



Try & *Discover*

Brand Message

Towards a

What we want to create is
not only insurance.

What we want to create is something
beyond insurance—a future in which
everybody can expand their potential
without fear of risk.

A society in which everybody can embrace
their hopes, regardless of the changing times.
Each individual, filled with the spirit
of Try & Discover, attempting one new thing
after another.

We the T&D Insurance Group
can surely achieve it.

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.

New Dimension of Insurance.

T&D Insurance Group's Management Vision

From the customers' point of view

We aim to be the top insurance company in terms of customer satisfaction by providing the best products and services.

From the shareholders', investors', and market's point of view

We aim to be an insurance group with a strong market presence by increasing our corporate value in a steady and sustainable manner by taking on new challenges toward growth.

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Editorial Policy

The purpose of this report is to give a clear briefing, from the ESG (Environment, Society, Governance) perspective, about how the T&D Insurance Group's business and actions are linked to the Group's medium to long-term growth, and to value creation for all our stakeholders.

Specifically, it reports the progress of the Group's medium-term management plan "Try & Discover 2021 — Creation of Shared Value —," which began in April 2019, and on the specific business strategies, corporate governance, and action on society and the environment, of each company on the basis of the plan.

Reporting period:

April 1, 2019 – March 31, 2020 (Some information on periods outside this range is included)

Scope of reporting:

T&D Holdings, Inc. and its subsidiaries and affiliated companies

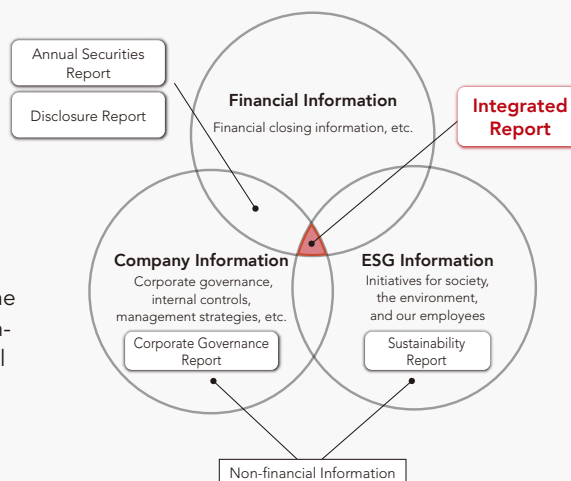
Reference guidelines:

"The International Integrated Reporting Framework" by the International Integrated Reporting Council (IIRC), and "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation" and "GRI Standard" by the Ministry of Economy, Trade and Industry of Japan.



The Positioning of the Integrated Report 2020

The Integrated Report is intended to foster understanding of the T&D Insurance Group among shareholders and investors, by encapsulating important information on elements such as financial information, company information, and ESG information.



ESG Index Status

As of July 1, 2020

- FTSE4Good Index Series
- MSCI ESG Leaders Indexes
- FTSE Blossom Japan Index
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Select Index (WIN)



2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2020 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

Forward-looking Statements

This report contains forward-looking statements about T&D Holdings' future revenue plan, strategy, philosophy, and earnings forecasts which involve factors of risk and uncertainty. Such statements are based on the Company's current expectations which could cause actual results to differ materially from those described in the forward-looking statements. Factors which could influence the actual results include, but are not limited to, (I) general economic conditions, in particular, conditions in the life insurance market on which the T&D Insurance Group centers, (II) financial market trends, (III) levels and trends in mortality rate and morbidity rate, (IV) persistency

rate, (V) interest rate levels, (VI) fluctuation in currency exchange rates, (VII) other general competitive factors, (VIII) changes in laws and regulations, including the tax treatment of insurance premiums, and (IX) changes in the policies of the government and/or regulatory authorities. The Company, therefore, wishes to caution readers not to place undue reliance on these forward-looking statements. Furthermore, the Company undertakes no obligation to update any forward-looking statements as a result of new information, future events, or other developments.

Contact: T&D Holdings, Inc. Group Planning Department Investors Relations Division Telephone +81-(0)3-3272-6103

History of the T&D Insurance Group



Taiyo Life former head office (Tokyo)
Construction completed in 1930



1893 founded.

Taiyo Life's predecessor company, Nagoya Life Insurance Co., Ltd., was established as the fourth oldest of the existing life insurance companies in Japan.



1902 founded.

Daido Life was founded through the merger of then Asahi Life Insurance Co. (which was operated by Kajimaya and is a separate company from the current Asahi Mutual Life Insurance Company), with Gokoku Life Insurance Co. in Tokyo and Hokkai Life Insurance Co. in Hokkaido.



Daido Life former Higobashi head office (Osaka)
Construction completed in 1925

T&D Asset Management

2002 The Group's asset management companies were concentrated.



T&D FINANCIAL LIFE

2001 joined T&D Life Group

Taiyo Life and Daido Life jointly acquired shares of T&D Financial Life (former Tokyo Life insurance Company), which started operations as a member of the T&D Life Group.

