

Outside Director Roundtable

Achieving the Group Long-Term Vision

— Expectations for a new T&D Insurance Group —



Outside director
Naoki Ohgo



Outside director
Seiji Higaki



Outside director
Haruka Matsuyama



Outside director
Shinnosuke Yamada



Outside director
Kensaku Watanabe

Formulating the Group Long-Term Vision

Matsuyama

We outside directors were informed of the formulation and the detail of the Group Long-Term Vision from a very early stage, and we also participated in the deliberations and gave our opinions. The emphasis was on strengthening the existing businesses that have always been important to us while incorporating new challenges. For this Group Long-Term Vision, I believe that the T&D Insurance Group has been able to formulate, perhaps for the first time, a growth strategy that is very new. It's a fact that the life insurance business is facing a very difficult environment in the midst of Japan's declining birthrate and aging society. Under such an environment, we will need to identify the areas in which we will take on new challenges in search of new growth. At the same time, we will need to control newly arising risks in those new areas that will require different know-how and risk management than what the life insurance business has faced up to now. As an outside director, I've expressed many opinions on these points.

Ohgo

As Ms. Matsuyama said, I think relying solely on the domestic life insurance business limits what we can achieve. Until now, the T&D Insurance Group has been unable to break its shell to reach new sources of growth. In Group Long-Term Vision, we started an initiative to explore closed book business and new areas utilizing health-related data as new growth opportunities. Each of these new businesses is starting to sprout, and the prospects are looking very good. Especially, what to do with the closed book business was a very big concern. Today, around the world, the industry is taking another look at the life insurance business and considering how to reorganize the liability of insurance and annuities, so it was a good move that we were able to enter the closed book business early enough. In cases where the Group is taking a minority interest, the insurance liabilities are mainly due to life insurance and annuity contracts, which I don't think will fluctuate that much. That being said, I've expressed my opinions on how to look at operational risks and how they may affect the risks of the Group management as a whole.

Higaki

So far, our Group governance has not functioned well enough to achieve the things that Ms. Matsuyama and Mr. Ohgo talked about. In formulating the Group Long-Term Vision, it was a big step forward that we approached governance of the Group as a whole, which is the fundamental issue of the Group. I believe that group governance is about how society, investors, and companies can engage in dialogue to resolve issues that come to light and enact reforms in an organic manner. In that sense, how to improve group governance is the most important point, and I've spoken out on this during the formulation of the Group Long-Term Vision. Because life insurance is a regulated industry and is protected by law in some respects, I expressed my opinion by focusing on how an ordinary business company would think about and approach these issues.

Watanabe

I agree that the whole point is, as a listed company, that the Group has chosen the market and is aiming for growth. Before formulating this Group Long-Term Vision, there was a discussion about whether the interests of policyholders and those of shareholders might conflict in some areas. However, for this Group Long-Term Vision, while keeping this issue in mind, we were able to return the discussion back to the basic starting point, which is the fact that we as a Group have chosen to compete and grow in the stock market.

Matsuyama

The strategies and goals of the T&D Insurance Group do not always coincide with the interests of the individual life insurance companies within the Group. For example, from the perspective of an individual life insurance company, allocating its own management resources, such as its top talent, to some new business of the holding company may appear to be a negative in the short run. However, in the long run, increasing the presence of the T&D Insurance Group as a whole will definitely benefit the businesses of Taiyo Life and Daido Life. In the past, the life insurance companies assumed that developing their own businesses

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The T&D Insurance Group has been able to formulate, perhaps for the first time, a growth strategy that is very new.

—— Director Matsuyama

would contribute to the Group. However, now we should go one step further and make all executives and employees at the Group's life insurance companies more aware that looking at the Group as a whole will lead to the growth of their own businesses in the long run. I believe this was well emphasized in the formulation of the Group Long-Term Vision this time.

Higaki

The Group is a public company, not a mutual company, so it has shareholders among its stakeholders. A mutual company focuses on providing excellent insurance products and services to policyholders, but a public company must do more than that. We must also provide value to our shareholders. That makes it important to steadily create new sources of revenue. I believe the recognition that more of this needed to be done is what drove President Uehara's sense of urgency to accelerate this shift by transitioning to a Company with an Audit and Supervisory Board. I agree with this idea, which is why I've taken on the role of chairman of the Audit and Supervisory Board. In other words, President Uehara's sense of urgency is appropriate, and it's our mission as outside directors to act on it.

Yamada

Due to the COVID-19 pandemic, uncertainty has increased, and we are now said to be in the era of VUCA, which stands for volatility, uncertainty, complexity, and ambiguity. It's precisely at times like this that it's important for us as a listed company to show all of our stakeholders what the Group should be, and that's why I've been involved in formulating the Group Long-Term Vision. In the life insurance business, which takes a super-long-term perspective, indicators based on economic value are thought to better represent the actual state of a company. On the other hand, it's also true that many companies today tend to focus on corporate accounting profits and believe that a good turnover of capital from the perspective of ROE management is an important indicator for evaluating a company. I thought it was important to show how to strike a balance between both approaches with a future-oriented perspective in the Group Long-Term Vision. We also took into account the increasing importance of demonstrating our commitment to the SDGs and ESG as a member of society. In the Group Long-Term Vision, both financial and non-financial KPIs are presented in concrete numbers, and I believe the fact that we were able to come up with target values for 2025 through repeated discussions within the Group signals a very clear vision to the market.

