

Press Release

FOR IMMEDIATE RELEASE

Launch of new product ‘Comprehensive Type V Premium’ for Keyperson Insurance Program Marking 50 years supporting SME business owners

TOKYO, March 25, 2021— Daido Life Insurance Company (Daido Life) and AIG General Insurance Company (AIG General) have announced that to commemorate the 50th anniversary of their partnership with the Corporate Association (Hojinkai) and Tax Payment Association (Nozeikyokai), they will update the ‘Comprehensive V’ version of their ‘Keyperson Insurance Program’ and launch a new ‘Comprehensive Type V Premium’ product on April 2, 2021.

About the ‘Keyperson Insurance Program’

The Keyperson Insurance Program was established in 1971 for member companies of the Hojinkai and Nozeikyokai to protect the owners of small to medium-sized enterprises (SMEs) from all possible forms of risk. At the time, an economic recession (caused by the 1971 Nixon shock) spurred discussions for a new program that could support SMEs in accordance with the desire of the Hojinkai and Nozeikyokai to protect their constituent companies. To respond to this need, Daido Life, a pioneer in providing life insurance to such SMEs, along with AIG General, a company with global expertise in the corporate insurance industry, teamed up to provide companies with the ability to maintain stable management and survival of their business in the event of business owners experiencing an accident, illness, or injury. The products that have been provided by this tie-up between a life insurance and non-life insurance provider are products that challenged traditional conceptions of the insurance industry, and they have been well received by SMEs for the past fifty years. Additionally, they have been repeatedly upgraded to respond to changes in the business environment faced by SMEs.

Details of revision

The Keyperson Insurance Program, which serves as the main product at the core of this program, is composed of both the life insurance provided by Daido Life and the non-life insurance provided by AIG General. It is a management insurance product that covers risks faced by managers and officers, with their respective corporations serving as the contracted party. Now, to respond to the diversification of risks faced by managers and officers, the non-life insurance (basic accident insurance) portion of the product has been revised to cover "executive liability risk."

1. Introduction of Directors & Officers Liability Coverage Rider

- An industry-first rider for accident insurance ^{*1}
- While general corporate officer liability insurance typically covers entire management teams, this contract is characterized by its coverage of individually insured officers
- Prepares SMEs for potential of damages incurred by owners and officers that result from certain management decisions, liability for employee misconduct, harassment, and so forth

2. Introduction of Business Continuity and Business Succession Consulting/Handling Expense Coverage Rider

- Provides compensation for the costs of consultation, disinfection, testing and so forth that are borne by policyholders in relation to measures taken if a manager or officer contracts a specified infectious disease, including measures taken to prevent reputational damage
- Covers crisis management measures, legal consultation costs, etc. borne by policyholders to deal with the infringement of individual rights, such as that resulting from the defamation of managers and officers
- Provides compensation for fees resulting from consultation with lawyers, tax accountants, etc. on the topic of business succession in association with the death, severe physical impairment, onset of cognitive illness and so forth, of managers

3. Revision of Sickness Hospitalization Medical Expense Coverage Rider

- Now covers hospitalization costs even if individuals are hospitalized and discharged within the same day

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Comments from both companies

Minoru Kudo, President and CEO of Daido Life, says, "At Daido Life we have been developing and selling term life insurance since 1970, and we believe that it is the best product for corporates as it offers great coverage at low premiums. Since the launch of the Large-scale Comprehensive Security Program for Business Operators in 1971, we have proceeded to upgrade this program alongside AIG General in accordance with the needs of the times. The revision of the non-life insurance portion of the program was also made to address the rapidly changing risks faced by SMEs. Going forward, we will continue to develop and offer a range of products to help member companies, and SMEs in general, delivering maximum peace of mind and satisfaction."

In addition, Kenneth Reilly, President and CEO of AIG General, commented on the revision of the non-life insurance portion of the plan. "Together with Daido Life, AIG General has been one of the first to advocate for and support risk management for SME managers and executives, who form the backbone of Japan's economy. As the risk environment surrounding companies undergoes change, such as that related to the coronavirus pandemic, the revision of Japan's Companies Act, and the enforcement of its Power Harassment Prevention Act, SMEs must be prepared to face challenges from all angles. As a partner of SME business owners, we will continue to provide products in a way that helps businesses respond to these changes in their environment."

Daido Life and AIG General have provided their corporate customers, which are mainly composed of SMEs, with risk solutions in the form of insurance products and services, and both companies will continue to utilize their accumulated knowledge and expertise to realize new products and services that create even further value for their customers.

*1 According to a survey conducted by AIG General

<About Daido Life>

Daido Life was founded in 1902, and in the 1970s, it became the first company to build a unique business model specializing in small to medium-sized enterprises, becoming a management insurance pioneer. Since then, it has continued to provide products and services in response to changes in the environment faced by SMEs, contributing to their development. In addition to the security that Daido Life provides, it also provides a wide range of services to meet the various needs of its SME customers. Daido Life is a group company of T&D Holdings and includes three separate life insurance companies (Taiyo Life, Daido Life, and T&D Financial Life) as well as T&D Asset Management, which handles asset management, and Pet & Family Insurance, which provides pet insurance.

<About AIG>

American International Group, Inc. (AIG) is a leading global insurance organization. AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in approximately 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange. For additional information, please visit our website at www.AIG.com.