



Try & Discover

T&D Holdings Integrated Report 2024

(Year ended March 31, 2024)

T&D Insurance Group

Try & Discover
20th
ANNIVERSARY

T&D Insurance Group's Corporate Philosophy

— T&D Insurance Group's reason for existence —

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

— Group's aspiration and direction for medium- to long-term —

Sow happiness, make change with boldness

Financial KPIs

- Group adjusted profit
- Adjusted ROE
- Value of new business
- ROEV

Nonfinancial KPIs

- Customer satisfaction
- Employee engagement score
- CO₂ emission

Group KPIs

— Quantitative goals to achieve the management vision —

Group Growth Strategy

— Strategies for achieving Group KPIs —

Strengthening of core business
Diversification and optimization of business portfolio
Upgrading capital management
Promoting integrated Group management
SDGs management and creation of value

Group Long-Term Vision →P.40

“Try & Discover 2025”

To Be a Group That Moves as One...

Over the past 20 years, T&D Holdings has successfully navigated its course because it has been led in the right direction by these “signposts” showing the way.

Moving forward, we will continue to create new value through a combination of flexibility (keeping our finger on the pulse of current trends and reflecting them in our management, products and services) and our unshakeable philosophy.

T&D Insurance Group's Corporate Philosophy

— T&D Insurance Group's reason for existence —

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

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.

T&D Insurance Group's Management Vision

— Group's aspiration and direction for medium- to long-term —

Sow happiness, make change with boldness

Unpacking the vision through a story

Pride of T&D

We have always protected the happiness of people. By facing each and every customer with care, Together, we have supported their livelihoods as one.

T&D's challenge

Now, society is changing at an unprecedented pace and people's lifestyles are diversifying. There is no standard anymore for the way families are, the way we work, As well as the shapes our happiness might take. Can we really say that today's insurance answers such turbulent change?

Actions T&D should take and what we want to become

One by one, by carefully stacking the trust we have gained from our customers, The strength that only our Group has nurtured becomes visible. The possibility it withholds expands widely, going beyond all prevailing boundaries.

Take the “one” in front of us as a starting point, and Let's recognize the world changing quicker than anyone else. Let's adapt to our changing society more flexibly than anyone else, Taking steps with initiative, with boldness. Let's go beyond the boundaries of organizations, Involve people who resonate with our beliefs, and Become a comprehensive insurance group that can create happiness For each and every person in the world.

The society T&D aspires for

Our origin is to face each “one” in front of us with care. To recognize change and take on challenges with boldness. This accumulation is what creates happiness in the world. This is what we believe to be true.

Origins of T&D -History of “Try & Discover” Motto of Taiyo Life and Daido Life

T&D Insurance Group has its origins in the over 100 year histories of Taiyo Life and Daido Life. In face of a dramatically changing social environment, both companies have provided value to customers through implementation of the “Try & Discover” cycle.

The spirit of “Try & Discover” of T&D has been developed through the business journeys of the two companies and their histories.



TAIYO-LIFE

Establishment of Taiyo Life

Taiyo Life was founded in Nagoya, Aichi Prefecture in 1893 as Nagoya Life Insurance Co., Ltd. by ten business leaders from the Chukyo region. Since then, it has further strengthened its foundations through extremely

solid sales activities. The company moved its headquarters to Tokyo in 1908, and changed its name to Taiyo Life Insurance Company.

Development in Japan's high-growth postwar period

After World War II, Taiyo Life established a business model in which female in-house sales representatives, mostly housewives, visited homes in pairs. The company also introduced monthly premiums for life insurance at a time when annual premiums were the norm and pioneered the development and sale of savings insurance.

In 1968, it launched *Himawari Hoken*, which became a best selling product. This product was developed based on the original idea of savings insurance that provides coverage for death or disasters, in order to avoid

excessive competition with other insurance companies.

