times.

Audit & Supervisory Board members	5
Men	4
Women	1
Outside Audit & Supervisory Board members	3 (including one woman)
Activities of Outside Audit and Supervisory Board members (Fiscal 2021)	Outside directors serving as Audit and Supervisory Board members make necessary statements as appropriate at meetings of the Board of Directors and the Audit and Supervisory Board based on their wealth of experience and insight as individuals with experience in corporate management, accounting experts, and legal experts. In addition, their activities include exchanges of views with the representative directors, the accounting auditors, the heads of each department, and the representative directors and presidents of major subsidiaries.

Selection of Directors

(Process)

Candidates for directors are reviewed by the Nomination and Compensation Committee and appointed by the Board of Directors. Candidates for directors who are Audit and Supervisory Board members are subject to approval by the Audit and Supervisory Board. (Criteria)

Directors are primarily required to have sufficient knowledge and experience to oversee the management of T&D Holdings in a proper, fair, and efficient manner, and to have earned the trust of society. In addition to the requirements set forth above, outside directors must satisfy the independence criteria established by the Company and the Tokyo Stock Exchange and must be recognized as being free from the risk of any conflicts with the common interests of shareholders.

Executive Compensation

1. Executive Compensation System (Fiscal 2021)

(1) Policies Concerning the Determination of Executive Compensation

In its Basic Policy on Corporate Governance (henceforth, "the Policy"), T&D Holdings has established the policies regarding executive compensation enumerated below. The Policy may be amended or repealed by the Board of Directors of T&D Holdings at its discretion.

- ①The executive compensation system and compensation amounts shall be designed to function as a sound incentive for the Group to enhance its performance and corporate value over the medium- to long-term. The compensation of directors (excluding outside directors and other part-time directors and directors serving as Audit and Supervisory Board members) shall consist of monthly compensation and bonuses that vary according to their roles and performance and trust-type stock compensation which delivers Company shares and utilizes a trust structure (non-residents of Japan are ineligible).
- ②To ensure that director compensation functions as a sound incentive, appropriate payment ratios shall be set for each type of compensation.
- ③ Compensation amounts shall be set according to the duties and responsibilities of each position, and a mechanism shall be in place under which monthly compensation and bonuses are linked to business performance and other factors and fluctuate accordingly.
- ① Compensation for part-time directors, including outside directors, and directors serving as Audit and Supervisory Board members shall consist of monthly (fixed) compensation.
- (5) Monthly compensation and bonuses of each director shall be calculated based on the compensation table determined by the Board of Directors and each director's individual evaluation within the limit established by the resolution of the Shareholders' Meeting, and through a resolution of the Board of Directors, finalized by the President after deliberations among representative directors. Individual officer evaluations shall be conducted based on the evaluation of corporate performance and the evaluation of the division the officer is in charge of in accordance with the evaluation criteria established by the Board of Directors. The evaluation results shall be deliberated at the Nomination and Compensation Committee, and then finalized by the President after deliberations among representative directors.
- ⑥ In order to clearly evaluate the degree of achievement toward corporate performance, the evaluation of corporate performance shall use multiple key performance indicators determined based on the Group's medium- to long-term management strategies. The key performance indicators shall be calculated by multiplying coefficients according to their achievement rates in each item.

As for the evaluation of the division the officer is in charge of, points are calculated for each division based on the achievement status of the execution plan in each division, among other factors.

The scores of the evaluation of corporate performance and the evaluation of the division the officer is in charge of shall be computed as a weighted average, where the weights are determined according to the responsibilities of each position. In the case of representative directors, the evaluation of corporate performance shall be weighted 100%.

- Trust-type stock compensation shall be granted annually to directors (excluding outside directors and other part-time directors, directors serving as Audit and Supervisory Board members, and non-residents of Japan) within the limits established by the resolution of the Shareholders' Meetings based on points allotted in accordance with position.
- ® The monthly compensation of individual directors serving as Audit and Supervisory Board members shall be decided in consultation with the directors serving as Audit and Supervisory Board members within the limit established by the resolution of the Shareholders' Meeting.
- Monthly compensation shall be paid in cash monthly and the bonuses shall be paid in cash annually. Trust-type stock compensation is based on the accumulated points granted, and is delivered in the form of Company shares and monetary payments upon retirement.

With respect to trust-type stock compensation, T&D Holdings shall not deliver Company shares or provide monetary benefits to any director who, prior to the date of determination of beneficiary rights, has committed an act of misconduct (e.g., significant neglect of duties, violation of laws and regulations, leakage of confidential information, etc.) as determined by the Company. If the grantee engages in misconduct after the date of determination of beneficiary rights, moreover, the Company can seek a reimbursement amount, obtained by multiplying the calculated number of basic shares by the calculated stock price.

(2) Composition of Compensation

T&D Holdings has designed its compensation system and compensation amounts to function as a sound incentive for the Group to enhance its performance and corporate value over the medium- to long-term. The total compensation of directors (excluding outside directors and other part-time directors and directors serving as Audit and Supervisory Board members) shall consist of monthly compensation and bonuses that vary according to their roles and performance, and trust-type stock compensation which delivers Company shares and utilizes a trust structure (non-residents of Japan are ineligible). The Company regards corporate performance-linked compensation as not suitable for part-time directors, including outside directors, who are independent from the execution of business, and directors serving as Audit and Supervisory Board members. Therefore, a fixed amount of compensation is paid.

Compensation type	Payment period	How the amount of executive compensation, etc. is calculated for each individual officer			
Monthly compensation	Monthly	The Board of Directors has adopted a resolution that monthly compensation and bonuses shall be set based on the amounts calculated from the compensation table determined by the Board (Compensation table).			
Bonus	Yearly	of Directors and each officer's individual evaluation within the limit established by the resolution of the Shareholders' Meeting and then finalized by Hirohisa Uehara, our Company President, after deliberations among representative directors. Individual evaluations for each officer shall be conducted based on the evaluation of corporate performance and the evaluation of the division the officer is in charge of in accordance with the evaluation criteria established by the Board of Directors. The evaluation results shall be deliberated at the Nomination and Compensation Committee and then finalized by the President after deliberations among representative directors.			
Trust-type stock compensation	At the time of retirement	Trust-type stock compensation shall be granted to directors (excluding outside directors and other part-time directors, directors serving as Audit and Supervisory Board members, and non-residents of Japan) in accordance with the compensation table determined by the Board of Directors based on points allotted in accordance with position. At the time of retirement from the Company, officers receive shares and monetary payments in accordance with the accumulated points. The system also has malus and clawback provisions.*			

^{*} Malus and clawback provisions

The trust-type stock compensation system stipulates that if a grantee engages in an act of misconduct (e.g., significant neglect of duties, violation of laws and regulations, leakage of confidential information, etc.) as determined by the Company prior to the date of determination of beneficiary rights, the grantee shall not receive the Company's shares or the proceeds of the sale of such shares. If the grantee engages in misconduct after the date of determination of beneficiary rights, moreover, the system stipulates that the Company can seek a reimbursement amount, obtained by multiplying the calculated number of basic shares by the calculated stock price.

(3) Reasons for delegating the decision on the amount of executive compensation (monthly compensation and bonuses) for each individual officer to the President

Our Company President, Hirohisa Uehara, oversees and supervises the Company's overall performance and business execution, and is a member of the Nomination and Compensation Committee, an advisory body to the Board of Directors. This makes him the most suitable person for determining the amount of executive compensation (monthly compensation and bonuses) for each individual officer based on, among other factors, their individual evaluations as deliberated on by the Nomination and Compensation Committee.

(4) Involvement of the Nomination and Compensation Committee and the Board of Directors

T&D Holdings established the Nomination and Compensation Committee in January 2015 as an advisory body to the Board of Directors to deliberate on the fairness and appropriateness of the appointment, dismissal, succession planning, and compensation of directors and executive officers, as well as to strengthen the corporate governance framework of T&D Holdings and the Group by ensuring the transparency of management and enhancing accountability. The Committee consists of the President and outside directors, and a majority of its members are assigned from outside directors to ensure independence, objectivity, and accountability. Furthermore, the chair of the Committee is chosen out of the outside directors by mutual vote of the Committee's members.

The Nomination and Compensation Committee deliberates on important decisions and changes related to the treatment of directors and executive officers of T&D Holdings and its directly owned subsidiaries, reports the results of such deliberations to the Board of Directors, and offers its opinions as necessary. Monthly compensation and bonuses are decided based on the individual evaluations of each officer, which are decided through deliberations by the Nomination and Compensation Committee, and the compensation table determined by the Board of Directors, among other factors.

In fiscal 2021, the Nomination and Compensation Committee deliberated on, among other topics, the results of fiscal 2020 evaluations of directors and executive officers, which serves as the basis for determining the compensation of individual officers; the results of fiscal 2020 evaluations of representative directors of directly owned subsidiaries; and the establishment of a maximum amount of compensation for directors not serving as Audit and Supervisory Board members. In addition, the Board of Directors has decided on the results of the corporate performance evaluation for fiscal 2020, among other matters.