It is our role to closely monitor and support the progress of capital efficiency, which is a challenge.

—— Director Ohgo



Changes at the T&D Insurance Group

Ohgo

In the Group Long-Term Vision, the term “capital efficiency” is used, marking the first time we have consciously considered the efficiency of capital. Our performance appraisals too are now focused on capital efficiency, so I think our mindset has changed in this respect. The next challenge is whether we can really reallocate management resources in line with capital efficiency, and our role will be to monitor and encourage progress on this front next year and the year after that.

Yamada

I also agree that it's important to explicitly track the efficiency of capital, especially when that capital is the capital of the T&D Insurance Group. We are a large Group with approximately ¥17 trillion in assets, and I believe increasing the Group's earnings through efficient management will lead to increased corporate value. To that end, it's important for all Group executives and employees to row in the same direction and play an active role in their respective positions.

Watanabe

On this occasion, we also rewrote T&D Insurance Group's management vision. In the story to unpack the vision, there's a line that asks, “Can we really say that today's insurance answers such turbulent change?” Although it says “insurance,” in this case “insurance” really means “T&D Insurance Group.” In short, this is asking ourselves whether we are responding to the changes in society today. It requires a change in the mindset of executives and employees, including the management team, and if this mindset can be instilled, I've no doubt that even greater transformation can be achieved.

Higaki

It seems that a corporate culture of addressing social issues directly and firmly is taking root, especially among younger employees. I believe that corporate management starts by listening to the voices of a wide range of stakeholders with sincerity. The SDGs are a technical tool for addressing social issues, and if there's no motivation to improve or reform, various initiatives may get implemented but will not go any further. As an outside director, it's my role to supervise this process. From my perspective as a former banker, insurance companies are lucky that,



I thought it was important to show how to strike a balance between the “economic value base” and “financial accounting base” approaches in the Group Long-Term Vision.

—— Director Yamada

unlike ordinary companies, they get to operate in a regulated industry within the framework of various rules set by the national government. I believe the Company needs to continue to hear outside voices and to understand the differences in awareness with the public that arise from these perspectives.

Matsuyama

Compared to 2013 when I became a director, the mindset of executives and employees has changed considerably. It shows how deeply the sense of urgency has penetrated the Company. Financial institutions are currently facing a serious crisis. Competitors from outside the insurance industry, such as FinTech and InsurTech, have suddenly entered the market. That means today's insurance Group Long-Term Vision be driven out of business in 10 years. For this Group Long-Term Vision, driven by such a sense of urgency, we thought about questions such as how to take up new challenges and how to understand and visualize the T&D Insurance Group. We thought about how to define and grow the corporate value of the T&D Insurance Group while operating in the capital markets as a listed company. If we fail to do so, the Group is in danger of being weeded out by the market sooner or later, so I think our mindset has changed in this regard. It's also important to harness this sense of crisis to accelerate the changes. Mr. Higaki talked about insurance companies

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I think it was a big step forward that we approached governance of the Group as a whole in formulating Group Long-Term Vision.

—— Director Higaki

being in a regulated industry earlier, and I also believe that there has arisen a big difference between companies that have a sense of crisis and those that do not. Companies that do not have a sense of crisis will not survive the next 10 to 20 years. The Group is fortunate to have established a unique business model which has given us a sense of security until now. However, when we think of the next 10 years, we come to realize there's a high possibility we won't survive if we continue business as usual. As a first step, we have formulated Group Long-Term Vision based on that sense of crisis. Going forward, the important challenge of us will be how to instill this mindset throughout the Group and accelerate the changes at an even faster pace.

Ohgo

Going forward, it will also be important how to utilize digital technology. Our in-house sales representatives account for a significant portion of the added value we provide by directly explaining our products and services to customers through real-world channels. On the other hand, when we consider the fact that customer contact has become more difficult with the COVID-19 pandemic, and the fact that we are trying to improve efficiency, in the future we can expect more opportunities to use digital communication rather than face-to-face visits. Of course, the degree of difficulty of digital transformation varies depending on the nature of the business. Taiyo Life already offers *Sma-Hoken* (internet channel), and how to improve it will be one

issue going forward. I also think there are many aspects in *Sma-Hoken* that can be applied to Daido Life's business. Discussions of digital strategy can get overly detailed at times, but it can also be used to address the fundamental issue of what to do with our in-house sales representatives.