Full-scale shift to protection-type products

In 2003, Taiyo Life achieved listing as a stock company. This not only heralded a third fresh start for the company but also marked a major turning point in terms of sales, with the launch of Taiyo Life's *Hoken Kumikyoku* whole life insurance. Taiyo Life had already been gradually shifting towards protection products; however, the launch of this product marked its full-scale entry to the protection product market. Then, in 2008, the company launched *Hoken Kumikyoku Best*, a pioneering insurance that allows customers to freely customize the coverage they need. It has since continued striving to expand and enhance its product lineup. Furthermore, in 2018, Taiyo Life launched *Himawari Dementia Prevention Insurance*, another pioneering insurance product to help people face the social

Pioneering insurance that allows customers to freely customize the coverage they need: *Hoken Kumikyoku Best*



challenge of dementia in a positive way and live out their retirement years with peace of mind. In this way, Taiyo Life has continued evolving to ensure it can offer insurance cover that meets society's needs and is in line with the times.

Transformation of business model

In response to the COVID-19 pandemic and other dramatic change in social environment, Taiyo Life has changed its business model, for example, in addition to its traditional sales activities where sales representatives visit homes in pairs, the company is deploying a “hybrid sales” approach that combines face-to-face and non-face-to-face sales using digital technologies. The promotion of hybrid sales has not only led to an increase in the number of new contracts and improvement in productivity but also to an increase in the number of sales representatives.

In this way, Taiyo Life has provided products and services that are ahead of the curve by repeatedly innovating while continuing to value tradition.

- **1893**
Taiyo Life founded as Nagoya Life Insurance Co., Ltd.
- **1902**
Daido Life Insurance Company founded.
- **1948**
Taiyo Life reestablished as a mutual company.
- **1947**
Daido Life reestablished as a mutual company.
- **1968**
Himawari Hoken launched.
- **1971**
“Keieisha Ogata Sogo Hosho Seido,” provided by the National Federation of Corporate Taxpayers Associations and the Tax Payment Associations started being handled.
- **1974**
Business partnership between Daido Life and TKC National Federation formed.
- **1999**
Broad business alliance between Taiyo Life and Daido Life announced
- **2002**
Daido Life demutualized to a joint stock company, with shares listed on the Tokyo Stock Exchange and the Osaka Securities Exchange.
- **2003**
Taiyo Life demutualized to a joint stock company, with its shares listed on the Tokyo Stock Exchange. Taiyo Life's *Hoken Kumikyoku* launched.
- **2004**
T&D Holdings, Inc. established
- **2008**
Hoken Kumikyoku Best launched.
- **2010**
J-type critical illness insurance launched.



DAIDO LIFE INSURANCE COMPANY

Origins of Daido Life

Daido Life traces its origins back to Kajimaya, one of Osaka's largest family businesses said to have been founded in 1625. Kajimaya faced a management crisis due to the Meiji Restoration; however, businesswoman

Asako Hirooka played a central role in transforming Kajimaya into a modern corporate group and founding Daido Life in 1902, based on the principles of providing relief to society and bringing stability to people's lives.

Reinvention as provider of individual term life insurance for SMEs

In the 1970s, Daido Life reinvented itself, pivoting towards individual term life insurance for SMEs; however, here, too, the company faced major challenges. Gripped by a growing sense of crisis at the decline in its market share, Daido Life focused on the potential of term life insurance, which was still not very widespread in Japan, and sprung into action, with “strengthen sales of term life insurance” as its sales policy.

Despite opposition internally to the effect that there was no way non-refundable insurance would sell, Daido Life wanted to do something about

the situation where SME owners were forced out of business due to illness or injury. It consequently launched a product that provided SME owners with large amounts of coverage for small contributions. This led to its business tie-up with the National Federation of Corporate Taxpayers Associations (NFCTA, known as Hojinkai), a national organization representing corporate taxpayers associations which are made up of SMEs from all over Japan.

The business tie-up with NFCTA, which had around 360,000 members at the time, provided strong momentum for the switch to term life insurance and also served as the template for partner-specific products, which are a feature of Daido Life's current business.