(5) How to calculate the evaluation of corporate performance and the evaluation of the division the officer is in charge of The weightings of the evaluation of corporate performance and the evaluation of the division the officer is in charge of are set according to the responsibilities of each officer in accordance with the criteria established by the Board of Directors and used to compute a weighted average. In the case of representative directors, the evaluation of corporate performance shall be weighted 100%.

Calculation methods

Corporate performance evaluation (see (6) for the key performance indicators)	 In order to clearly evaluate the degree of achievement toward corporate performance, multiple key performance indicators determined based on the Group's medium- to long-term management strategies shall be used, along with an evaluation of corporate performance indicator, namely total shareholder return. Key performance indicators are calculated by multiplying coefficients according to their achievement rates in each item.
Evaluation of division in charge	• Points are calculated for the division the officer is in charge of based on the execution plan achievement status of each division, among other factors.

(6) Key Performance Indicators for Corporate Performance Evaluations (Performance-Linked Indicators) <FY2021> Key performance indicators for evaluating the corporate performance are shown below.

Regarding the financial performance indicators, the single fiscal year target achievement ratios and progress toward achievement of the fiscal 2025 targets are evaluated based on the Group Long-Term Vision formulated in fiscal 2021.

1) Single fiscal year evaluation topics

Evaluate the achievement ratios for the single fiscal year targets toward achievement of the fiscal 2025 targets.

	Fiscal 2025 targets
Group adjusted profit	¥130.0 billion
Value of new business	¥200.0 billion

	Single fiscal year targets	Actual	Achievement ratio
Group adjusted profit	¥73.0 billion	¥39.2 billion	53.7%
Value of new business	¥147.1 billion	¥166.9 billion	113.5%

② Medium- to long-term evaluation topics

Evaluate progress toward the achievement of the fiscal 2025 targets as an evaluation criterion.

	Fiscal 2025 targets
Adjusted ROE	8.0%
ROEV	7.5%

- The actual adjusted ROE is 2.7%.
- The actual ROEV is 7.0%.

3 Market evaluation topics

	Evaluation criteria and other criteria
Total shareholder return	• Total shareholder return (TSR) is calculated based on actual results, the degree of deviation
(TSR)	from a benchmark of listed life insurance companies, and other factors.

• The actual total shareholder return is 117.4% over five years.

(Note) The total shareholder return is calculated as follows.

• Five years: (Share price at the end of FY2021 + Cumulative total dividends per share from FY2017 to FY2021) / Share price at the end of FY2016

4 ESG evaluation topics

In addition to the above financial performance indicators, the following non-financial performance indicators are evaluated.

	Evaluation criteria and other criteria
Customer satisfaction level	• Evaluate the status of achievement with the level in the previous fiscal year as the evaluation criterion.
Employee satisfaction level	
Reduction of CO ₂ emissions	

- An actual customer satisfaction level and employee satisfaction level higher than the levels in the previous fiscal year were achieved.
- A reduction in the actual CO₂ emissions of 1.3% from the level in the previous fiscal year was achieved.

(7) Payment Ratio of Compensation by Type

With regard to the composition of compensation for the Company's officers, the ratio between performance-linked compensation (monthly compensation and bonuses) and trust-type stock compensation has been set to ensure that it functions as a sound incentive for improving medium- to long-term performance and increasing corporate value. Monthly compensation, which is performance-linked compensation, shall vary within a range between approximately 57% and 74% of the total compensation, commensurate with the duties of each position, while bonuses shall vary within a range between approximately 14% and 21%, and trust-type stock compensation shall vary within a range between approximately 10% and 22%.

Monthly compensation shall be a variable amount within the range between approximately 95% and 105% of the standard evaluation, depending on the individual evaluations of each officer. Bonuses shall be a variable amount within the range between approximately 60% and 140% of the standard evaluation, depending on the individual evaluations of each officer.

Compensation composition ratios



(8) Reasons for the Board of Directors' determination that the details of individual compensation of directors for the current fiscal year are in line with the Policy

The Board of Directors confirms that the individual compensation details were calculated based on the compensation table determined by the Board of Directors and the individual evaluation of each director as deliberated by the Nomination and Compensation Committee, and judges that this calculation is in line with the Policy.

(9) Disclosure of Total Amount of Compensation by Officer Category and Type of Compensation

(million yen)

Catagony	Monthly compensation		Reserve for bonus		Trust-type stock compensation (the Board Incentive Plan Trust)		Total amount of compensation	
Category	Number of persons paid	Amount	Number of persons paid	Amount	Number of persons paid	Amount	Number of persons paid	Amount
Directors not serving as Audit and Supervisory Board members (excluding outside directors)	8	126	3	35	3	38	8	200
Directors serving as Audit and Supervisory Board members (excluding outside directors)	2	58	0	_	0	_	2	58
Outside directors not serving as Audit and Supervisory Board members	2	20	0	_	0	_	2	20
Outside directors serving as Audit and Supervisory Board members	3	37	0	_	0	_	3	37
Total	15	242	3	35	3	38	15	316

- The monthly compensation and bonus reserves of directors (excluding outside directors and other part-time directors and directors serving as Audit and Supervisory Board members) constitute performance-linked compensation, and the trust-type stock compensation constitutes non-monetary compensation. The total amount of performance-linked compensation for directors not serving as Audit and Supervisory Board members (excluding outside directors and other part-time directors) (4 people) is ¥139 million, and the total amount of non-monetary compensation is ¥38 million.
- The number of persons paid and the amount of compensation above include three directors who stepped down from their posts, as of the close of the 17th Ordinary General Meeting of Shareholders held on June 25, 2021. As of March 31, 2022, the Company has seven directors not serving as Audit and Supervisory Board members and five directors serving as Audit and Supervisory Board members.
- The amount of trust-type stock compensation represents the cost accrued for the points granted during the fiscal year under review based on the relevant system.
- Since there is no person with total consolidated compensation of ¥100 million or more, individual compensation amounts are not shown.

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Governance and Internal Control

(10) Resolutions of the General Meeting of Shareholders

Maximum amount of compensation for directors

In a resolution at the 16th Ordinary General Meeting of Shareholders held on June 25, 2020, the maximum amount of compensation for directors not serving as Audit and Supervisory Board members was set to ¥450 million per year, of which ¥40 million per year was for outside directors (at the conclusion of the Shareholders' Meeting, there were 9 directors not serving as Audit and Supervisory Board members (including 2 outside directors)). This amount includes bonuses, and the total amount of bonuses per year has been determined by the Board of Directors. Apart from the compensation limit for directors not serving as Audit and Supervisory Board members, another resolution at the 16th Ordinary General Meeting of Shareholders held on June 25, 2020 set the maximum aggregate amount of trust fund to be contributed for the trust-type stock compensation to ¥500 million for three consecutive fiscal years. The total number of points to be granted to directors each fiscal year was limited to 215,000 points (one point is equivalent to one share in the Company). (At the conclusion of the Shareholders' Meeting, there were 4 directors not serving as Audit and Supervisory Board members eligible for trust-type stock compensation.) At the 16th Ordinary General Meeting of Shareholders held on June 25, 2020, the maximum amount of compensation for directors serving as Audit and Supervisory Board members (including 3 outside directors)). Compensation is set in consultation between the directors serving as Audit and Supervisory Board members within this limit.

Executive Management Board and Group Strategy Board

Please see "Executive Management Board and Group Strategy Board" under "8. Management Approach" on page 20.

Executive Officer System

T&D Holdings has introduced an executive officer system for the purpose of bolstering its business execution capabilities. By sharply delineating responsibilities for oversight and execution, the Company shall strengthen the governance function of the Board of Directors.

1-4 Participation in Management by Outside Experts

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

Service Quality Improvement Committee (Taiyo Life)

<Outside members> Physicians, attorneys, person with relevant knowledge and experience, and experts in consumer issues

<Main topics of deliberation> Status of building framework for management of payments of insurance and other benefits, ade-

quacy of examinations of payments of insurance and other benefits, ease of understanding insurance claim procedures, adequacy of insurance and other benefit-payment processes, status of customer feedback, and initiatives to improve operations utilizing customer feedback

Customer Feedback Council (Daido Life)

<Outside members> Physicians, attorneys, persons with relevant knowledge and experience, and experts in consumer issues

<Main topics of deliberation> Status of operations and adequacy and effectiveness of initiatives to improve customer service

Stewardship Committee (Daido Life)

<Outside members> Attorneys and experts in stewardship activities

<Main topics of deliberation> Enhancement of governance of voting process (e.g. prevention of conflicts of interest) and further

enhancement of stewardship activities as a whole

Advisory Council for Insurance Payment (Daido Life)

<Outside members> Attorneys and experts in consumer issues

<Main topics of deliberation> Adequacy of insurance and other benefit-payment processes, adequacy of examinations of pay-

ments, status of customer feedback, and initiatives improve operations

Service Supervision Committee (T&D Financial Life)

<Outside members> Attorneys, experts in consumer issues, and members of the media

<Main topics of deliberation> Initiatives aimed at ensuring an adequate framework relating to payment of insurance and other benefits, protecting legitimate interests of policyholders and others, and improving customer satisfaction

Payment Assessment Committee (T&D Financial Life)

<Outside members> Attorneys

<Main topics of deliberation> Fair and accurate payment assessment for decision-making on payment of insurance claims, etc.