Future Challenges and Expectations

Matsuyama

We have identified the challenges we face in the discussion up to now. However, I am pretty sure that the market has doubts about whether the Group can really achieve the Group Long-Term Vision it has set out this time. The questions will be whether the T&D Insurance Group, which has continued without much change for the past 17 years, can really take a bold step forward, and whether the essence of the Group Long-Term Vision can be instilled throughout the organization or not. For example, the market is interested in whether we can really manage in line with capital efficiency. Therefore, it will be important to make steady progress implementing the Group Long-Term Vision. It is above all a basic principle of corporate governance that the Group Long-Term Vision is a commitment to the market, and that it's the mission of management to make this happen. It's a question of not just philosophy but execution. If the vision can't be implemented, the T&D Insurance Group, even with its favorable business model, may not survive. In that sense, I believe it's important for us as outside directors to play a role in conveying this sense of urgency and our outside perspectives on it. We will continue to do so with an expectation that the Group will make this Group Long-Term Vision a reality.

Ohgo

In terms of expectations, as we mentioned earlier, the seeds of new businesses have just begun to sprout. Both Taiyo Life and Daido Life were originally run on very unique business models, but no new businesses emerged for some time. Now that new businesses are sprouting again, I look forward to seeing sustained and continuous progress.

On the other hand, one challenge when creating something new and unique like this is human resources. We need to be a group where employees who are not traditional insurance people can flourish, which is why I believe the next challenge is how to attract and make good use of diverse talent.

Watanabe

The Group Long-Term Vision has been formulated in the expectation that the executives and employees, who are responsible for the reforms, will be excited about executing Group Long-Term Vision and that an atmosphere to make them feel the company is getting better will be fostered eventually.

Yamada

Going forward, since the Group Long-Term Vision was published with specific KPIs, I hope we'll seize the opportunity presented by our IR and SR activities to constructively exchange opinions with more stakeholders and work to achieve the goals of the Group Long-Term Vision while keeping our social responsibilities in mind. I believe this would help us make our presence as a public entity playing an essential role in society.

Higaki

I agree that we should be a company that grows through dialogue with diverse stakeholders and that can show them things that make them say "this is a good company." I feel that now is the beginning of a trend. We're really just getting started, but the fact that we've started is very important. We were able to start because there was a healthy sense of urgency in the business execution departments. Now that we have published a vision as a Group, we need to accomplish it. And we want to value the process, not just the tangible results. As I mentioned earlier, it's important to hone our ability to pick out what needs



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—— Director Watanabe

to be improved from the various opinion surveys we conduct. I believe that if we make it a company oriented towards young people, it will definitely be a good company. It is important to keep an advanced management by promoting regeneration. I want to help make a company where our recruits say, "I want to join the T&D Insurance Group because it's a good company with a good corporate culture."