Then, in 1974, Daido Life formed a partnership with TKC National Federation, which is the national federation of certified public tax accountants (CPTA) and certified public accountants (CPA), and through partner-specific products for SME-related organizations and CPTA organizations, Daido Life has developed a business model that makes it the undisputed leader in life insurance business in the SME market.

Development and cultivation of disability benefit sector

Having developed the SME market through its term life insurance products, in the 2000s, with business owners getting older due to advances in healthcare technology, Daido Life pioneered the development of critical illness cover for SME owners to address the risk of them being diagnosed with a critical illness and to provide adequate cover for SMEs to continue operating. This spurred the company to further develop and cultivate not only the market for term life insurance (death benefit) but also the market for disability benefit insurance.

In this way, Daido Life has leveraged the DNA that it inherited from Asako Hirooka and its other founding members and that makes its rise to challenges to refine the new value it provides to SMEs to drive their sustainable growth.



Asako Hirooka, one of Daido Life's founders

T&D's Trajectory of Value Creation

T&D Holdings is an insurance holding company with three life insurance companies Taiyo Life, Daido Life and T&D Financial Life under its umbrella.

In 1999, Taiyo Life and Daido Life, each with histories of some 100 years, formed a broad business alliance and, in April 2004, T&D Holdings, Japan's first listed life insurance holding company, was established. T&D Holdings celebrated its 20th anniversary in 2024.

1893
Taiyo Life was founded.



1902
Daido Life was founded.



1999
T&D Insurance Group was established.

Taiyo Life and Daido Life formed a broad business alliance and decided on T&D Insurance Group as the Group name.

2001
T&D Financial Life joined T&D Insurance 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 Insurance Group.



2002
Daido Life became a stock company and listed its shares.

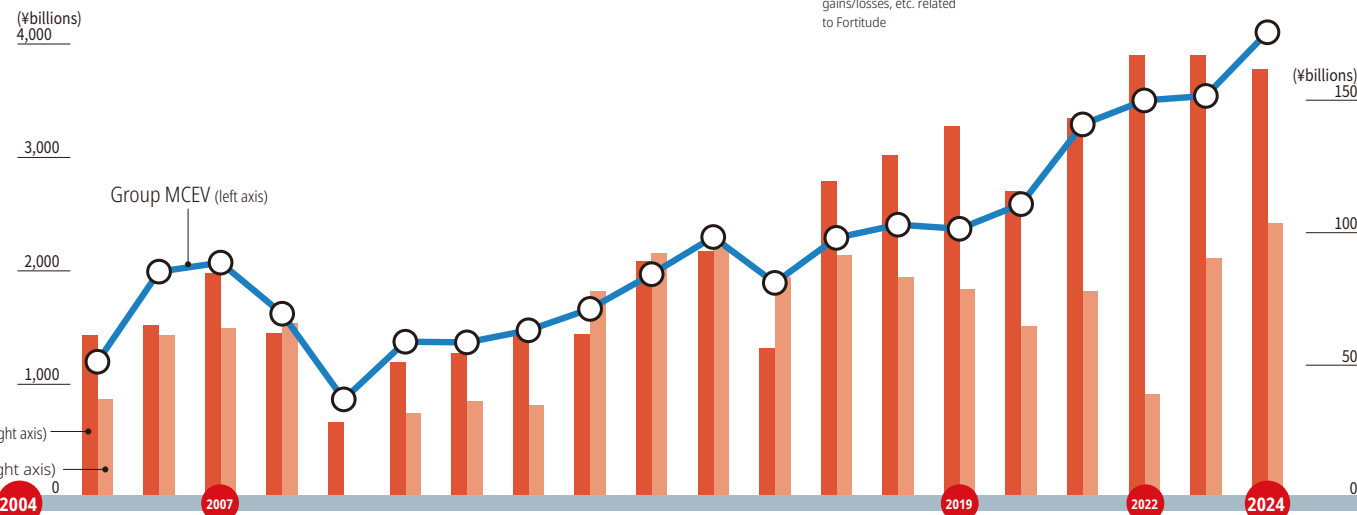
First Japanese life insurance company to demutualize into a stock company and go public name.