1-5 Committees

Nomination and Compensation Committee

T&D Holdings established the non-statutory Nomination and Compensation Committee in January 2015 as an advisory body to the Board of Directors to deliberate on the fairness and appropriateness of the appointment, dismissal, succession planning, and compensation of directors and executive officers, as well as to strengthen the corporate governance framework of T&D Holdings and the Group by ensuring the transparency of management and enhancing accountability. The members of the Nomination and Compensation Committee deliberate on matters related to the appointment, dismissal, and compensation of directors and executive officers of T&D Holdings and its directly owned subsidiaries, and matters related to succession planning for the Company's President, among other topics, and report the results of such deliberations to the Board of Directors, while expressing their opinions as necessary. The Committee consists of the President and at least three outside directors, and a majority of the members are assigned from outside directors to ensure independence, objectivity, and accountability. The outside directors to be named as members are determined by the President after deliberations by the Nomination and Compensation Committee, and the chair of the Committee is chosen from among the outside directors by mutual vote of the Committee's members.

Major Deliberations and Reports by Nomination and Compensation Committee (Fiscal 2021)

	Major Deliberations and Reports
1st meeting	Utilization of the Board of Directors skills matrix
2nd meeting	 Selection, appointment, and other matters of directors not serving as Audit and Supervisory Board members and candidates for directors who are substitute Audit and Supervisory Board members Selection, appointment, and other matters of director candidates and Audit & Supervisory Board member candidates at directly owned subsidiaries Selection of outside directors to serve on the Nomination and Compensation Committee
3rd meeting	 Results of fiscal 2020 evaluations of directors and executive officers Results of fiscal 2020 evaluations of representative directors of directly owned subsidiaries
4th meeting	Selection of the chairperson of the Nomination and Compensation Committee
5th meeting	Deliberation on the trust-type stock compensation system
6th meeting	Succession plan
7th meeting	• Deliberation on the directors and Audit & Supervisory Board members selection and appointment process
8th meeting	Revision of the operation of the succession plan
9th meeting	Succession plan
10th meeting	• Deliberation on the directors and Audit & Supervisory Board members selection and appointment process
11th meeting	• Deliberation on the directors and Audit & Supervisory Board members selection and appointment process
12th meeting	 Selection and appointment of executive officers Selection and appointment of executive officers at directly owned subsidiaries
13th meeting	 Partial amendment of the Articles of Incorporation Formulation of the Group Management Human Resources Development Program

Committee Member Attendance Record (Fiscal 2021)

Name	Position	Attendance
Haruka Kato* (Chair)	Outside Director	Attended all 13 meetings
Naoki Ohgo	Outside Director	Attended all 13 meetings
Kensaku Watanabe	Outside Director	Attended all 13 meetings
Hirohisa Uehara	Representative Director and President	Attended all 13 meetings

^{*} Ms. Haruka Kato's maiden name is Haruka Matsuyama. She uses the name Haruka Matsuyama for her professional duties.

Group Compliance Committee

Please see "Group Compliance Committee" under "8. Management Approach" on page 20.

Group SDGs Committee

Please see "Group SDGs Committee" under "7. Sustainability Promotion Framework" on page 19.

Group Risk Management Committee

Please see "Group Risk Management Committee" under "8. Management Approach" on page 20.

Group ERM Committee

Positioned under the Board of Directors, this Committee is charged with pursuing the steady and continuous growth of the Group's corporate value through the promotion and improvement of Enterprise Risk Management (ERM), a practice that integrates the management of capital, profit, and risk on an economic value basis.

The Committee chairperson is the executive officer in charge of the Financial Strategy Department. In fiscal 2021, the Committee held 15 meetings and reported the results of its deliberations to the Executive Management Board, Group Strategy Board, and Board of Directors.

1-6 Internal Audit System

Group Internal Auditing

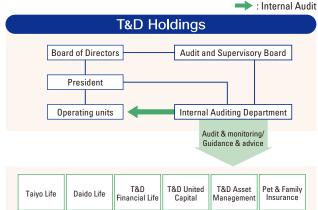
Internal auditing is the task of evaluating the appropriateness and effectiveness of the internal management of the operating units and providing advice and recommendations with the aim of contributing to the effective achievement of the organization's management targets.

In the Group Basic Policy on Internal Audits formulated by the Board of Directors, T&D Holdings has established a basic policy to ensure the effectiveness of the Group's internal audit system. In accordance with this policy, T&D Holdings and its directly owned subsidiaries have established internal audit units that are independent from other operating units. As of the end of fiscal 2021, the number of employees in the internal audit units was 5 at T&D Holdings and 71 in total for the Group, including directly owned subsidiaries.

Functions and Roles

The Internal Auditing Department of T&D Holdings, in addition to conducting internal audits of each division of the Company, grasps the status of the internal management system of the Group as a whole through monitoring of the internal audits implemented by its directly owned subsidiaries and other means. The Internal Auditing Department also provides guidance and advice as necessary to strengthen the internal audit system of the Group as a whole.

Outline of the Group's Internal Audit System





In addition, the Company's Internal Auditing Department verifies and evaluates the appropriateness and effectiveness of the Group's internal management system through internal audits, monitoring, and other means based on the internal audit plans resolved in the Board of Directors and reports the results to the Representative Director and President, the Audit and Supervisory Board, and the Board of Directors. It periodically reports the status of the Group's internal audits and other matters to the Audit and Supervisory Board and makes reports regarding the matters about which it has received directions from the Audit and Supervisory Board and other matters. In addition, formulation of the internal audit plans and the personnel reassignment, evaluation, and other matters of the manager of the Internal Auditing Department are deemed to be matters which require the prior consent of the Audit and Supervisory Board.

1-7 Internal Control

Internal Control System

The T&D Insurance Group believes that it is important to work for the sustainable growth and improvement of the medium- to long-term corporate value of the Group predicated on protecting insurance policyholders and the like by securing the soundness and compliance structure of the Group as a whole based on the Companies Act, the Group's Corporate Philosophy, and other factors.

With this in mind, T&D Holdings and its directly owned subsidiaries have established internal control systems as required under Japan's Companies Act. Moreover, the boards of directors of each company continuously work to improve and strengthen their internal control systems, including by periodically monitoring the preparedness and operational status of these systems to confirm their adequacy and making revisions as necessary.

Response to the Internal Control Reporting System

With regard to the internal control reporting system pursuant to the Financial Instruments and Exchange Act, the Group builds internal controls necessary for ensuring the trustworthiness of securities reports and other financial reports. Managers personally evaluate and report on its effectiveness. Following this process, a certified public accountant who is an outside Accounting auditor and a system auditor audit the suitability of this assessment.

2. Disclosure of Information to Shareholders and Investors

2-1 Shareholder Return Policy

T&D Holdings' policy is to provide stable returns to shareholders as part of enhancing shareholder value, while retaining sufficient internal reserves to ensure the management soundness of T&D Holdings and its Group companies.

2-2 Information Disclosure

T&D Holdings works proactively to disclose information to all stakeholders so that they can understand the current situation and future business development of the T&D Insurance Group.

Integrated Report

The Integrated Report is an annual report issued to investors, shareholders, and other stakeholders. It provides a summary of financial, corporate, ESG, and other key information to enable our shareholders and investors to understand the T&D Insurance Group.

Disclosure Documents

The disclosure documents of each company that have been produced in accordance with the Insurance Business Act of Japan have been posted on our website.

Shareholder Newsletters

The newsletters that we have sent out to our shareholders reporting our business performance and circumstances along with various topics have been posted on our website.

Annual Securities Report

Annual securities reports and suchlike made and submitted based on the provisions of the Financial Instruments and Exchange Act have been posted on our website.

For more details about these reports, please see "IR Library" under "Investor Relations" on our website.

WEB https://www.td-holdings.co.ip/en/ir/document/

2-3 IR Activities

T&D Holdings proactively engages in IR activities based on the principles of timeliness, fairness, and accuracy. It also works to make continuous and comprehensible information disclosure on the T&D Insurance Group's management environment, business strategies and financial situations. More specifically, we hold business results briefings, teleconferences, individual meetings for institutional investors, presentations for individual investors and actively engage in exchanging opinions with securities analysts. Valuable feedback from investors received through IR activities is regularly communicated to the management team.

Main activities

Presentations for Individual Investors

We held briefing sessions for individual investors where the director in charge of IR, other officers and managers acted as presenters.

Presentations for Institutional Investors and Securities Analysts

We held conference calls chaired by the director in charge of IR for each quarterly earnings announcement and IR meetings by the president for each interim and yearly earnings report. The president and the director in charge of IR also held individual meetings with institutional investors and securities analysts.