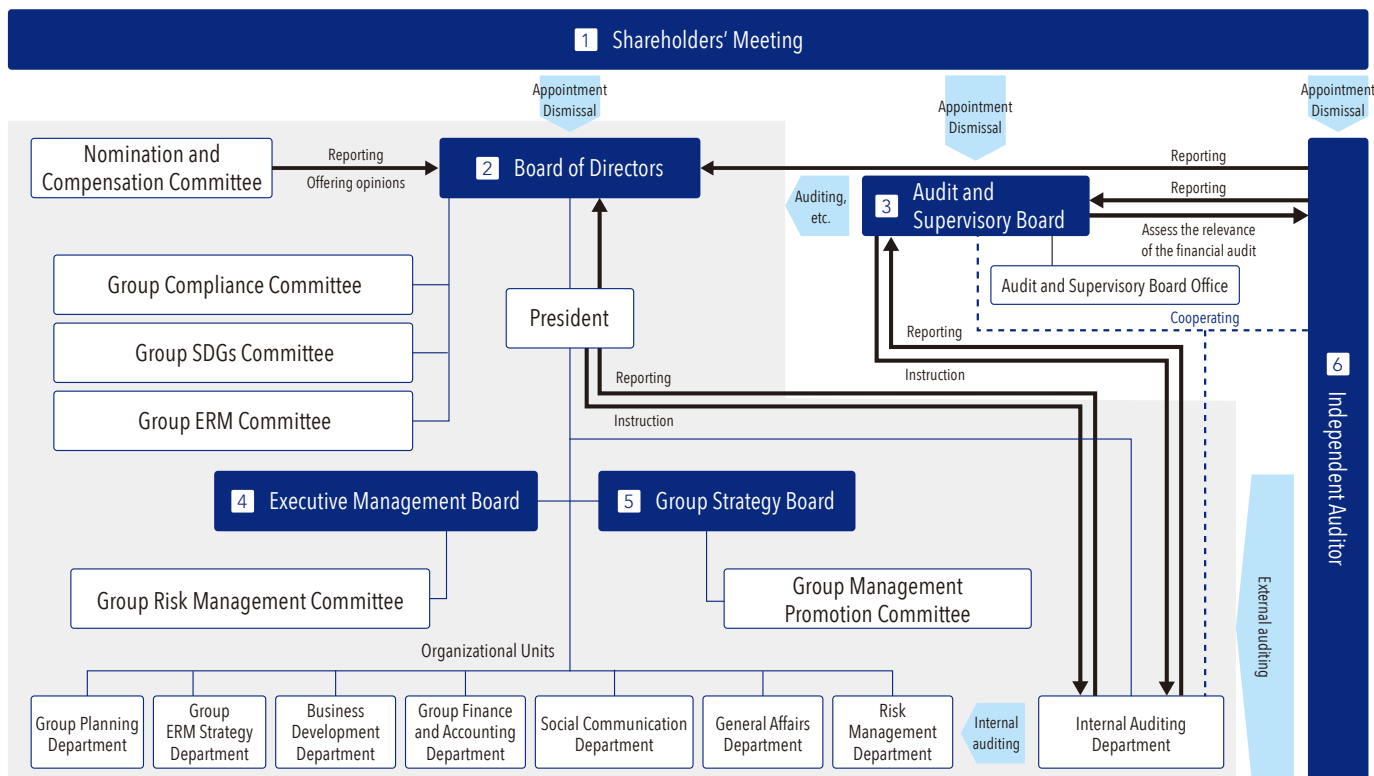
Corporate Governance

T&D Holdings has been enhancing its corporate governance on the basic approach of creating efficient and transparent management systems to facilitate flexible and cohesive group operations.

The Company values the purport of the Japan's Corporate Governance Code, which applies to listed companies, and has established the Basic Policy on Corporate Governance as an initiative in response to the major principles.

 Please refer to the Company's website for more details of the Basic Policy on Corporate Governance.
<https://www.td-holdings.co.jp/en/company/governance/>

Corporate Governance Framework



1 Shareholders' Meeting The Shareholders' Meeting is the highest decision-making entity of the Company. At the meeting, reports are made on the Group's business and consolidated/non-consolidated financial statements, and resolutions are made on important issues, which are stipulated in laws and ordinances and the Articles of Incorporation, such as the appropriation of retained earnings and election of officers. The Ordinary General Meeting of Shareholders is held once a year.

2 Board of Directors The Board of Directors is composed of all directors and makes important management decisions and oversees the execution of business in accordance with laws and ordinances, the Articles of Incorporation, and the Company's relevant rules. In addition, as a company with an Audit and Supervisory Board, some important business execution decisions are delegated from the Board of Directors to the directors themselves by resolution of the Board of Directors in accordance with the provisions of the Articles of Incorporation.

3 Audit and Supervisory Board The Audit and Supervisory Board is composed of Audit and Supervisory Board members, the majority of whom are outside directors. As an independent body entrusted by the Company's shareholders, the Audit and Supervisory Board fulfills its roles and responsibilities, including auditing the execution of duties by directors (excluding directors serving as Audit and Supervisory Board members) in accordance with laws and ordinances, the Articles of Incorporation, and the Company's relevant rules.

4 Executive Management Board The Executive Management Board deliberates and passes resolutions on important matters concerning the Company's management and the corporate management of the Group.

5 Group Strategy Board The Group Strategy Board deliberates on items mainly concerning Group growth strategies and important matters pertaining to those items from a Group-wide perspective in order to achieve sustained improvement in the Group's corporate value.

Committees Committees discuss the strategies and matters of the Company or those common to the Group.

6 Information related to the Independent Auditor (FY2020)

Category	Remuneration for audit certification services (¥ millions)	Remuneration for non-audit certification services (¥ millions)
Submitting company	192	10
Consolidated subsidiaries	222	13
Total	415	24

Promoting Group Management

T&D Holdings as a holding company is responsible for making decisions on Group strategies, allocating Group management resources appropriately, and formulating capital strategies. Along with this, the Company accurately grasps the management risks faced by its six Group companies centered on Taiyo Life, Daido Life, and T&D Financial Life, as well as T&D United Capital, T&D Asset Management, and Pet & Family Insurance (the “directly owned subsidiaries”) and works to build a Group business management system that ensures thorough risk-return

management for the Group as a whole.

The directly owned subsidiaries, with their own unique business strategies, aim to expand the Group’s corporate value by maximizing their uniqueness and specialization through determining marketing strategies and operating businesses in line with their strengths.

In this way, the Group is promoting flexible and cohesive group management by clarifying the respective roles and responsibilities of the Company and its directly owned subsidiaries.

Corporate Governance System

As a result of the resolution to amend the Articles of Incorporation at the Ordinary General Meeting of Shareholders held on June 25, 2020, the Company has transitioned to a company with an Audit and Supervisory Board. This transition will further strengthen the managerial functions (determination of management policies and overall strategy) and oversight functions of the Board of Directors, and further enhance the agility and efficiency of business execution.

The Audit and Supervisory Board, which consists of a majority of outside directors, will audit the business execution of the Company, and the Audit and Supervisory Board members, who are not involved in business execution, will have voting rights on the Board of Directors, thereby exercising highly independent

audit and oversight functions over the Board of Directors. In addition, the Board of Directors will focus on the oversight of business execution and further strengthen the corporate governance of the entire Group by clarifying the functions and roles of various meeting bodies and conducting prompt and effective deliberations based on their respective roles.

Furthermore, since 2015, the Company has established the Nomination and Compensation Committee as an advisory body to the Board of Directors to deliberate on the fairness and appropriateness of the appointment and dismissal of directors (including succession planning), directors’ compensation, and other matters, and to ensure management transparency and improve accountability.

