



CHAPTER 01

Working toward the T&D Insurance Group's Vision for Society



Starting Point for the Creation of Shared Value

Try & Discover

“Try & Discover” means always trying to reach the next stage or higher level as well as discovering even further stages and higher levels to tackle without being satisfied with the status quo. Continuing to grow through the repetition of this cycle is the spirit of the T&D Insurance Group. With this spirit, we aim to be a group that broadly contributes to people and society by creating value that sincerely satisfies all those who support us, including by providing the best products and services to our customers and enhancing corporate value for our shareholders.

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

 TAIYO-LIFE

We aim to be a company that supports the healthy long lives of many customers

 DAIDO DAIDO LIFE

We shape the future together with SMEs with a caring heart and the power to create connections

 T&D FINANCIAL LIFE

We aim to be the company of choice for customers and partners through our courteous approach

 T&D Asset Management

We aim to be an asset management company that builds long-term trusting relationships with our clients and moves forward with them

Pet & Family Insurance

We provide insurance products that enable families and their pets to live with peace of mind

 T&D United Capital

We will grow and develop with our investee companies while realizing dreams together

Creation of Shared Value (Social Value)



Asako Hirooka

Starting Up

Daido Life was founded in 1902 centered on Kajimaya through the merger of Asahi Life (formerly Shinshu Life Insurance Co., founded in 1895), Gokoku Life (founded in 1896), and Hokkai Life (founded in 1898), under the corporate philosophy of "Customer-oriented and Sound Management." The company name derives from the Japanese phrase meaning "put aside minor differences for the greater good."

Inheriting the spirit of one of its founders, Asako Hirooka, a female businesswoman of the Meiji period (1868-1912), the company has continued its business activities since its establishment while always aiming to earn a high level of trust from customers. In the 1970s, the company positioned "sales of individual term life insurance in cooperation with tie-up organizations in the SME market" as its core business, and continued to grow by evolving its business model, which other companies cannot easily imitate, in accordance with the times. The company celebrated its 120th anniversary in July 2022.



Shaping the future together with SMEs with a caring heart and the power to create connections

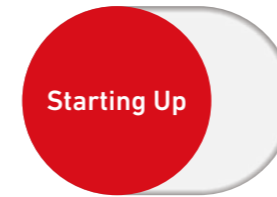
For many years, Daido Life has been protecting SMEs by offering term life insurance (death benefit) as a partner-specific product for tie-up organizations, which ensures more substantial benefits at reasonable premiums.

In addition, the company provides full-range protection that combines death benefit and disability benefit insurance. For example, it has rolled out insurance products that cover the risks of being unable to work due to critical illnesses and serious physical disability owing to illness or accident, including *J-type* (critical illness insurance) and *T-type* (disability protection insurance).

In January 2022, the company further strengthened its lineup of full-range protection with the launch of *Kaisha Minnade KENCO+*, a health-promotion type of term-life insurance covering severe inability to work that integrates the functions of "disease prevention through promotion of health management" and "preparedness for unexpected retirement."



その安心で、企業とともに未来をつくる。 Daido 大同生命 120th Anniversary



Taiyo Life was founded in Nagoya, Aichi Prefecture in 1893 as Nagoya Life Insurance Co., Ltd. It moved its headquarters to Tokyo in 1908, changed its name to Taiyo Life Insurance Company, and has been well-known to many people.

After World War II, the company continued its business activities by establishing a business model in which female in-house sales representatives, mostly housewives, visited homes in pairs. In recent years, the company has continued to grow by changing its business model in response to the times, such as by integrating in-person and remote services through the utilization of digital technology. It will mark its 130th anniversary in May 2023.



T&D Financial Life began its operations as an insurance company to carry out the T&D Insurance Group's strategy for agent channels such as financial institutions, in anticipation of growing asset formation needs centered on variable annuities, in line with the lifting of the ban on over-the-counter sales at banks.



Supporting the healthy long lives of customers

In response to the social issue of "living a long and healthy life," Taiyo Life has been offering products that are ahead of their time.

In addition to *Himawari Dementia Prevention Insurance*, which helps people deal with dementia positively and live out their golden years with peace of mind, the company also sells products that cover cancer and serious illnesses.

In terms of services, the company offers *Kaketsuke-Tai Service*, in which its internal staff with specialized knowledge directly support customers' benefit claim procedures, as well as services for dementia prevention (MCI Screening Plus) and disease prevention (AminoIndex® Risk Screening).

By integrating products and services, the company is delivering new, industry-leading coverage.



Himawari Dementia Prevention Insurance



Kaketsuke-Tai



Aiming to be the company of choice for customers and partners through its courteous approach

T&D Financial Life offers products that meet the diversifying needs of customers, such as foreign exchange rate-linked whole life insurance which is "increased," "used," "bequeathed," and "set aside," and variable life insurance (*hybrid series*) that supports building assets through one's own efforts.



Shogai Premium World 5



Hybrid Asset Life



Hybrid Tsumitate Life

Sow happiness, make change with boldness.

