

## Recent Developments on Sustainability Priority Themes

T&D Insurance Group will work to solve social issues surrounding each of the four sustainability priority themes.

### Priority Theme 1 Promote Healthy and Abundant Lives for All People

**- Each Group company will provide products and services best suited to their target markets to contribute to solving social issues.**

#### Provision of Products and Services Best Suited to Customer Needs

- Taiyo Life has launched insurance products, such as *Himawari Dementia Prevention Insurance*, and preventive solutions, such as *Cancer/Critical Illness Preventive Test Insurance with cash back*. Taiyo Life will maintain its commitment to **“helping as many customers as possible live healthy and long lives”** by meeting a wide range of customer needs.
- Daido Life has introduced insurance products to support the health and productivity management of SMEs, such as *Kaisha Minnade KENCO+*, and a Web Community “Dodai?” to provide opportunities for corporate managers to share their opinions and concerns. Daido Life will continue its commitment to **“becoming a reliable partner for SMEs to deliver value beyond expectations”** by solving social issues faced by SMEs.
- T&D Financial Life is committed to **“making the future lives of customers richer and safer”** by providing products and services that satisfy asset management needs in the era of a 100-year lifespan.
- Pet & Family Insurance is committed to **“creating abundant and peaceful lives for people and pets”** by providing products and services that protect the health of pets.

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

**- T&D Insurance Group will promote business activities that respect the human rights of all stakeholders, including its business partners and employees.**

#### Response to Human Rights Issues

- T&D Insurance Group is scaling up its **human rights due diligence** efforts to properly protect against human rights abuse (e.g. long working hours, harassment, and human rights violations in overseas workplaces).

#### Investment in Human Capital and Enhancement of Information Disclosure

- In accordance with the Basic Group Policy on Human Resources, which defines the personnel management policy of the Group, T&D Insurance Group works to **engage and develop employees, promote workplace diversity, and create a comfortable working environment.**

- T&D Insurance Group conducts and publishes the outcome of **employee satisfaction surveys** to assess how motivated and engaged employees feel at work, how proud they feel about being a part of their company, how responsible they feel for their company, how satisfied they feel about their own achievements, and how they work on their own initiatives.
- T&D Insurance Group actively discloses information on Group companies, including their human capital data.

### **Working Environment Improvement**

- T&D Insurance Group has established a framework for employees to work in diverse ways by creating a favorable environment for employees to work from home and making shared offices available for more employees in more places.
- T&D Insurance Group encourages employees to take Aminoindex® Risk Screening tests to assess their risk of cancer and other lifestyle-related diseases to extend their healthy lifespan.

## **Priority Theme 3 Help Mitigate and Adapt to Climate Change**

- **T&D Insurance Group believes that it should play a very important role in protecting the global environment and combating global warming. The Group has developed T&D Insurance Group Environmental Policy (<https://www.td-holdings.co.jp/en/csr/csr-policy/environment.html>) to demonstrate its commitment to environmental protection and set specific goals for greater achievements.**

### **Efforts to Achieve Net Zero by 2050**

- T&D Insurance Group has set a long-term goal of reducing its CO<sub>2</sub> emissions to net zero by 2050 and an interim target of reducing its CO<sub>2</sub> emissions by 40% (from the fiscal 2013 level) by fiscal 2025.
- In order to accelerate its efforts to reduce CO<sub>2</sub> emissions, the Group joined RE100, a global initiative committed to matching 100% of the electricity used across business operations with electricity produced from renewable sources, and has been making active use of renewable energy resources to **cover 60% of all electricity consumption with renewables by fiscal 2030**. In April 2023, 100% of the electricity used at the headquarters buildings of T&D Holdings, Taiyo Life, and Daido Life was produced from renewable energy. We will continue to proactively convert our electricity consumption to renewables.

**RE100**

**CLIMATE  
GROUP**



### **Advanced Information Disclosure Based on TCFD Recommendations**

- T&D Insurance Group **joined the Task Force on Climate-related Financial Disclosures (TCFD)** in June 2017 and has since been striving to disclose information based on **TCFD recommendations**. In order to understand the impact of climate change on the Group and the prospects for the continuity of its business under such impact, the Group has performed a scenario analysis to assess the impact of rising mean temperature on the Group. In fiscal 2022, we conducted future estimates of “the number of victims due to flooding” and “the number of heat stroke patients hospitalized and fatalities” and used them as the basis for a quantitative analysis of the impact of “physical risks” on insurance income and expenditures. Based on the results of our analysis, we will continue to enhance our information disclosure in accordance with TCFD recommendations.