Broad business alliance between Taiyo Life and Daido Life

In January 1999, Taiyo Life and Daido Life announced a broad business alliance and decided the Group name to be the "T&D Life Group" in June of the same year.

Change in social issues and needs, and the business environment

Meeting the diversifying needs of individuals and SMEs.

Initiatives in the Japanese life insurance market

2008

Taiyo Life October
Launch of *Hoken Kumikyoku Best*, a pioneering insurance that allows customers to freely combine the coverage they need, and overturned the conventional wisdom of the industry

2010

T&D Financial Life April
Launch of *Shogai Premium*, the industry's first cash flow-type single-premium whole life insurance

Daido Life October
Launch of the *J-type* product, a new insurance for covering the risk of critical illnesses, aimed at business owners to ensure business continuity

2012

T&D Financial Life August
Start of level premium protection-type product sales

T&D Financial Life September
Expansion into insurance shop agent channels

2014

Taiyo Life April
Start of the *Best Senior Service*, an initiative aimed at enhancing convenience for senior customers

Building a global network and revenue base aimed at further growth.

Initiatives with overseas life insurance companies etc.

2013

Daido Life December
Capital and business alliance with the German life insurance company, Nuernberger Beteiligungs-Aktiengesellschaft; collaboration through joint investment in funds and referrals

Early years of the Group

Period of recovery from financial crisis

Ensuring financial soundness
recovery of earnings
Establishment of ERM framework

Full implementation of ERM

Period for strengthening business platform
Medium-term management plan FY2014 - 2015

Three years for expanding growth areas

Medium-term management plan FY2016 - 2018

Creation of shared value

Medium-term management plan FY2019 - 2021

Pet & Family Insurance

September 2008 Collapse of Lehman Brothers

March 2011 Great East Japan Earthquake

December 2012 Start of Abenomics

February 2016 Introduction of negative interest rate policy

Became a subsidiary in 2007 (Transitioned from a small-amount short-term insurance provider to a non-life insurance company in April 2019)

T&D United Capital

Established in 2019



Establishment of T&D Holdings, Inc.

In April 2004, T&D Holdings, Inc. (the "Company") was established as Japan's first holding company centered on the life insurance business. It was listed on the Tokyo Stock Exchange And Osaka Securities Exchange (Current Osaka Exchange).



Head offices of three Group companies (T&D Holdings, Taiyo Life, and Daido Life) were relocated to Nihonbashi, Chuo-ku, Tokyo in 2016.



Note: Values up to March 31, 2006 are based on TEV (Traditional Embedded Value), those from March 31, 2007 on EEV (European Embedded Value), and those from March 31, 2012 on Group MCEV. Ultimate Forward Rate (UFR) is applied to the MCEV calculation from March 31, 2020.

Creation of shared value at the T&D Insurance Group

2016

- Taiyo Life** March
Launch of the industry-first *Himawari Dementia Treatment Insurance*
- Taiyo Life** April
Start of the *Kaketsuke-Tai Service*, with the aim of being the most considerate and useful life insurance company for our senior customers
- Taiyo Life** June
Start of *Taiyo's GENKI Project* for energizing employees, customers, and society

2017

- Daido Life** January
Start of the *DAIDO KENCO ACTION* initiatives to disseminate Health and Productivity Management*
- Daido Life** July
Launch of the *HAL Plus Rider* for covering the treatment of certain intractable diseases, with the robot suit HAL for Medical Use (Lower Limb Type)
Launch of *HAL Plus Tokuyaku*

2018

- Taiyo Life** October
Launch of *Himawari Dementia Prevention Insurance*

2019

- Taiyo Life** October
Start of *Sma-Hoken* fully-online insurance

2020

- Taiyo Life** **Daido Life** **T&D Financial Life** March
Started special treatment (the grace period for payment of premiums, exemption from interest on policy loans, etc.) as a response to COVID-19 pandemic.

* 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. "Health and Productivity Management" is a registered trademark of the Workshop for the Management of Health on Company and Employee, a non-profit organization.

2018

- Daido Life** June
Capital participation and cooperation agreements with the Australian life insurance company, Integrity Group Holdings Limited. The experience and know-how for launching a life insurance business will be utilized in the future.
- T&D Holdings** June
Basic agreement concluded with the Swiss digital health company, dacadoo. Collaboration was undertaken to advance the domestic life insurance business by utilizing health care-related digital technology and infrastructure.
- T&D Holdings** November
Memorandum concluded with the U.S. asset management company, Payden & Rygel. Cooperation includes sophistication of life insurance asset management, the asset management business, and human resource training.