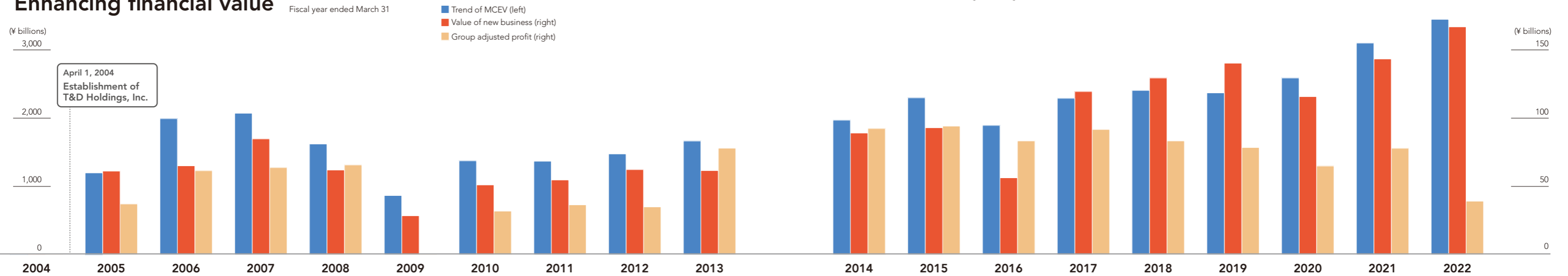
We have been carrying out and will continue to carry out our vision.

Creation of Shared Value (Financial Value)



*Base excluding valuation gains/losses, etc. related to Fortitude

Enhancing financial value



MCEV and Value of New Business: Values up to fiscal 2005 are based on TEV, those between fiscal 2006 and fiscal 2011 on EEV, and those from fiscal 2012 on MCEV. Ultimate Forward Rate (UFR) is applied from fiscal 2019 for the MCEV calculation. Group adjusted profit: Adjusted net income up to fiscal 2018. Group adjusted profit from fiscal 2019.

Building revenue base at the global network

Additional investment in our overseas affiliate Fortitude Group Holdings, LLC.

By investing in the closed book business with a high affinity to the life insurance business and a potential growth market, the Group aims to contribute to profit expansion with enhanced capital efficiency for the purpose of diversification and optimization of its business portfolio. Going forward, in addition to Fortitude Group Holdings, the Group will seek new investment opportunities that could have a risk dispersion effect.

Pursuing further investment opportunities

The T&D Insurance Group took an equity stake as a strategic partner alongside Carlyle and AIG in June 2020. Fortitude Group Holdings has been working on growth initiatives, including the acquisition of PALAC (now FLIAC), a subsidiary of U.S. insurance group Prudential. We will continue to consider further collaboration with Fortitude Group Holdings in the development and expansion of our business in Japan.

Characteristics of Fortitude Group Holdings, LLC

- Fortitude owns Fortitude Re, a Bermuda-based reinsurer; Fortitude International Re; and FLIAC, an insurance company based in Arizona in the U.S.
- Fortitude Re underwrites reinsurance for some in-force policies no longer sold by AIG.

History of T&D Holdings' Corporate Governance

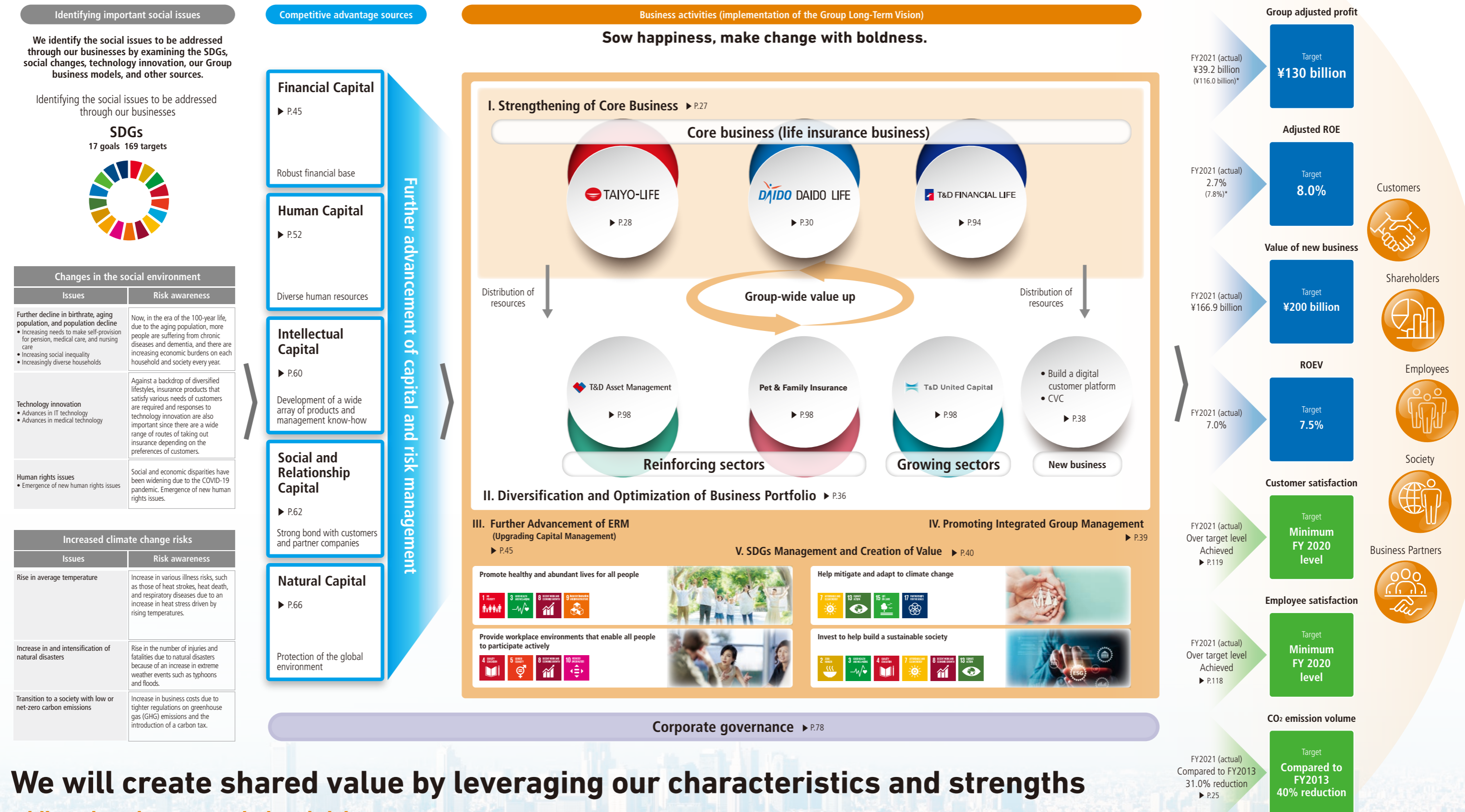
Number of outside directors (bar graph) / Ratio of outside directors (line graph)