Composition of Directors and the Board of Directors

The number of directors (excluding directors who are Audit and Supervisory Board members) of the Company shall be no more than nine and the number of directors who are Audit and Supervisory Board members shall be no more than five, as stipulated by the Articles of Incorporation. The Board of Directors is made up of individuals representing a balance of knowledge, experience and skills, and having diverse backgrounds as befitting the expansive range of business domains in the life insurance business which is the core business of the Group.

Moreover, the Company appoints two or more directors (excluding directors who are Audit and Supervisory Board

members) who concurrently serve at the Company and its directly owned subsidiaries. This shall be done from the standpoint of facilitating adequate communication and rapid decision-making within the Group, along with bolstering Group-wide governance.

Furthermore, the Company appoints five outside directors to appropriately reflect the opinions of individuals with extensive experience and knowledge in their capacity as outside corporate managers, legal experts, accounting specialists and so forth in the Group’s management policies and development of internal controls and other systems as well as in the oversight of the execution of business.



Composition of the Audit and Supervisory Board

The number of Audit and Supervisory Board members of the Company is limited to five as stipulated in the Articles of Incorporation, and the majority of them are outside Audit and Supervisory Board members. In addition, members include

persons with appropriate knowledge of finance and accounting. The Audit and Supervisory Board consists of all Audit and Supervisory Board members.

Corporate Governance

Details of discussions at the Board of Directors meeting

In accordance with the transition to a company with an Audit and Supervisory Board, some important business execution decisions are delegated from the Board of Directors to the directors by resolution of the Board of Directors pursuant to the provisions of the Articles of Incorporation. By doing so, the Company aims to separate management and oversight from business execution, and further strengthen the management functions (deciding on management policies and overall

strategy) and oversight functions of the Board of Directors. As the number of items on the Board of Directors' agenda has been reduced compared to that prior to the transition, the Board of Directors is now able to allocate more time to the deliberation of important agenda items such as the Group's management policies and overall strategy, including the formulation of the Group Long-Term Vision announced in May 2021.

Key themes discussed at the fiscal 2020 Board of Directors meeting

Management Strategy and Growth Strategy	<ul style="list-style-type: none"> • Formulation of the Group long-term vision • Post-pandemic Group growth strategy • Planning and monitoring of investment in new businesses 	<ul style="list-style-type: none"> • Sustainability Initiatives • Monitoring of the medium-term management plan • Review of strategic shareholdings and reduction policy and plans
Finance and Account Settlement	<ul style="list-style-type: none"> • Budget planning and monitoring 	<ul style="list-style-type: none"> • Verification of appropriateness of financial results
Shareholder Returns and Dialogue with Shareholders	<ul style="list-style-type: none"> • Formulation of dividend and share buyback policies • Status of investor relations and shareholder relations activities 	<ul style="list-style-type: none"> • Formulation of operating policies for Shareholders' Meeting
Governance	<ul style="list-style-type: none"> • Transition to a company with an Audit and Supervisory Board • Matters related to officers (selection of representative directors, appointment of officers of directly owned subsidiaries, etc.) 	<ul style="list-style-type: none"> • Evaluation of the effectiveness of the Board of Directors • Summary of discussions at the Nomination and Compensation Committee
Risk Management	<ul style="list-style-type: none"> • Impact of the spread of COVID-19 and countermeasures • Operating status of the internal control system 	<ul style="list-style-type: none"> • Internal audit policy and verification of results • Compliance status of the Group

Effectiveness Evaluation of the Board of Directors

To ensure the effectiveness of the Board of Directors as a whole (including the voluntary Nomination and Compensation Committee), the Company conducts an annual performance review of the Board of Directors as a whole based on the self-evaluations of individual directors. The performance review examines whether the Board of Directors is functioning

appropriately and producing results, and how the Board of Directors is contributing to increasing the Company's corporate value over the medium- to long term. Based on this effectiveness evaluation, we will work on further enhancing the oversight functions and the decision-making process of the Board of Directors.

Summary of the evaluation of the effectiveness of the Board of Directors as a whole in fiscal 2020

1. Evaluation procedures	Based mainly on self-evaluations (questionnaire) of directors, as well as interviews, we analyzed and evaluated the overall effectiveness of the Board of Directors in fiscal 2020.	
2. Evaluation items (5 items)	(i) Function of the Board of Directors (ii) Composition of the Board of Directors (iii) Operation of the Board of Directors (iv) Provision of information to Outside Directors / Audit & Supervisory Board members (v) Overall assessment	
3. Overall assessment	The Company considers the Board of Directors of the Company is generally performing its roles and responsibilities effectively as a whole, through the enforcement of advance measures prior to actual discussions at the Board of Directors and the improvement of the operation of the Board of Directors, etc.	
4. Improvement status of issues recognized in the previous evaluation	The items recognized as issues in the fiscal 2019 evaluation have, for the most part, been improved. Those items included the further enhancement of discussions mainly on Group management strategies from the perspective of integrated Group management, further examination of discussion items by the Nomination and Compensation Committee, and development of concise and easy-to-understand materials and improved explanations.	
5. Issues and initiatives going forward	<p>Issues</p> <p>Regarding the development of a framework for enhancing the effectiveness of the Board of Directors, the Company continues to recognize the necessity for improvement.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • Enhancement of the functions of the Nomination and Compensation Committee • Continual review of the composition of the Board of Directors • Further description of information necessary to deepen discussions at Board of Directors meetings and preparation of easy-to-understand materials that focus on key points • Efficient operation of the Board of Directors, etc. 	