2019

- T&D Holdings** June
Establishment of T&D United Capital with aims which include building an effective and efficient investment system.
- Taiyo Life** August
Burmese life insurance company Capital Taiyo Life made into an affiliated company.
- T&D Holdings** **T&D United Capital** September
Capital and business alliance agreement concluded with the French asset management and investment company Tikehau Capital.

2019

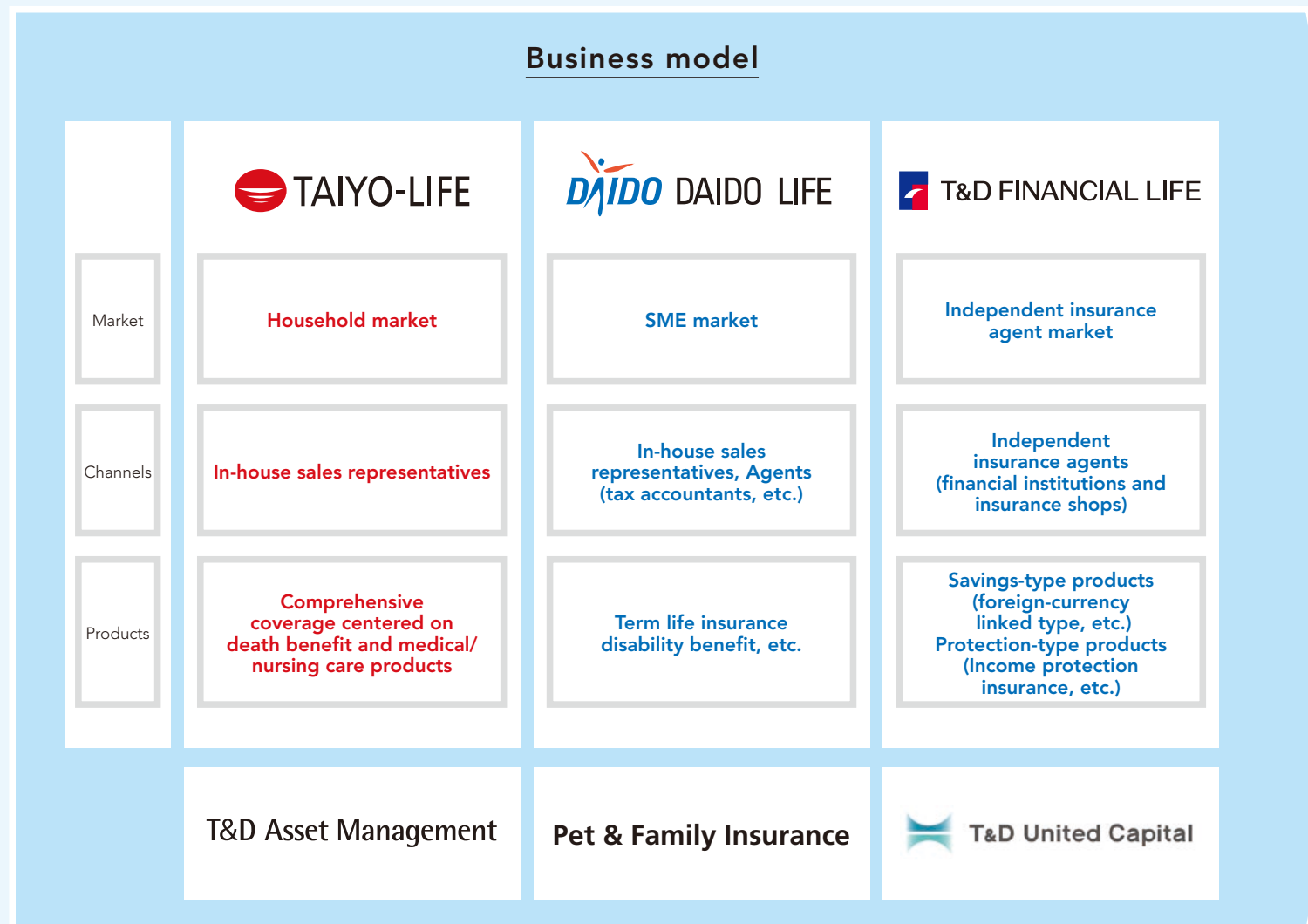
- T&D Holdings** **T&D United Capital** November
Agreement concluded to acquire a proprietary interest in the US reinsurance company Fortitude.
- * Completed proprietary interest acquisition in June 2020.

2020

- T&D United Capital** February
Establishment of its US entity in New York.
- * Established in New York City, New York State. This was originally scheduled to open in April 2020, but it started operations in Tokyo, due to the impact of COVID-19.

Characteristics of T&D Insurance Group

At T&D Insurance Group, our core business is life insurance in Japan in pursuit of our market-specialized strategy, augmented with business components with affinities for life insurance, such as closed book business, asset management, and pet insurance. Life insurance business has a significant public relevance, and we aspire to be an insurance group that constantly shares value with, and grows together with, society.