Presentations for Overseas Investors

For overseas institutional investors, mainly in Europe, United States, and Asia, the president and the director in charge of IR conducted individual meetings and also participated in conferences for overseas institutional investors held by securities companies.

IR Information Posted on Our Website

On our website, we have posted IR information for individual investors, financial information, timely disclosure materials other than financial information, IR presentation materials, and video and audio materials of IR presentations and teleconferences.

For more details, please see "For Individual Investors," "IR Library," and "IR Events" under "Investor Relations" on our website.

WEB https://www.td-holdings.co.jp/ir/individual/ (Japanese only)

https://www.td-holdings.co.jp/en/ir/document/

https://www.td-holdings.co.jp/en/ir/event/

2-4 Shareholders' Meeting

T&D Holdings views Shareholders' Meetings as important opportunities for communicating with its shareholders and endeavors to make these events sufficiently accessible and open to all shareholders. Prior to the Shareholders' Meeting, we strive to send out the convocation notice as early as possible, posting it on our website before sending it out, and we prepare and disclose an English translation on our website so that shareholders can sufficiently examine the items for resolution in advance. In addition, we have introduced an online electronic voting system to improve shareholder convenience. At the Shareholders' Meetings, a large screen is used to report on agenda items, displaying charts and images. In the Q&A session that follows, the directors respond to questions and opinions from the floor respectfully and accurately, with the intention of enhancing shareholders' understanding of our business. Note that in fiscal 2022, as a measure against the spread of COVID-19, we encouraged shareholders to exercise their voting rights in advance. Furthermore, on the day of the event, we broadcast the General Meeting of Shareholders live so that distant shareholders could observe the proceedings from their homes and other places. The meeting itself was also held with appropriate infection prevention measures in place, including a shorter agenda and the wearing of masks by shareholders, executives, and employees.

2-5 Shareholders 102-5

Proportion of Shares Held (as of March 31, 2022)

Shareholder category	Financial institutions	Financial product dealers	Other corporations	Foreign corporations	Individuals and others	Total
No. of shares held (1,000 shares)	179,582	27,881	103,207	213,545	64,783	589,000
Proportion of shares held (%)	30.49	4.73	17.52	36.26	11.00	100.00

Principal Shareholders (as of March 31, 2022)

Name of shareholders	Number of shares held (1,000 shares)	Percentage of total shares outstanding (%)
The Master Trust Bank of Japan Ltd. (Trust Account)	101,470	18.04
Custody Bank of Japan, Ltd. (Trust Account)	32,173	5.72
SSBTC CLIENT OMNIBUS ACCOUNT	12,608	2.24
STATE STREET BANK WEST CLIENT—TREATY 505234	9,444	1.68
JPMorgan Securities Japan Co., Ltd.	8,311	1.48
JP MORGAN CHASE BANK 385781	8,103	1.44
Custody Bank of Japan, Ltd. (Trust Account 4)	7,107	1.26
STATE STREET BANK AND TRUST COMPANY 505103	6,943	1.23
THE BANK OF NEW YORK MELLON 140044	6,675	1.19
AIG General Insurance Company, Ltd.	6,000	1.07
Total	198,839	35.35

Note: The Company holds 26,458 thousand shares of treasury stock, but this is excluded from the list of principal shareholders above. The percentage of total shares outstanding is also calculated minus treasury shares.

1. ERM 102-11

1-1 Promotion of ERM Approach

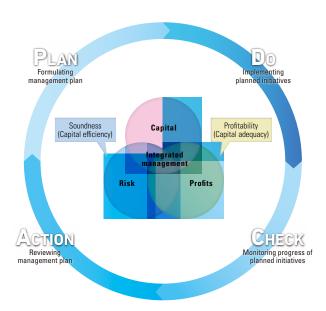
ERM stands for Enterprise Risk Management and refers to a strategic method of corporate management that seeks to maximize corporate value and profits while ensuring the soundness of business through integrated management of capital, profit and risk.

As opposed to conventional approaches designed primarily to avoid risks (losses), ERM takes a strategic stance with respect to risks, viewing them as a factor to be actively taken on in order to increase return (profit) and, as such, not something that should necessarily be reduced or eliminated. Using this new method, businesses can quantify capital, profit and risk on a uniform evaluation standard, helping manage these elements in an integral fashion and incorporate them into management decision-making, thereby allowing pursuit of growth in profitability while maintaining sound management of business operations.

The T&D Insurance Group has established the Group ERM Committee to implement ERM as a Group-wide initiative. With the committee providing leadership in promoting ERM throughout the Group, we will enhance the Group's corporate value in a stable and continuous manner while maintaining a sound business foundation.

More specifically, we have built a system based on a PDCA cycle to promote ERM under which the Group's management plan is formulated (Plan) so as to meet the risk appetite set out in terms of soundness and profitability based on the assessment of capital, profit and risk on an economic value basis; a range of initiatives developed under the plan are implemented (Do); the progress of implementation of the plan is monitored (Check); and the plan is reviewed and revised as necessary (Act).

PDCA Cycle



Integrated Risk Management Activities

In order to promote ERM, it is critical to have a proper understanding of types and magnitude of risks. The T&D Insurance Group promotes the integrated risk management approach to achieve the management objectives by quantifying the risks affecting the Group by type of risks and assessing the impacts when making losses, and also by controlling all the risks associated with its operations, including unquantifiable risks.

2. Risk Management

102-11 103-2 103-3

2-1 Basic Concept for Risk Management

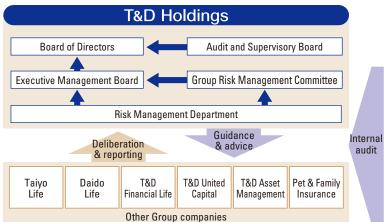
At the T&D Insurance Group, T&D Holdings has formulated a Group Risk Management Policy setting forth the Group's basic approach to risk management and, based on this Policy, the directly owned subsidiaries and other Group members have developed their risk management system that covers their affiliates as well.

T&D Holdings has established a Group Risk Management Committee and manages risks within the Group. The Committee receives reports, regularly and as required, on risks assessed using uniform economic value-based risk management indicators, from the directly owned subsidiaries and other Group members, in order to identify and manage the various types of risks faced by Group companies. Based on the report received, T&D Holdings reports on these risks to the Board of Directors and provides guidance and advice to the Group companies as necessary, thereby ensuring that proper risk control is implemented at each company and strengthening the risk management system for the entire Group.

2-2 Risk Management System

In light of the social and public nature of the life insurance business, the T&D Insurance Group views risk management as a key priority issue in order to ensure sound and adequate business management. Under overall control by the holding company, T&D Holdings, each Group company implements the necessary risk management suited to their respective business model based on the principle of self-responsibility.

Outline of the Group's Risk Management System



2-3 Risk Classification and Responses

The T&D Insurance Group classifies various management risks such as financial market disruptions, catastrophes, pandemics, climate change, and cyber attacks as indicated below. We have established risk management policies for each risk category and strive to prevent the occurrence of risks or control them within certain tolerances.

Insurance Underwriting Risk	Investment Risk	Liquidity Risk
Operational Risk*	Reputation Risk	Affiliate-related Risk

^{*} Operational risks are classified into sub-categories, i.e. administrative risk, system risk, legal risk, labor and personnel risk, and hazard risk, and are managed separately. Please see the T&D Holdings website for more information on our risk classifications and responses.

WEB https://www.td-holdings.co.jp/en/company/governance/risk.html

2-4 Risk Awareness and Assessment (risk profile)

205-

The T&D Insurance Group uses a risk profile* to comprehensively categorize risks surrounding the Group, in order to respond to increasingly diverse and complex risks. We comprehensively identify risks by category, ascertain and assess them, and use them to prioritize initiatives in light of comprehensive factors including severity, impact, and the degree to which they are under control. The risks are reflected in management planning as necessary. As a rule, we review our risk profiles twice a year in order to accurately recognize and ascertain emerging severe risks, as well as major changes to previously recognized risks. We report our findings to the Group Risk Management Committee and Board of Directors.

- * Risk profile is a general risk management tool to characterize risks from various factors such as nature and magnitude.
- *The T&D Insurance Group's risk profile includes responding to issues surrounding sustainability, including the environment (climate change risk), society (human rights, labor practices and corruption prevention) and governance.

2-5 Risk Review (ESR)

The T&D Insurance Group has specified a statutory solvency margin ratio, as well as an economic solvency ratio (ESR), which is a risk-management index based on economic value. These are concrete quantitative indicators of risk appetite and tolerance. ESR is calculated as net assets (surplus) based on economic value, divided by economic capital (EC), which is the risk level based on economic value, calculated using an internal model including insurance underwriting risk, asset management risk, and operational risk. We manage risk on the basis of economic value through such means as controlling EC to stay within a certain range of the surplus. ESR is managed on a monthly basis. The statutory solvency margin ratio is managed on a quarterly basis. As with other risk reviews, these are reported to the Group Risk Management Committee and Board of Directors.