Nomination and Compensation Committee

The Nomination and Compensation Committee was established in January 2015 as a voluntary advisory body to the Board of Directors to deliberate on the fairness and appropriateness of the appointment, dismissal, and compensation of directors, Audit and Supervisory Board members, and executive officers (including succession planning), as well as to strengthen the corporate governance system of the Company and the Group by ensuring the

transparency of management and enhancing accountability.

The Committee consists of the President and at least three outside directors, and a majority of members are assigned from outside directors to enhance independence, objectivity, and accountability. Furthermore, the chair of the Committee is chosen out of outside directors by mutual vote of the Committee's members.

Nomination and Compensation Committee — Main topics of discussion/reporting in fiscal 2020

1st	<ul style="list-style-type: none"> • Selection and appointment of directors not serving as Audit and Supervisory Board members, directors serving as Audit and Supervisory Board members, and directors serving as substitute Audit and Supervisory Board members, and selection of representative directors and directors with executive titles • Selection and appointment of director candidates, Audit & Supervisory Board member candidates, and executive officers at directly owned subsidiaries • Establishment of maximum amount of compensation for directors not serving as Audit and Supervisory Board members
2nd	<ul style="list-style-type: none"> • Results of fiscal 2019 evaluation of directors and executive officers • Results of fiscal 2019 evaluation of representative directors of directly owned subsidiaries • Company officer regulations concerning mainly executive benefits
3rd	<ul style="list-style-type: none"> • Selection of outside directors to serve on the Nomination and Compensation Committee
4th	<ul style="list-style-type: none"> • Selection of the chair of the Nomination and Compensation Committee
5th	<ul style="list-style-type: none"> • Succession plan
6th	<ul style="list-style-type: none"> • Company officer regulations concerning mainly executive benefits at directly owned subsidiaries
7th	<ul style="list-style-type: none"> • Change of president of directly owned subsidiary (Daido Life)
8th	<ul style="list-style-type: none"> • Selection and appointment of executive officers • Selection and appointment of executive officers at directly owned subsidiaries • Revision of the Basic Policy on Corporate Governance in accordance with the revision of the Companies Act
9th	<ul style="list-style-type: none"> • Selection and appointment of directors and executive officers at directly owned subsidiaries

Board of Directors Skills Matrix

The Company will ensure a balance of the necessary expertise and experience in terms of the three main functions of the Board of Directors (overall strategy formulation function, oversight function, and business management function) to enable the Board of Directors to further perform its functions.

The Company ensures a balance of expertise and experience

on the Board of Directors as a whole. For this reason, we select and appoint outside directors who have experience in corporate management, finance, legal affairs, and other areas outside the Group, and appoint internal directors who have expertise and experience appropriate to the broad business domains of the life insurance business, which is the Group's core business.

	Name	Position at the Company	Nomination and Compensation Committee	Expertise and experience particularly anticipated from the Outside Directors			
				Corporate management	Capital and Financial markets	Finance and accounting	Legal affairs and risk management
Outside Directors	Naoki Ohgo	Director	●	●	●		
	Kensaku Watanabe	Director	●				●
	Haruka Matsuyama	Director (Audit and Supervisory Committee Member)	●				●
	Seiji Higaki	Director (Audit and Supervisory Committee Member)		●	●		
	Shinnosuke Yamada	Director (Audit and Supervisory Committee Member)				●	

	Name	Position at the Company	Nomination and Compensation Committee	Expertise and experience particularly anticipated from the Internal Directors				
				Planning and business strategy	Sales and marketing	Asset management	Finance and accounting	Legal affairs and risk management
Inside Directors	Hirohisa Uehara	Representative Director and President	●	●	●	●		
	Kanaya Morinaka	Representative Director and Executive Vice President		●	●			
	Mitsuhiro Nagata	Director and Senior Managing Executive Officer					●	●
	Naoki Soejima	Director		●	●	●		
	Mutsuro Kitahara	Director		●	●	●		
	Junichi Yanai	Director (Full-time Audit and Supervisory Committee Member)					●	●
	Yasuo Teraoka	Director (Full-time Audit and Supervisory Committee Member)					●	●

* The Company intends to utilize knowledge from outside the Company through such initiatives as inviting talent with expertise and experience in areas other than the above to advisory committees in each field (e.g. digital and SDGs), which will be established, as necessary.