The Group's asset management companies were concentrated within T&D Asset Management Co., Ltd.



2003
Taiyo Life became a stock company and listed its shares.

Value of new business (right axis)
Group adjusted profit (right axis)



Fiscal 2023
Group MCEV*
¥4,103.2 billion

Fiscal 2023
Value of New Business
¥161.7 billion

Fiscal 2023
Group Adjusted Profit
¥103.5 billion

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

• Group MCEV, 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. • The years on the graph represent the period ending in March of the indicated year. • For further information about Group MCEV, Value of new business and Group adjusted profit, please see the Glossary on pages 97 and 98.

Change in management

2004
T&D Holdings, Inc. was established.
Japan's first life insurance holding company was established and listed on the Tokyo Stock Exchange and Osaka Securities Exchange (now Osaka Exchange)

T&D Holdings, Inc.

2007
Pet & Family Insurance Co., Ltd. was made a subsidiary.
Pet & Family Insurance

2019
T&D United Capital Co., Ltd. was established.
T&D United Capital

2022
All Right Co., Ltd. was established.
All Right

Products and services of T&D Insurance Group that address social issues and needs



Providing comprehensive coverage that meets customer needs for death protection as well as medical and nursing care insurance to households



Providing products for the SME market that take into consideration changes in the environment faced by SMEs



Providing asset formation products, mainly for elderly customers, through independent insurance agents

2008
■ Taiyo Life
Launch of *Hoken Kumikyoku Best*, a pioneering insurance that allows customers to freely customize the coverage they need, and overturned the conventional wisdom of the industry

2010
■ T&D Financial Life
Launch of *Shogai Premium*, the industry's first cash flow-type single-premium whole life insurance

■ Daido Life
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
Start of level premium protection-type product sales Expansion into insurance shop agent channels

2014
■ Daido Life
Launch of the *T-type* disability protection insurance

2016
■ Taiyo Life
Launch of the industry-first *Himawari Dementia Treatment Insurance*
Start of the *Kaketsuke-Tai Service* in which office workers with specialized knowledge visit customers directly to help them with the procedures for claiming benefits

■ Daido Life
Start of the *DAIDO KENCO ACTION* initiatives to disseminate *Kenkoikei*®** (Health and Productivity Management)

2018
■ Taiyo Life
Launch of *Himawari Dementia Prevention Insurance*, the first in a series of prevention insurance plans

2019
■ Daido Life
Launch of the industry's first made-to-order insurance products known as *L-type a*, *J-type a*, and *T-type a*

■ Taiyo Life
Launch of *Sma-Hoken*, which enables customers to apply for insurance over the Internet

2020
■ Daido Life
Launch of *Tsunagaru Tetsuzuki*, non-face-to-face insurance procedures

2021
■ Taiyo Life
Launch of *Cancer and Critical Illness Prevention Insurance*, the second in a series of prevention insurance plans

■ T&D Financial Life
Launch of *Hybrid Asset Life*, a variable insurance product that combines the features of an investment trust with life insurance

2022
■ Daido Life
Launch of *Kaisha Minnade KENCO+*, a health-promotion type insurance product
Launch of *Dodai*, a web community platform for business owners

■ Taiyo Life
Launch of *Simplified Death Insurance*

2023
■ Taiyo Life
Launch of *Simplified Cancer Diagnosis Insurance* and *Simplified Cancer Treatment Insurance*

■ Daido Life
Launch of the *Lump-sum payment M-type* product, a medical insurance product for SMEs
Launch of *Kenko Yell Wari* (excellent health discount rider)

2024
■ T&D Financial Life
Launch of *AI Fund Prediction Service* for variable insurance products

* Kenkoikei® (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.
* Kenkoikei® is a registered trademark of Nonprofit Organization Kenkoikei.