2-6 Optimization of the Risk Portfolio (Risk Measurement by Internal Models and **Complemental Efforts by Stress Test)**

The T&D Insurance Group optimizes its risk portfolio by measuring quantifiable risks using internal models as well as by drawing up risk profiles, including qualitative aspects of risks and performing stress tests for risks. To complement the risk quantification model, stress tests are conducted with multiple scenarios reflecting long-term macro- and micro-economic projections.

Cyber Security Initiatives

103-2 103-3

Recognizing that it is an important management issue to properly manage information assets and protect information assets from increasingly sophisticated cyber attacks, and committed to complying with the relevant laws and regulations while fulfilling our CSR (Corporate Social Responsibility) as a company that runs a life insurance business, the T&D Insurance Group has established a Group Information Security Policy and Rules on the Group's Cyber Security Management, which all executives and employees are obligated to follow.

T&D Information System, the Group's information system company, acquired ISO 27001 certification, an international standard for information security management systems, for its "host computer operation services" in March 2007 and for its "server operation services" in March 2011. The information service firm has continued to renew both of these certifications as part of its efforts to maintain a high level of information security.

The Group's Cyber Security System

We are aware that cyber attacks and similar threats can cause system outages, compromise business performance, and expose critical information.

In particular, in order to increase the security of the services we provide our customers, we use security tools to constantly monitor the threat of cyber attacks targeting financial institutions, which have become increasingly sophisticated in recent years, and we have established a Group-wide CSIRT (Computer Security Incident Response Team) tasked with cyber attack information gathering, analysis, and response, as well as individual CSIRTs at each company. In addition to conducting training as a Group and at each company, we participate in cross-industry training and exercises, and when we learn about issues, we incorporate them into the relevant procedures and manuals ("Information Security Management Rules" and "Information Security Handbook"), thereby reinforcing our ability to put knowledge into practice.

The Group has implemented multi-layered security measures (entrance, exit, and internal measures), and we regularly receive security assessments from third-party organizations and promptly implement the necessary measures.

We bring in outside experts to educate group management on the latest trends in cyber security, and are working to raise awareness of cyber security risks and improve security literacy through continuous training on information security and cyber security for executives and employees (group training, e-learning, etc.) as well as training on suspicious emails.

The Internal Auditing Department verifies whether these systems are functioning effectively and reports the results to the Board of Directors.

Protection of Personal Information

T&D Holdings and its three life insurance companies and other Group members have formulated Personal Information Protection Declarations (privacy policies), which they publicly disclose on their websites.

T&D Information System, a Group company that supports the information system of the T&D Insurance Group, properly handles various data, including personal information, and keeps it strictly confidential. In May 2005, T&D Information System obtained Privacy Mark certification, which is given to the enterprises that take adequate measures to protect personal information.



Please see our website for our Privacy Policy.

WEB https://www.td-holdings.co.jp/en/information/privacy.html

Protection of Customer Privacy

103-2 103-3 418-1

The T&D Insurance Group considers as complaints any customer request which, at the time of its receipt, expressed dissatisfaction, and makes efforts to respond appropriately when such complaints are received. The table on the right lists the number of complaints received in fiscal 2021 regarding invasion of customer privacy and other matters which we have confirmed.

Number of Personal Information Complaints Received (FY2021)

	•	
Туре	Description	No. Received
Wrong delivery	Related to wrong delivery	10
Leakage to third party	Leakage of information to a third party without the person's permission	11
Other	Other than the above related to personal information	117
Total		138

Crisis Management

The T&D Insurance Group has formulated the Rules on the Group's Crisis Management, which address basic matters related to the Group's response to crisis situations. In case of major natural disasters or similar emergency events, the rules set forth basic policies for developing systems that enable continuity or early restart of insurance claims and benefit payment operations, recognizing that doing so is our important social mission, and for placing top priority on securing the lives and safety of our staff and supporting affected people and areas. The Group has implemented a number of measures to improve the effectiveness of crisis management. These include introducing a system for confirming the safety of our executives and employees individually and Group-wide emergency drills as a preparation for a possible largescale disaster.

In response to the novel coronavirus pandemic, we are prioritizing the safety of our customers and employees by taking a variety of measures to prevent the spread of the virus, while taking appropriate responses including continuing to carry out operations such as ensuring the payment of insurance claims and benefits and maintaining the call centers.

3. Compliance

103-2 103-3 205-2

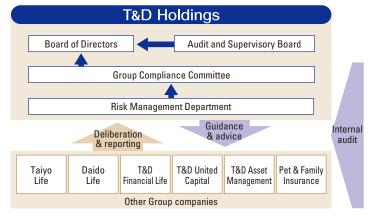
Our Concept of Compliance

The T&D Insurance Group positions legal compliance as a key management issue. The CSR policy, "We will strictly observe laws, regulations and rules, and act in a sincere and serious manner with high ethical standards," is stated in the T&D Insurance Group CSR Charter. We work to make all Group executives and employees thoroughly aware of the T&D Insurance Group Compliance Code of Conduct, and promote compliance based on the recognition that compliance is the core of promoting CSR and an essential element of it.

Group Compliance Promotion Structure

T&D Holdings has established a compliance promotion structure based on the T&D Insurance Group Basic Policy for Strengthening the Compliance Structure. The Group Compliance Committee was established to oversee and improve the Group's compliance arrangements. T&D Holdings also has a Risk Management Department, which has overall responsibility for promoting compliance. In coordination with the compliance units of the Group's three life insurance companies and other Group members, this department performs regular monitoring and provides guidance and advice. The Group's three life insurance companies and other Group members also have a compliance promotion system mainly consisting of a compliance committee and a compliance control department.

Outline of the Group Compliance Promotion Structure



Compliance Promotion Activities

Compliance Programs

Each Group company in the T&D Insurance Group takes measures to raise awareness of compliance in a way suitable for the respective companies in terms of size and business characteristics, based on the Group's basic compliance policies. For example, T&D Holdings and the Group's three life insurance companies as well as other Group members have put in place their compliance programs as detailed and actionable plans aiming at having all executives and employees act in compliance with laws and regulations, and compliance training is provided to reinforce compliance in the course of business operations.

Compliance Manual

Each company in the T&D Insurance Group creates compliance manuals for each category targeted, including sales representatives, administrative personnel, and agents. These guidelines serve as a reference for day-to-day operations. At the same time, they are used as teaching material for compliance training.

Preventing Bribery and Corruption

The T&D Insurance Group states the following in the T&D Insurance Group Compliance Code of Conduct: "We shall work to prevent corruption in our relationships with business counterparts, civil servants, and other parties by refraining from providing or receiving any business entertainment within reasonable bounds under normal social conventions, as well as refraining from giving or receiving gifts, in connection with our business activities worldwide." (See p.9.) In addition to preventing bribery, we are ensuring thorough awareness by all executives and employees toward preventing corruption. This includes measures against money laundering and prevention of misappropriation and diversion of funds, using such means as a compliance program and compliance manuals. Bribery and corruption are also stipulated as extremely malicious and severely impacting criminal statutes for disciplinary action. All scandals (including concerns over possible scandals), including bribery and corruption, are reported to the Board of Directors.

When making a new business investment, checks from the perspective of preventing bribery and corruption are added to the risk assessment and subjected to appropriate review. As of fiscal 2021, no scandals or legal disputes relating to bribery or corruption had occurred.

Extract from a Compliance Manual

[Risks Related to Bribery and Corruption]

In today's world, bribery and corruption impede the development and economic growth of the country or region in which they occur. Bribery and corruption not only have an undue negative impact on poor regions, they also give rise to serious legal and reputational risks for companies. Many of the acts that involve corruption, such as bribery, are not only illegal in the place where a company performs them, but there is an increasing number of cases where these acts are also illegal by the laws of the home country of the company. As regards reputational risks, even if a company is judged to not be involved with corruption by the final judgment of the court concerned, there are many cases in which the reputation of the company has been damaged merely because it was suspected of corruption. A company must also pay attention to the fact that they not only take responsibility for their own actions but also for the actions of any agents that are conducting business on their behalf in other countries.

Whistleblower System

103-2 103-3 207-2

At the T&D Insurance Group, each of the Group's three life insurance companies and other Group members used to operate their own whistleblower systems. In April 2005, however, the T&D Insurance Group Helpline was established for use by all executives and employees in the Group.

The T&D Insurance Group Helpline accepts, through an external company, reports of compliance issues, violations of internal rules (including suspected violations), and actions that may damage the credibility or reputation of the Group.

T&D Insurance Group Helpline

We have established rules to ensure that whistleblowers are not treated unfavorably after they make a report to the T&D Insurance Group Helpline, and we are working to build an effective system that allows reporting by phone, website, etc. through an external reporting company and that also accepts reports anonymously. The reports and the results of the investigations into them are reported to the Audit and Supervisory Board and to management.

Number of Calls Received by the T&D Insurance Group Helpline

FY2019	258
FY2020	320
FY2021	309

^{*}The numbers of reports above include inquiries about the system, as well as reports of workplace issues that are difficult to consult superiors over, such as complaints or dissatisfaction.