Corporate Governance

Determination of compensation

▣ Policies on determining compensation

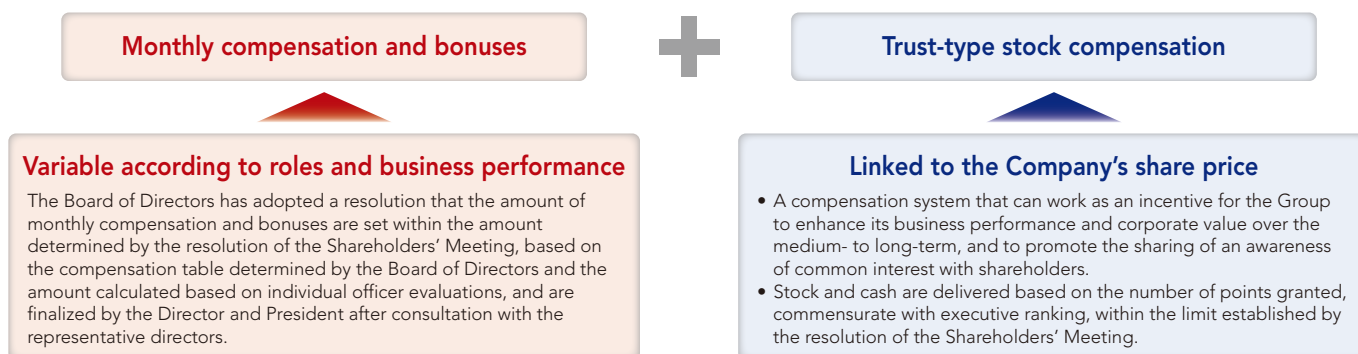
The Company's policy on executive compensation is set out in our Basic Policy on Corporate Governance.

Composition of executive compensation

Our executive compensation system is designed to function as a sound incentive geared towards boosting the Group's medium- to long-term earnings and enhancing corporate value.

Compensation for directors (excluding outside directors, part-time directors, and directors serving as Audit and

Supervisory Board members) has three components: (1) monthly compensation, (2) bonuses, and (3) trust-type stock compensation (non-residents of Japan are excluded). Both (1) and (2) vary depending on role and performance, while (3) utilizes a trust scheme. Compensation for part-time directors, including outside directors, is comprised of monthly fixed compensation.



Individual officer evaluations

Individual evaluations of officers are based on an assessment of the Company's performance and an evaluation of the division the officer is in charge of, in accordance with the evaluation criteria decided on by the Board of Directors. The Nomination and Compensation Committee deliberates on these evaluations, and the Director and President determines the results after consultation with the representative directors.

▣ Calculation method

Assessment of Company performance

- To clarify the assessment according to how much progress has been made on achieving Company targets, total shareholder return (TSR) is used as a benchmark to assess the Company's performance, alongside a number of other performance indicators based on the Company's medium- to long-term management strategy.
- For performance indicators, a coefficient according to the achievement rate for each item is multiplied to yield a score.
- For TSR, the score is calculated based on the rate of divergence between the Company's figure and those of listed life insurance companies set as the benchmark.

Evaluation of the division the officer is in charge of

- A score is calculated for each division based on how much progress has been made on the achievement of the execution plan for the division the officer is in charge of.

The evaluation weightings of the Company performance assessment and the evaluation of the division the officer is in charge of are set according to the responsibilities of each officer in accordance with the criteria established by the Board of Directors and used to compute a weighted average. Note that the representative director's evaluation weighting for the Company performance assessment is 100%.

The individual evaluations of each officer, as calculated above, are discussed by the Nomination and Compensation Committee and finalized by the president following consultation with the representative directors.

Key performance indicators of Company performance (FY 2020)

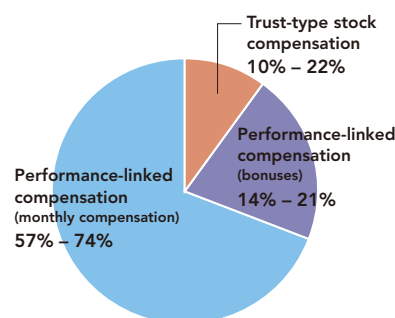
	Target	Actual	Achievement ratio
Value of new business	¥ 86.3 billion	¥ 143.4 billion	166.1%
Corporate value (Group MCEV)	¥2,761.0 billion	¥3,377.6 billion	122.3%
Group adjusted profit	¥ 70.0 billion	¥ 77.9 billion	111.2%

Actual TSR performance for the single fiscal year is 166.5% and 155.1% over five years.

Payment ratios by type of compensation

In terms of the compensation structure for directors, we assign ratios to performance-linked compensation (monthly and bonuses) and the trust-type stock compensation so the system can function as a sound incentive geared towards boosting the Group's medium- to long-term earnings and enhancing corporate value.

For monthly compensation, the ratio fluctuates either negatively or positively by roughly 5% on the basis of a standard assessment according to the individual officer evaluation. For bonuses, the ratio fluctuates either negatively or positively by roughly 40% on the basis of a standard assessment according to the individual officer evaluation.