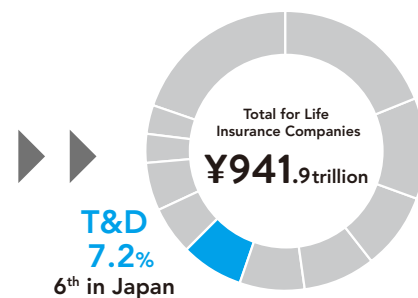
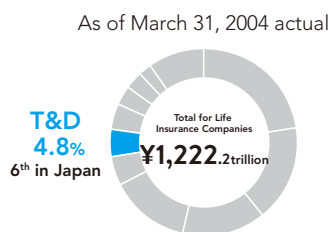
T&D Insurance Group's Industry Position

Steadily Increased Market Share of the T&D Insurance Group

T&D Insurance Group's market share (total of Taiyo Life, Daido Life and T&D Financial Life) based on policy amount in force was 7.2% as of March 31, 2020. The Group's market share has steadily expanded compared with the combined share of the three life insurance companies as of March 31, 2004, prior to the establishment of T&D Holdings, Inc. in April 2004.

Policy Amount in Force*

As of March 31, 2020 actual



Source: Compiled by T&D Holdings based on Summary of Life Insurance Business in Japan issued by Life Insurance Association of Japan, and the financial reports of each company.

* Policy amount in force is the total of individual insurance and individual annuities, together with the insurance amounts of J-type product (critical illness insurance) and T-type product (disability protection insurance), the nursing-care insurance amounts of Kaigo Relief Alpha, and so forth of Daido Life.



Four sustainability priority themes to tackle

Sustainability priority theme 1

Promote healthy and abundant lives for all people



Sustainability priority theme 2

Provide workplace environments that enable all people to participate actively



Sustainability priority theme 3

Help mitigate and adapt to climate change



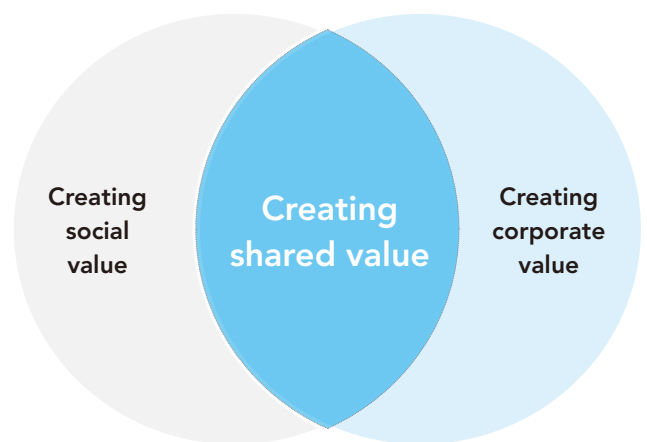
Sustainability priority theme 4

Invest to help build a sustainable society



Realizing value creation/Goals

SUSTAINABLE DEVELOPMENT GOALS

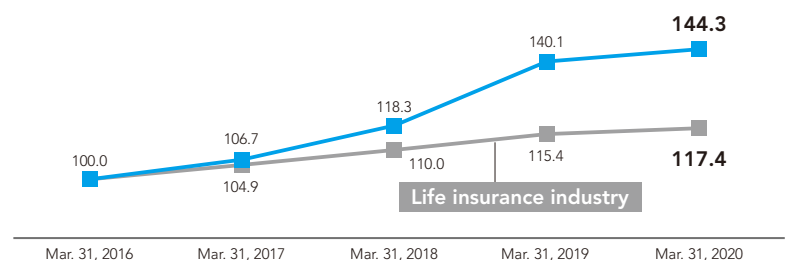


Try & Discover

T&D Insurance Group's Trend in Sales Performance (Reference)

The right graph compares the trend in the sales performance (third sector annualized premiums of total policies in force) between the T&D Insurance Group (the total of Taiyo Life, Daido Life, and T&D Financial Life) and the life insurance industry as a whole. The three life insurance companies have maintained their competitive advantage in their specialty markets.

Third Sector Annualized Premiums of Total Policies in Force*



Source: Compiled by T&D Holdings based on Summary of Life Insurance Business in Japan issued by Life Insurance Association of Japan, and the financial reports of each company.

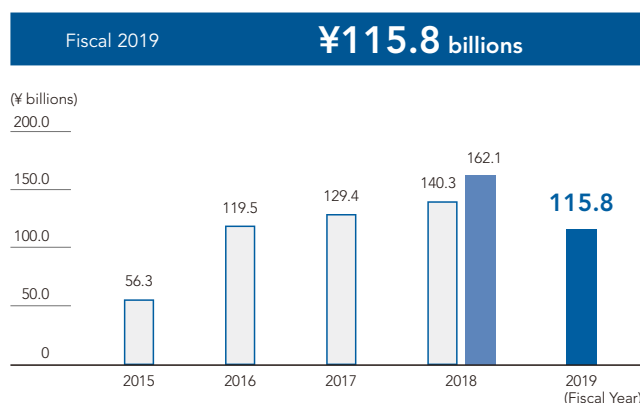
* The Annualized premiums of total policies in force for the year ended March 31, 2016 in the third sector are assumed to be 100.0 (base year).