### **Biodiversity Conservation, Etc.**

- T&D Insurance Group will explore opportunities to join or undertake new international initiatives and information disclosure standard, and develop detailed action plans in order to disclose information on its zero carbon initiatives, reduce its CO<sub>2</sub> emissions, and contribute to biodiversity conservation. In fiscal 2022, Taiyo Life participated in the “30by30 Alliance for Biodiversity” led by the Ministry of the Environment. Taiyo Life has established “Taiyo Seimei no Mori” (the Forests of Taiyo Life) in two locations in Japan and is promoting forest conservation activities by volunteers including employees.

## **Priority Theme 4 Invest to Help Build a Sustainable Society**

- **As a responsible institutional investor, T&D Insurance Group contributes to solving environmental, social, and governance (ESG) issues through investment and financing activities.**

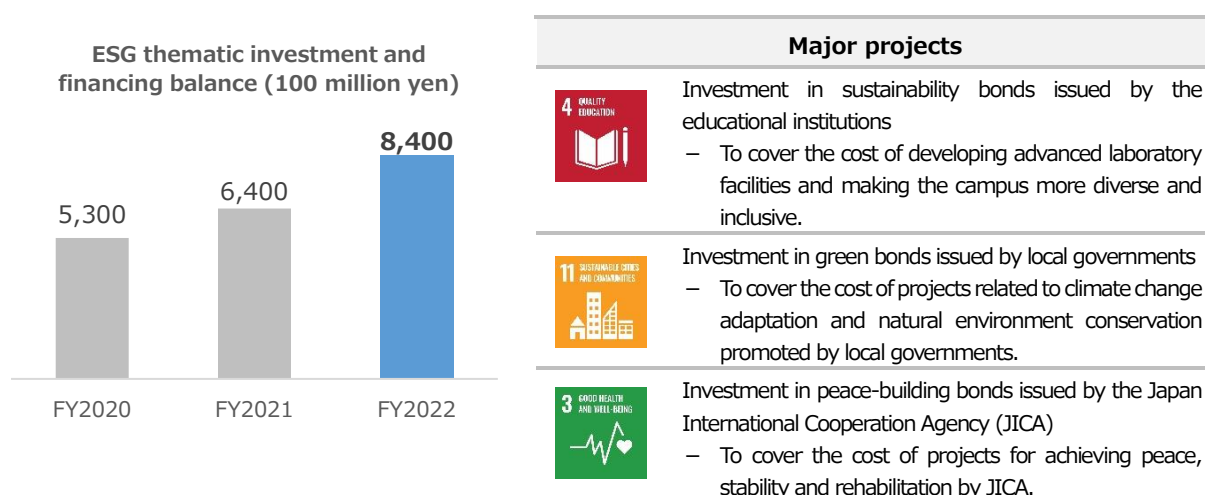
### **ESG Integration**

- In accordance with **T&D Insurance Group ESG Investment Policy** ( <https://www.td-holdings.co.jp/en/csr/csr-policy/esg.html> ) , T&D Insurance Group will strive to increase long-term investment returns and fulfill its mission as an institutional investor to create a sustainable society by taking into account not only financial information relating to borrowers and investees but also assessment results relating to ESG and other non-financial factors when financing and investing in stocks, bonds, securities, real estate, and other assets.
- T&D Insurance Group recognizes its mission and public nature as a life insurance company and, in principle, refrains from investing or lending to companies proven to be involved in the production of chemical, biological, and other inhumane weapons including cluster bombs. Moreover, T&D Insurance Group has a policy of

stopping new investment and lending to coal-fired power projects, coal mining projects and so on because of their significant impact on climate change.

### ESG Thematic Investment and Financing

- T&D Insurance Group takes ESG issues into account in making investment and financing decisions and focuses its loans and investments on thematic assets to contribute to creating a sustainable society. The Group will assess the profitability and risk of each investment project to build up surplus funds.



### Dialogue (Engagement) with Investees and Borrowers

- Based on the Principles for Responsible Institutional Investors (Japan's Stewardship Code), T&D Insurance Group is committed to supporting the medium- to long-term business growth of investees and borrowers through constructive dialogue (engagement) with them.

### Efforts to Help Investees and Borrowers Achieve Net Zero CO<sub>2</sub> Emissions

- As an institutional investor, T&D Insurance Group has **set a target of reducing the CO<sub>2</sub> emissions of investees and borrowers to net zero by fiscal 2050** while striving to reduce its own CO<sub>2</sub> emissions to net zero in order to contribute to reducing the CO<sub>2</sub> emissions of society as a whole. In order to accelerate these efforts towards net zero CO<sub>2</sub> emissions, the Group has set an interim target of **reducing the CO<sub>2</sub> emissions of investees and borrowers by 40% (from the fiscal 2020 level)** by fiscal 2030.
- The T&D Insurance Group will continue to support the transition of its investment and loan recipients to decarbonization through dialogue, and will continue our efforts to support financing for investment in ESG bonds such as green bonds and transition finance.