Sustainability Organizational Priority Theme Social Activities Governance and Management Third-party Index
Management Profile 1234 Internal Control Control Opinion

Management Control

4. Tax Approach and Management

4-1 Tax Policy 103-2 103-3 207-1 207-2 207-3 207-4

With the aim of strengthening its corporate governance on taxation (tax governance), the T&D Insurance Group has established the T&D Insurance Group Basic Tax Policy, which sets out its approach to taxation (the organization's tax principles, approach to tax planning, and engagement with tax authorities) through a resolution of the Board of Directors. The T&D Insurance Group Basic Tax Policy is administered by the accounting unit of each Group company under the responsibility of the director in charge of accounting, and an annual review is conducted on the appropriateness and effectiveness of the tax management system, the results of which are reported to the Board of Directors.

In addition, the T&D Insurance Group clearly states its commitment to strict compliance with applicable laws and regulations in the T&D Insurance Group CSR Charter and the T&D Insurance Group Compliance Code of Conduct. We ensure tax compliance according to the T&D Insurance Group Basic Tax Policy in accordance with these CSR policies. The whistleblower system for compliance applies also to tax compliance.

T&D Insurance Group Basic Tax Policy

T&D Insurance Group (the "Group") establishes the following basic tax policy, ensures proper handling of tax matters, and fulfills its corporate social responsibility.

1. Basic Idea

Based on the Group's management philosophy, the Group aims to contribute to people and society through its business activities in order to realize a sustainable society.

In addition, for the purpose of conducting corporate activities that are sincere, fair and appropriate for all stakeholders, the Group stipulates compliance with laws and regulations in its Compliance Code of Conduct.

Also, the Group will strive to further improve governance and compliance, and in order to ensure proper handling of tax matters, the Group will deal with them in a sincere and responsible manner in line with the tax laws and regulations of each country or region and the purport thereof when conducting its business.

2. Appropriate Tax Burden

The Group strives to realize an appropriate tax burden through the elimination of double taxation based on the use of tax treaties and the appropriate use of various tax systems.

The Group will not interpret the laws and regulations in a way that deviates from the purport thereof or conduct tax planning that is solely intended for tax avoidance.

3. Responding to Transfer Pricing Taxation

The Group will conduct international transactions between Group companies at arm's length prices in accordance with the OECD Transfer Pricing Guidelines and will pay appropriate taxes based on appropriate income reflecting the economic activities conducted in the relevant country or region.

4. Establishment of Tax Payment System

The Group will establish a system to properly conduct tax operations applicable in each country or region.

T&D Holdings is working to strengthen its tax governance system in cooperation with domestic and overseas Group companies.

5. Relationships with Tax Authorities

The Group strives to build sound relationships with tax authorities by responding to them sincerely and providing timely and appropriate explanations that are based on facts.

Please see our website for the amount of taxes paid by country.

WEB https://www.td-holdings.co.jp/en/csr/library.html

Third-party Opinion

I submit this Third-party Opinion based on the Sustainability Report 2022 of the T&D Insurance Group.

President Uehara has delivered a strong message about the formulation of and initiatives for the T&D Insurance Group's five primary themes under the banner of "Sow happiness, make change with boldness." I feel that his words show enthusiasm toward the initiatives as a Group, and I also look forward to the additional initiatives for the Group Long-Term Vision "Try & Discover 2025" —In Pursuit of the Happiness of All Stakeholders—. In what follows, I will offer a few comments.

1 T&D Insurance Group Sustainability Statement

The T&D Insurance Group Sustainability Statement, formulated in May 2022, describes the Group's pursuit of financial and non-financial KPIs and lays out the management stance of the Group as a whole on sustainability issues. The establishment of non-financial KPIs is a major step toward "SDGs management and creation of value," and I hope that the T&D Insurance Group will become a leading force in the industry in this regard. Having said that, I would like to propose a course of action for further improvement.

It is my understanding that the background to the formulation of this statement is the idea that the achievement of the T&D Insurance Group's management vision requires not only expanding Group revenue, but also solving social issues through its business activities. I understand further that the Group has established both financial and non-financial KPIs with the aim of creating shared value through both economic and social value. That said, I believe that a fuller explanation of the new non-financial KPIs would help stakeholders better understand the T&D Insurance Group's sustainability initiatives. For example, the Company could offer a fuller explanation of the reasons for selecting non-financial KPIs such as "customer satisfaction," "employee satisfaction," and "CO2 emissions," and their relationship to the social issues that the T&D Insurance Group aims to solve through its business activities.

2 Initiatives on respect for human rights

Details of specific initiatives on respect for human rights were disclosed last year. In terms of understanding and improving the current situation through human rights due diligence, I believe that the T&D Insurance Group is ahead of the curve and playing a leading role in the Japanese insurance industry. That said, I would like to see the T&D Insurance Group aim higher, toward the global standard, by offering more detailed disclosure of human rights due diligence methods, identified human rights issues and examples of improvements, and preventive, mitigating, and corrective measures to address these issues.

The United Nations Guiding Principles on Business and Human Rights call for putting in place remedies for potential risks that have not yet manifested themselves. As an example, it would be a good idea to consider setting up a multilingual complaint desk to ensure that serious human rights risks are not overlooked and that appropriate remedies are available if they arise.

3 Climate change measures

I commend the Company's positive actions on climate change such as joining the international RE100 initiative and announcing specific commitments to achieve net zero emissions by 2050, reduce the Company's own CO₂ emissions by 40% by fiscal 2025 (compared to fiscal 2013), and reduce investees' CO₂ emissions by 40% by fiscal 2030 (compared to fiscal 2020). In the future, I hope that the Company will consider and disclose a more concrete roadmap along with science-based steps toward achieving net zero emissions by 2050.

Also, the T&D Insurance Group has a strong network with SMEs, who are an important part of the supply chain of large companies and are indispensable collaborators in achieving decarbonization. In the future I would like to see the T&D Insurance Group provide the kinds of information and business support that it is in a unique position to provide to these SMEs.

With respect to the investment business, I also take note of the T&D Insurance Group's role as an institutional investor with an ESG investment balance exceeding ¥600 billion. While expectations for ESG investment are rising worldwide, concerns about "greenwashing" are also growing. I look forward to further communication about the characteristics and added value of ESG investments unique to the T&D Insurance Group.

Ai Aonuma Representative Director, Kamakura Sustainability Institute (KSI)

Ai Aonuma has been involved in supporting education in Bangladesh since 2004. After working for an SRI investment advisory company, in 2011 she began working in the area of social audits and labor environment improvement work in Bangladesh and Myanmar, mainly in garment factories. Later she joined the sustainability department of a major apparel company, where she audited the working environment of client factories in Asia, provided support for improvements, and provided educational support for factory employees. Presently she is engaged in social responsibility audits in Japan and overseas in various industries such as apparel, electronics, food, and consumer goods, while also providing sustainability consulting to apparel brands. She also serves as a board member of Water Aid Japan.