Financial Highlights

In the settlement for fiscal 2019, which is the first year of the medium-term management plan, the value of new business was down from the previous fiscal year, due to reduction in sales volume, but adjusted net income exceeded the initial forecast.

Key Performance Indicators

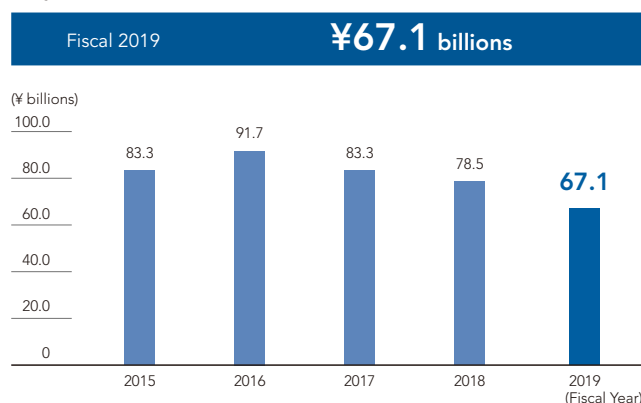
Value of New Business*



* Please see page 77 for more details on the value of new business.

In fiscal 2019, the value of new business dropped by ¥46.3 billion from the previous fiscal year, to ¥115.8 billion, mainly due to reduction in sales volume.

Adjusted Net Income*



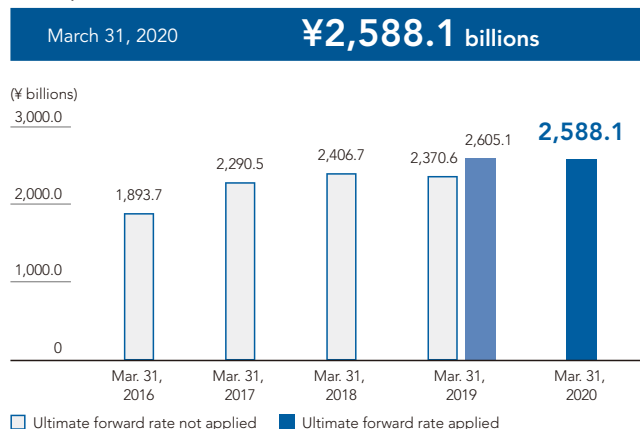
* "Adjusted net income" is calculated by adding net income and additional internal reserves in excess of the legal standard requirements related to reserves for contingency and price fluctuations (after taxes).

In fiscal 2019, adjusted net income was ¥67.1 billion, 104.8% of the forecast for the term, which was ¥64.0 billion. From fiscal 2020, "Group adjusted profit*" will be introduced in place of adjusted net income.

* Please see page 16 for more details on Group adjusted profit.

Embedded Value

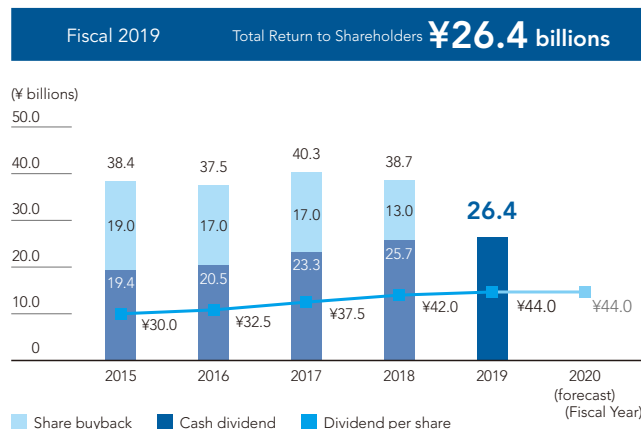
Group MCEV*



* Please see page 79 for more details on embedded value (EV).

As of March 31, 2020, the Group MCEV was ¥2,588.1 billion, which represents a decrease of ¥17.0 billion from the previous fiscal year-end. This was mainly due to falls in internal and external stock prices, despite an accumulation of value of new business.

Return to Shareholders



In fiscal 2019, the Company paid a cash dividend of ¥44.0 per share, which is an increase of ¥2 from the previous fiscal year, and represents an increase in dividends for five consecutive terms. Decisions on conducting share buyback will be made after checking the impact of the COVID-19 pandemic.