Building a robust business platform

To enhance sustainable financial value

The T&D Insurance Group's Value Creation Process



We will create shared value by leveraging our characteristics and strengths while enhancing our capital and risk management.

Characteristics of T&D Insurance Group

1. Specialized Markets

Taiyo Life: Household market

In-house sales representatives carry out individual home visits to help provide necessary coverage through in-person means



Daido Life: SME market

Provides full coverage and services to SMEs, which account for 99% of Japanese companies, to help them solve their business challenges



T&D Financial Life: Independent insurance agent market

Provides coverage through independent insurance agents that handle the products of multiple insurance companies



Taiyo Life

Household market

Daido Life

SME market

T&D Financial Life

Independent insurance agent market



2. Unique Channels

Taiyo Life

In addition to the in-house sales representative channels using in-person means, sales channels using remote means such as the internet are being developed



Daido Life

Two strong sales channels (tax accountant agent channel and in-house sales representative channel) thanks to solid relationships with tie-up organizations



T&D Financial Life

Diverse independent insurance agent channels, such as banks, securities firms, and insurance shops

In-house sales representatives

In-house sales representatives/ Agents (tax accountants, etc.)

Independent insurance agents (financial institutions, insurance shops)



DX

Digital Transformation

3. Innovative Products

Taiyo Life

Sells cancer/critical illness prevention insurance to facilitate the early prevention and detection of cancer and critical illnesses, and help customers lead long and healthy lives



がん・重大疾病予防保険

Cancer/critical illness prevention Insurance

Daido Life

Health-promoting insurance that integrates prevention and preparedness functions
Launched Kaisha Minnade KENCO+ to support the promotion of health management at SMEs



Kaisha Minnade KENCO+

T&D Financial Life

Sells differentiated, competitive products such as Hybrid Asset Life, which supports wealth creation through the integration of investment trusts and life insurance



ハイブリッドアセットライフ Hybrid Asset Life

Comprehensive coverage including death benefit and medical/nursing care products

Term life insurance/Disability benefit insurance, etc.

Savings-type products (foreign-currency linked type insurance, variable insurance, etc.)/Protection-type products (income protection insurance, etc.)

Asset management business

T&D Asset Management

Supporting customers' wealth creation through investment

Led by its principle of "Make a Difference," T&D Asset Management strengthens its asset management capabilities through partnerships with Group companies and business alliances with quality overseas asset management institutions to provide distinctive products and services that meet customer needs



Closed book business

T&D United Capital

Investing in new business areas

Make progress toward the Group's goal of diversifying and optimizing its business portfolio by investing in new business areas with a high affinity with life insurance, such as closed book business

FORTITUDE RE.

Non-life insurance business

Pet & family insurance

Bringing peace of mind to customers' lives through pet insurance

With the idea that a pet is a member of the family becoming increasingly popular, advancing veterinary medicine is becoming more sophisticated and expensive. Pet & Family Insurance provides products that cover a wide range of costs occurred when a pet becomes injured or ill—not only surgery and hospitalization, but full coverage extending even to ambulatory treatment



Establishing a Business Model with High Uniqueness and Specialization

Through Market Strategy Integrating Markets, Channels, and Products