GRI Standards		Disclosed Items	Publication Location	Omission
CENEDAL DISCLOSUO	DEC		(Titles of items on the report/web)	
GENERAL DISCLOSUR GRI 102:		nizational profile		
GENERAL	1. Organ		II Organizational Profile 1. Organizational Profile	
DISCLOSURES	102-1	Name of the organization	▶ 1-3 Corporate Profile (as of March 31, 2022)	
2016			Il Organizational Profile ▶ 1. Organizational Profile	
			▶ 1-1 Outline of the T&D Insurance Group's Business	
	102-2	Activities, brands, products, and services	II Organizational Profile ▶ 1. Organizational Profile	
			▶ 1-2 T&D Insurance Group Companies and Foundations	
			II Organizational Profile ▶ 1. Organizational Profile	
	102-3	Location of headquarters	▶ 1-3 Corporate Profile (as of March 31, 2022)	
	100.4	Leading of according	II Organizational Profile ▶ 1. Organizational Profile	
	102-4	Location of operations	▶ 1-2 T&D Insurance Group Companies and Foundations	
	102-5	2-5 Ownership and legal form	VIII Governance and Internal Control ▶ 2. Disclosure of Information	
	102-3	Ownership and legal form	to Shareholders and Investors ▶ 2-5 Shareholders	
	102-6	Markets served	II Organizational Profile ▶ 1. Organizational Profile	
			▶ 1-2 T&D Insurance Group Companies and Foundations	
	102-7	Scale of the organization	Integrated Report 2022	
	102-8	Information on employees and other	II Organizational Profile ▶ 1. Organizational Profile	
		workers	1-4 Number of Employees	
	102-9	Supply chain	II Organizational Profile 2. Supply Chain	
		Cinciferent about the accomination	2-1 Definition of Supply Chain	
	102-10	Significant changes to the organization and its supply chain	N/A	
		11 December on Drive in Law converse	IX Management Control ▶ 1. ERM	
	102-11	1 Precautionary Principle or approach	IX Management Control ▶ 2. Risk Management	
	400.40	2 External initiatives	I Sustainability Management ▶ 10. Principles That the T&D	
	102-12	12 External initiatives	Insurance Group Endorses and Supports	
	102-13	Membership of associations	II Organizational Profile ▶ 1. Organizational Profile	
		·	▶ 1-3 Corporate Profile (as of March 31, 2022)	
	2. Strate			
	102-14	Statement from senior decision-maker	Message from the President	
	3. Etnics	s and integrity	L Custainshillty Managament N 2 Philosophy and Policy of TVD	
	102-16	Values, principles, standards, and norms of behavior	I Sustainability Management ▶ 2. Philosophy and Policy of T&D Insurance Group	
	4. Gover		insurance droup	
	102-18	Governance structure	VIII Governance and Internal Control ▶ 1. Corporate Governance	
		holder engagement	The continuous and medical continuous	
		List of stakeholder groups	I Sustainability Management ▶ 9. Stakeholder Engagement	
			II Organizational Profile ▶ 1. Organizational Profile	
	102-41	Collective bargaining agreements	▶ 1-5 Dialogue and Consultations with Labor Unions	
	102-42	Identifying and selecting stakeholders	I Sustainability Management ▶ 9. Stakeholder Engagement	
			I Sustainability Management ▶ 9. Stakeholder Engagement	
			III Priority Theme 1 Promote Healthy and Abundant Lives for All People	
			▶ 2. Providing Wholehearted Reassurance	
			IV Priority Theme 2 Provide Workplace Environments that Enable	
	102-43	Approach to stakeholder engagement	All People to Participate Actively ▶ 4. Worker-friendly Work	
	102-43	Approach to stakeholder engagement	Environment ▶ 4-2 Initiatives Reflecting Employee Feedback	
			IV Priority Theme 2 Provide Workplace Environments that Enable	
			All People to Participate Actively ▶ 4. Worker-friendly Work	
			Environment ▶ 4-3 Employee Questionnaire on Sustainability	
			and CSR	
			III Priority Theme 1 Promote Healthy and Abundant Lives for All People	
	102-44	Key topics and concerns raised	■ 3. Improving Customer Satisfaction	
	102-44	no, topico una concetto taloca	Sustainability Library ▶ Other Initiatives ▶ Activities to Respond to	
			the Customer Feedback	

GRI Standards		Disclosed Items	Publication Location (Titles of items on the report/web)	Omission
GENERAL DISCLOSUF	ES			
GRI 102:	6. Repor	rting practice		
GENERAL DISCLOSURES	102-45	Entities included in the consolidated financial statements	II Organizational Profile ▶ 1. Organizational Profile ▶ 1-2 T&D Insurance Group Companies and Foundations	
2016	102-46	Defining report content and topic Boundaries	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
	102-47	List of material topics	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability ▶ 4-2 GRI Material Topic	
	102-48	Restatements of information	N/A	
	102-49	Changes in reporting	N/A	
	102-50	Reporting period	About Corporate Responsibility Report 2022	
	102-51	Date of most recent report	About Corporate Responsibility Report 2022	
	102-52	Reporting cycle	About Corporate Responsibility Report 2022	
	102-53	Contact point for questions regarding the report	About Corporate Responsibility Report 2022	
	102-54	Claims of reporting in accordance with the GRI Standards	GRI Content Index	
	102-55	GRI content index	GRI Content Index	
	102-56	External assurance	V Priority Theme 3 Help Mitigate and Adapt to Climate Change 3. Environmental Impact-reduction Initiatives 3-5 Independent Assurance Report	
Material Topics				
Economic Performanc	e			
GRI 103:		Explanation of the material topic and its	I Sustainability Management	
Management Approach 2016	103-1	Boundary The management approach and its	▶ 4. Priority Themes for Promoting Sustainability	
Approuen 2010	103-2 103-3	components Evaluation of the management approach	VIII Governance and Internal Control	
GRI 201:			Sustainability Library ▶ Organization Profile ▶ Financial Highlights	
Economic Performance 2016	201-1	Direct economic value generated and distributed	Sustainability Library \blacktriangleright Other Initiatives \blacktriangleright Corporate Philanthropic Contributions	
	201-2	Financial implications and other risks and opportunities due to climate change	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 2. Disclosure of Climate-related Financial Information Based on the TCFD Recommendations	
Anti-corruption				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ◆ 4. Priority Themes for Promoting Sustainability I Sustainability Management ▼ 7. Sustainability Promotion Framework	
Approach zoro			, , ,	
	103-2	The management approach and its	IX Management Control ▶ 2. Risk Management	
	103-3	components Evaluation of the management approach	IX Management Control ► 3. Compliance	
	100 0	Evaluation of the management approach	IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	≥ 2-4 Risk Awareness and Assessment (risk profile)	"Total number and percentage of operations assessed for risks related to corruption" are not disclosed, as risks are managed by category.
	205-2	Communication and training about anti- corruption policies and procedures	IX Management Control ▶ 3. Compliance	Matters required for reporting include items awaiting the collection of information. The items will be disclosed within a few years.
	205-3	Confirmed incidents of corruption and actions taken	N/A	
Anti-competitive Beha	vior			
GRI 103:		Explanation of the material topic and its	I Sustainability Management	
	103-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
Management			I Sustainability Management ▶ 7. Sustainability Promotion Framework	
-				
-		The management approach and its	IX Management Control ▶ 2. Risk Management	
-	103-2	The management approach and its components	· ·	
Management Approach 2016	103-2 103-3		IX Management Control ▶ 2. Risk Management IX Management Control ▶ 3. Compliance IX Management Control ▶ 3. Compliance	

GRI Standards		Disclosed Items	Publication Location (Titles of items on the report/web)	Omission
Material Topics			(Tides of Reills of the report wear)	
Anti-competitive Beh	avior			
GRI 206: Anti-competitive	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A	
Behavior 2016 Tax		practices		_
GRI 103:		Explanation of the material topic and its	I Sustainability Management	
Management	103-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
Approach 2016	103-2	The management approach and its	VIII Governance and Internal Control	
	103-3	components Evaluation of the management approach	IX Management Control ▶ 4. Tax Approach and Management	
GRI 207:	207-1	Approach to tax	IX Management Control ▶ 4. Tax Approach and Management	
Tax 2019			IX Management Control ▶ 4. Tax Approach and Management	
Topic management disclosures	207-2	Tax governance, control, and risk management	IX Management Control ▶ 3. Compliance ▶ 3–5 Whistleblower System	
	207-3	Stakeholder engagement and management of concerns related to tax	IX Management Control ▶ 4. Tax Approach and Management	
GRI 207: Tax 2019 Topic disclosures	207-4	Country-by-country reporting	IX Management Control ▶ 4. Tax Approach and Management	
Materials				
GRI 103:	103-1	Explanation of the material topic and its	I Sustainability Management	
Management	100-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
Approach 2016			I Sustainability Management ▶ 6. Status of Sustainability Promotion	
	103-2	The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-3	components Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
		3	V Priority Theme 3 Help Mitigate and Adapt to Climate Change 1. Promotion Framework	
GRI 301:			V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Materials 2016	301-1	Materials used by weight or volume	3. Environmental Impact-reduction Initiatives	
Energy				
GRI 103:	103-1	Explanation of the material topic and its Boundary	Sustainability Management	
Management Approach 2016		Dountary	▶ 4. Priority Themes for Promoting Sustainability I Sustainability Management ▶ 6. Status of Sustainability Promotion	
		The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2	The management approach and its components	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
	103-3	Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
			▶ 1. Promotion Framework	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 3. Environmental Impact-reduction Initiatives	
	302-3	Energy intensity	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 3. Environmental Impact-reduction Initiatives	
Water and Effluents				
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
Approach 2016	103-2	The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-3	components Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
GRI 303:	1		1. Promotion Framework V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Water and	303-1	Interactions with water as a shared	S. Environmental Impact-reduction Initiatives	
Effluents 2018		resource	3-2 Environmental Performance Data	
Topic management		Management of water discharge-related	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
disclosures	303-2	impacts	3. Environmental Impact-reduction Initiatives	
GRI 303:			3-2 Environmental Performance Data	
Water and	0.55	W. St.	V Priority Theme 3 Help Mitigate and Adapt to Climate Change 3. Environmental Impact-reduction Initiatives	
	303-3	Water withdrawal	za covironmental impaci-reduction initiatives	