Consolidated Results of Operations

Ordinary Revenues

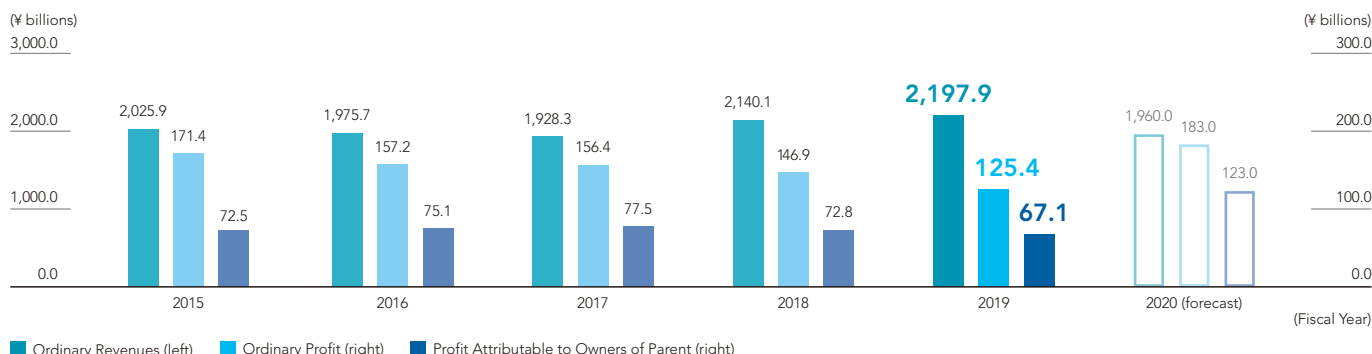
Fiscal 2019 **¥2,197.9 billions**

Ordinary Profit

Fiscal 2019 **¥125.4 billions**

Profit Attributable to Owners of Parent

Fiscal 2019 **¥67.1 billions**



[Consolidated Results of Operations] Ordinary profit decreased by ¥21.5 billion to ¥125.4 billion, due to reduced gains on sales of securities and increased devaluation losses on securities. Profit attributable to owners of parent was ¥67.1 billion, surpassing the earnings forecast for the term (¥64.0 billion), despite reduced profit.

[Full-year Earnings Forecasts] We expect the COVID-19 pandemic to have impacts, centered on sales activities, and therefore we anticipate reduced earnings. On June 2, 2020, we acquired a 25% stake in Fortitude Group Holdings, LLC (hereinafter, "Fortitude"), a specialist closed book insurance company, and made Fortitude into an affiliated company. Accordingly, we anticipate increased profit due to recording Fortitude's profits as equity in earnings of affiliates.

The profits of Fortitude include temporary unrealized gains and losses due to market fluctuations, and that is a factor in the major increase in ordinary profit and profit attributable to owners of parent in the consolidated performance forecast for fiscal 2020.

The Group is introducing Group adjusted profit as one indicator to express the Group's management status. It partially adjusts for factors such as temporary appraisal profit and loss accounted due to market fluctuations of this kind.

Fiscal 2020 Full-year Earnings Forecasts [Three Life Insurance Companies]

(¥billions)

	Taiyo Life		Daido Life		T&D Financial Life	
	Fiscal 2019 (actual)	Fiscal 2020 (forecasts)	Fiscal 2019 (actual)	Fiscal 2020 (forecasts)	Fiscal 2019 (actual)	Fiscal 2020 (forecasts)
Ordinary revenues	802.5	720.0	1,015.1	950.0	354.4	280.0
Ordinary profit	36.7	36.0	86.1	87.0	2.2	(4.0)
Net income	15.8	14.0	50.4	48.0	1.0	(4.0)
Core profit	54.3	49.0	116.9	99.0	(5.0)	(5.0)
Positive spread	28.7	28.0	34.8	12.0	(2.9)	(4.0)

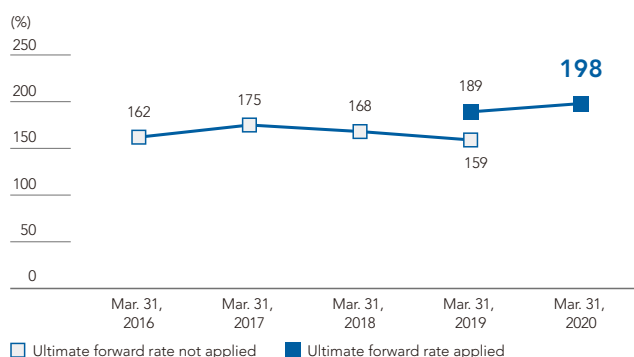
The value of new business for the three life insurance companies in fiscal 2020 is estimated at around 80% of the corresponding figure in fiscal 2019.

Financial Soundness

ESR*

March 31, 2020

198%



* Please see page 79 for more details on ESR.

The economic solvency ratio, which represents capital adequacy based on economic value, increased by 9 percentage points from the previous fiscal year-end to 198%, due to addition of a surplus of ¥70.0 billion of subordinated debt obtained in January 2020.

Rating*/Solvency margin ratio

	Rating Agencies			Solvency margin ratio
	Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)	Standard & Poor's (S&P)	
T&D Holdings	AA-	—	—	1,107.0%
Taiyo Life	AA-	AA-	A	805.5%
Daido Life	AA-	AA-	A	1,335.3%
T&D Financial Life	AA-	AA-	—	1,033.6%

As of January 29, 2020
Solvency margin ratio is as of March 31, 2020

* Long-term issuer rating for T&D Holdings and insurance claims paying ability ratings for the three life insurance companies.

The Group's ability to pay insurance claims has been highly evaluated by various rating agencies, indicating sufficient financial soundness.

Non-financial Highlights

Promoting a Diverse Workforce

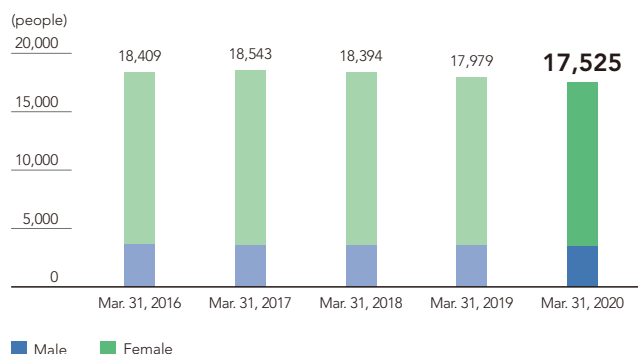
T&D Insurance Group has been promoting to nurture a corporate culture where diverse human resources can feel job satisfaction and reach their potential.

Given that women represent the majority of the Group's employees, the active participation of female employees is recognized as a crucial management priority. To this end, each Group company is working to revise their respective personnel and

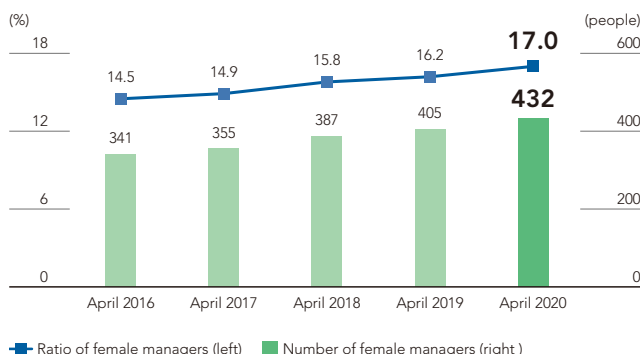
compensation systems, as well as introducing various support systems to enhance work-life balance.

We are working to promote the employment of people with disabilities through actions such as introducing specialized PC and other equipment and considering commuting routes, in order to create workplaces which are easy for employees with disabilities to work in.

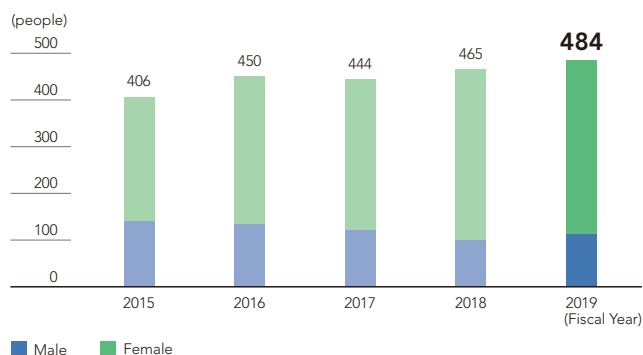
Number of employees



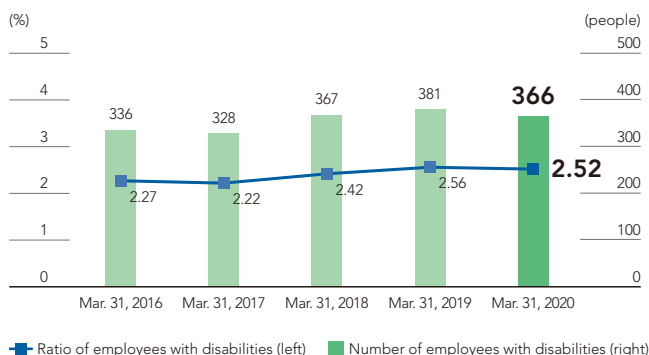
Ratio/number of female managers



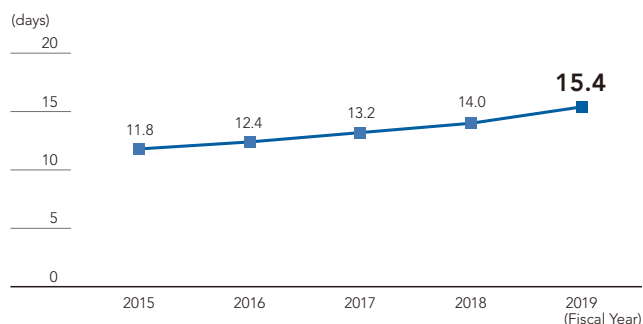
No. of employees taking child care leave



Ratio/number of employees with disabilities



Average number of days of paid leave taken



* The above data are for the total of three life insurance companies. Data for the ratio of female managers are as of April 1, the day following each fiscal year end.