Material Topics		Disclosed Items	(Titles of items on the report/web)	Omission
Biodiversity GRI 103:	1	Evalenation of the motorial tonic and its	I Sustainability Management	
Management	103-1	Explanation of the material topic and its Boundary	4. Priority Themes for Promoting Sustainability	
Approach 2016	103-2 103-3	The management approach and its components	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
GRI 304:	103-3	Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Biodiversity 2016	304-3	Habitats protected or restored	▶ 4. Forest Conservation Activities	
Emissions				
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability	
Approach 2016		The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2	components	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
	103-3	Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change 1. Promotion Framework	
GRI 305:	305-1	Direct GHG emissions	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Emissions 2016	300-1	Direct Orio Gillissions	3. Environmental Impact-reduction Initiatives	
	305-2	Energy indirect GHG emissions	V Priority Theme 3 Help Mitigate and Adapt to Climate Change 3. Environmental Impact-reduction Initiatives	
	305-3	Other indirect GHG emissions	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Monte			3. Environmental Impact-reduction Initiatives	
Waste GRI 103:		Explanation of the material topic and its	I Sustainability Management	
Management	103-1	Boundary	4. Priority Themes for Promoting Sustainability	
Approach 2016 103-2 103-3		The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
		components Evaluation of the management approach	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 1. Promotion Framework	
GRI 306:		Waste generation and significant waste-	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
Waste 2020	306-1	related impacts	▶ 3. Environmental Impact-reduction Initiatives	
Topic management disclosures			V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 3. Environmental Impact-reduction Initiatives	
	306-2	Management of significant wasterelated impacts	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 3. Environmental Impact-reduction Initiatives ▶ 3-5 Independent Assurance Report	
GRI 306: Waste 2020 Topic disclosures	306-3	Waste generated	V Priority Theme 3 Help Mitigate and Adapt to Climate Change ▶ 3. Environmental Impact-reduction Initiatives	All waste is "non-hazardo waste" and disposed of in accordance with the "disposal methods of the local governments."
Environmental Comp	liance		10	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2	The management approach and its	V Priority Theme 3 Help Mitigate and Adapt to Climate Change	
	103-3	components Evaluation of the management approach	1. Promotion Framework	
		•	IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
GRI 307: Environmental	307-1	Non-compliance with environmental laws and regulations	N/A	
Compliance 2016				
Employment		Full continue of the continue	L Custoinability Managers t	
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability I Sustainability Management ▶ 7. Sustainability Promotion Framework	
Approach 2016	103-2 103-3	The management approach and its components Evaluation of the management approach	IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 4. Worker-friendly Work Environment IX Management Control ▶ 3. Compliance	

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GRI Standards		Disclosed Items	Publication Location	Omission
Material Topics	_	_	(Titles of items on the report/web)	_
Employment	_			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	II Organizational Profile ▶ 1. Organizational Profile ▶ 1-4 Number of Employees IV Priority Theme 2 Provide Workplace Environments that Enable	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All People to Participate Actively ▶ 4. Worker-friendly Work Environment ▶ 4-1 Work-Life Balance Initiatives IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 4. Worker-friendly Work	
	401-3	Parental leave	Environment ▶ 4-1 Work-Life Balance Initiatives IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 4. Worker-friendly Work Environment ▶ 4-1 Work-Life Balance Initiatives	Matters required for reporting include items awaiting the collection of information. The items will be disclosed within a few years.
Occupational Health a	and Safet	ty		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2 103-3	The management approach and its components Evaluation of the management approach	IX Management Control > 3. Compliance 3-5 Whistleblower System	
GRI 403: Occupational Health and Safety 2018 Topic management disclosures	403-1 403-2 403-3 403-4 403-5 403-6 403-7	Occupational health and safety management system Hazard identification, risk assessment, and incident investigation Occupational health services Worker participation, consultation, and communication on occupational health and safety Worker training on occupational health and safety Promotion of worker health Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	,	
GRI 403: Occupational Health and Safety 2018 Topic disclosures	403-9	Work-related injuries	Sustainability Library Initiatives to address the working environment Occurrence of Occupational Accidents	Managed based on the number of occupational accidents.
Training and Educatio	n			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
	103-2 103-3	The management approach and its components Evaluation of the management approach	I Sustainability Management ▶ 7. Sustainability Promotion Framework IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 2. Basic Group Policy on Human Resources IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	· · · · · · · · · · · · · · · · · · ·	There are no differences be gender in the indicators. Due to the difficulty of categorizing "occupationa training/education" from a large number of training programs, indicators by employee category are no disclosed.
	404-2	Programs for upgrading employee skills and transition assistance programs	IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 2. Basic Group Policy on Human Resources	

GRI Standards		Disclosed Items	Publication Location (Titles of items on the report/web)	Omission
Material Topics				
Diversity and Equal C	pportunit	ty		
GRI 103:	103-1	Explanation of the material topic and its	I Sustainability Management	
Management		Boundary	4. Priority Themes for Promoting Sustainability Containability Containa	
Approach 2016			I Sustainability Management ▶ 6. Status of Sustainability Promotion	
	103-2 103-3	The management approach and its components Evaluation of the management approach	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
			IV Priority Theme 2 Provide Workplace Environments that Enable Al People to Participate Actively ▶ 3. Diversity Promotion Initiatives	I
			IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
GRI 405:			VIII Governance and Internal Control ▶ 1. Corporate Governance	
Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 4. Worker-friendly Work Environment ▶ 4-1 Work-Life Balance Initiatives	
Human Rights Asses	sment		Environment 4-1 Work-Life Balance initiatives	
GRI 103:		Explanation of the material topic and its	I Sustainability Management	
Management Approach 2016	103-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
			I Sustainability Management ▶ 6. Status of Sustainability Promotion	
	103-2	The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-3	components Evaluation of the management approach	IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
GRI 412:			IV Priority Theme 2 Provide Workplace Environments that Enable	Human rights training is
Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	All People to Participate Actively ▶ 3. Diversity Promotion Initiatives ▶ 3-2 Human Rights Education	conducted for all employee "Total hours of employee training" are not disclosed
Local Communities				
GRI 103:	103-1	Explanation of the material topic and its	I Sustainability Management	
Management	100-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
Approach 2016	103-2	The management approach and its components	I Sustainability Management ▶ 6. Status of Sustainability Promotion	
	103-3	Evaluation of the management approach	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	VII Social Activities	The Group has a single segment. Accordingly, "percentage of operation with implemented local community engagement, impact assessments and development programs" in ot disclosed.
Supplier Social Asse	ssment			
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
Approach 2016	102.2	The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2	components	IX Management Control ▶ 3. Compliance	
	103-3	Evaluation of the management approach	3-5 Whistleblower System	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	II Organizational Profile \blacktriangleright 2. Supply Chain \blacktriangleright 2-2 Cooperation with Suppliers	
Customer Privacy				
GRI 103: Management Approach 2016	102.1	Explanation of the material topic and its	I Sustainability Management	
	103-1	Boundary	▶ 4. Priority Themes for Promoting Sustainability	
			I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	400.0	The management approach and its	IX Management Control ▶ 2. Risk Management	
	103-2	components	▶ 2-7 Cyber Security Initiatives	
	103-3	Evaluation of the management approach	IX Management Control ▶ 2. Risk Management ▶ 2-8 Protection of Customer Privacy	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	IX Management Control ▶ 2. Risk Management ▶ 2-8 Protection of Customer Privacy	

GRI Standards		Disclosed Items	Publication Location	Omission
Material Topics			(Titles of items on the report/web)	
Socioeconomic Com	pliance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
	103-2 103-3	The management approach and its components Evaluation of the management approach	I Sustainability Management ▶ 7. Sustainability Promotion Framework IX Management Control ▶ 2. Risk Management IX Management Control ▶ 3. Compliance IX Management Control ▶ 3. Compliance	
			■ 3-5 Whistleblower System	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulation in the social and economic area	S N/A	
Better Products and	Services			
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
Approach 2016			I Sustainability Management ▶ 6. Status of Sustainability Promotion	
	103-2	The management approach and its components	I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-3	Evaluation of the management approach	III Priority Theme 1 Promote Healthy and Abundant Lives for All People	
			Sustainability Library Dother Initiatives Activities to Respond to the Customer Feedback	
Health Promotion of	Communit	ty and Employees	Activities to heapona to the dustomer recuback	
GRI 103: Management	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
Approach 2016			I Sustainability Management ▶ 6. Status of Sustainability Promotion	
			I Sustainability Management ▶ 7. Sustainability Promotion Framework	
	103-2 co	The management approach and its components Evaluation of the management approach	III Priority Theme 1 Promote Healthy and Abundant Lives for All People 1. Provision of Products and Services which Meet the Needs of Society	
			IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively > 5. Health Promotion for Employees	
			IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	
Responsibility as Ins	titutional		10 11 125 M	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management 4. Priority Themes for Promoting Sustainability	
	103-2	The management approach and its components Evaluation of the management approach	I Sustainability Management > 7. Sustainability Promotion Framework VI Priority Theme 4 Invest to Help Build a Sustainable Society	
Measures against D		ic Change and Aging		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	I Sustainability Management ▶ 4. Priority Themes for Promoting Sustainability	
	103-2 components	The management approach and its	I Sustainability Management ▶ 7. Sustainability Promotion Framework III Priority Theme 1 Promote Healthy and Abundant Lives for All People ▶ 1. Provision of Products and Services which Meet the Needs of Society ▶ 1-6 Best Senior Service	
		9	IV Priority Theme 2 Provide Workplace Environments that Enable All People to Participate Actively ▶ 2. Basic Group Policy on Human Resources ▶ 2-4 Promoting the Active Participation of the Elderly	
			IX Management Control ▶ 3. Compliance ▶ 3-5 Whistleblower System	