Awards received for action on employee career formation



Award for excellence to T&D Holdings, 2nd Platinum Career Awards

At the 2nd Platinum Career Award (held by Toyo Keizai Inc., supported by Ministry of Health, Labour and Welfare and Tokyo Stock Exchange), T&D Holdings, representing the companies of the T&D Insurance Group, won the Excellence Award for the second consecutive year, from among 194 entrant companies.

As we enter an era of the 100-year life, Taiyo Life, Daido Life, and T&D Financial Life, the members of T&D Insurance Group, have each earned praise for their efforts to foster the personal growth of each of their employees.

Initiatives on Customer-Oriented Services

T&D Insurance Group emphasizes clarity for the customer and strives to provide services customers can trust.

Awards received for initiatives on customer service

Taiyo Life

- The UCDA Award 2019 "10th Anniversary Commemorative Special Award"
- Received the highest rank of "3 Star" for HDI-Japan's "Help Desk/Web Support Rating"

Daido Life

- The UCDA Award 2019 "10th Anniversary Commemorative Special Award"
- Received the highest rank of "3 Star" for HDI-Japan's "Help Desk Rating"

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." Each Group company is taking steps in accordance with such value.

Assessments of our policy on customer-oriented operations (FY2019)

Taiyo Life	Daido Life	T&D Financial Life
Overall satisfaction level	Overall satisfaction level	Satisfaction level at the contract signing stage
90.8%	80.0%	96.9%

* Survey implementation methods differ for each company.
https://www.td-holdings.co.jp/information/business_operations.html (Japanese only)

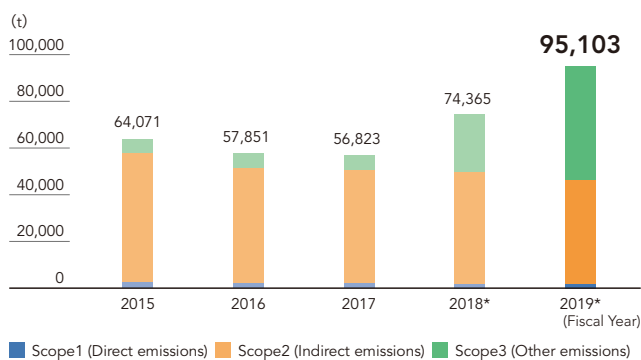
Environmental Initiatives

As more than 90% of the CO₂ emissions (Scope 1 + 2) derives from electricity use at the T&D Insurance Group, we have set targets for electricity use, and are taking actions to cut our energy consumption.

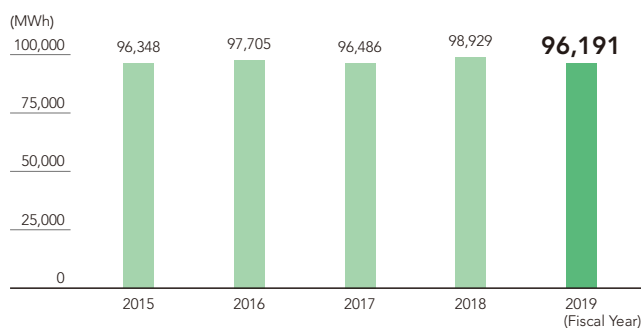
The Group is also engaged in initiatives to lessen the environmental impact by reducing the consumption of office paper through the promotion of paperless meetings, and also by

promoting "Green Purchasing," which gives priority to products that are compliant with the Green Purchase Act and to Eco Mark products when procuring offices stationery and other supplies. In April 2019, the Group has expressed its support for the "Task Force on Climate-related Financial Disclosures (TCFD)," and is pushing forward with further initiatives.

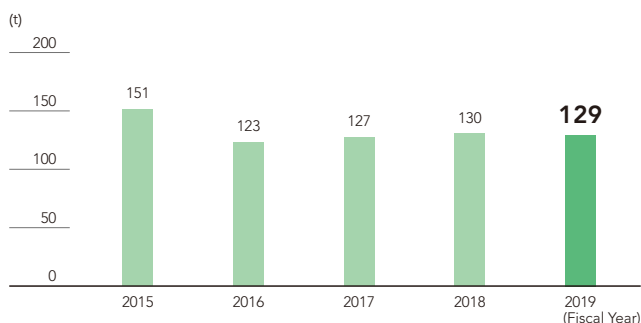
CO₂ emission volume



Electricity Consumption



Office Paper Consumption



Green Purchasing Ratio