■ Total amounts of compensation by officer category and compensation type (FY 2020)

Category	Monthly compensation		Reserve for bonuses		Trust-type stock compensation, the Board Incentive Plan (BIP) Trust		Total compensation	
	Persons receiving compensation	Amount (¥ millions)	Persons receiving compensation	Amount (¥ millions)	Persons receiving compensation	Amount (¥ millions)	Persons receiving compensation	Amount (¥ millions)
Directors not serving as Audit and Supervisory Board members (excluding outside directors)	10	153	4	42	4	45	10	241
Directors serving as Audit and Supervisory Board members (excluding outside directors)	2	44	0	—	0	—	2	44
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	2	13	0	—	0	—	2	13
Outside directors not serving as Audit and Supervisory Board members	4	22	0	—	0	—	4	22
Outside directors serving as Audit and Supervisory Board members	3	27	0	—	0	—	3	27
Outside Audit & Supervisory Board members	2	4	0	—	0	—	2	4
Total	23	266	4	42	4	45	23	354

- Monthly compensation and reserve for bonuses for directors (excluding part-time directors including outside directors, and directors serving as Audit and Supervisory Board members) are performance-linked compensation, and trust-type stock compensation is non-monetary compensation. For directors not serving as Audit and Supervisory Board members (excluding part-time directors including outside directors; seven directors), the total amount of performance-linked compensation is ¥167 million, and the total amount of non-monetary compensation is ¥45 million.
- The Company transitioned from a company with Board of Auditors to a company with an Audit and Supervisory Board on June 25, 2020.
- The number of persons receiving compensation and the amount of compensation shown above include those for three directors and two Audit & Supervisory Board members who retired at the conclusion of the 16th Ordinary General Meeting of Shareholders held on June 25, 2020. As of March 31, 2021, the Company had nine directors not serving as Audit and Supervisory Board members and five directors serving as Audit and Supervisory Board members.
- The number of directors not serving as Audit and Supervisory Board members and outside directors not serving as Audit and Supervisory Board members and the amount of their compensation include those who served as directors prior to the transition to a company with an Audit and Supervisory Board.
- The sum of the number of persons receiving compensation in the table above is the total number of persons receiving compensation.
- The amount of trust-type stock compensation shows the recorded amount of expenses related to the points granted during the fiscal year ended March 31, 2021 based on the executive compensation system.
- Compensation for individual officers is not stated because no officer received total consolidated compensation of ¥100 million or more.

Process for determining compensation

The Nomination and Compensation Committee discusses important decisions and changes concerning benefits and the like for officers of the Company and its directly owned subsidiaries, reports the results of those discussions to the Board of Directors, and offers its opinions when necessary. For monthly

compensation and bonuses, individual amounts are determined based on individual officer evaluations based on deliberations by the Nomination and Compensation Committee and the compensation table decided on by the Board of Directors.

Appropriateness of compensation levels

The amount of compensation for directors is determined considering the responsibilities of directors as well as various other circumstances such as the recent economic situation.

With regard to the level of compensation, the Company participates in several surveys on executive compensation conducted by external research organizations to verify the appropriateness.

Maximum amount of compensation for directors after the transition to a company with an Audit and Supervisory Board

The maximum amount of compensation for directors was determined at the 16th Ordinary General Meeting of Shareholders held on June 25, 2020, as shown on the right.

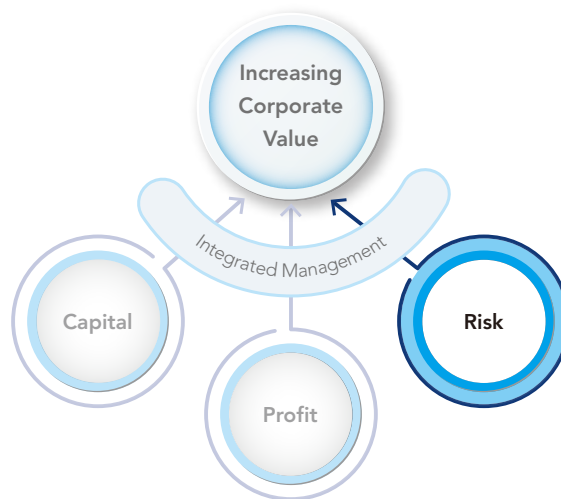
Maximum amount of compensation	Amount	Number of persons*
Directors not serving as Audit and Supervisory Board members	¥450 million per year	9
Of which, outside directors	¥40 million per year	2
Directors serving as Audit and Supervisory Board members	¥150 million per year	5
Maximum amount of funds to be contributed to the trust for trust-type stock compensation (covering the three fiscal years from fiscal 2018 to fiscal 2020)	Amount	Number of persons*
Directors not serving as Audit and Supervisory Board members	¥500 million	4
Total number of points to be granted under trust-type stock compensation	Points	Number of persons*
Directors not serving as Audit and Supervisory Board members	215,000 points per year	4

* Number of eligible directors as of the end of the 16th Ordinary General Meeting of Shareholders

Risk Management

► **Integrated risk management (ERM)**

The T&D Insurance Group has established the ERM structure to integrally manage capital, profit and risk in order to boost stable revenues, while grasping the status of its risks and ensuring management soundness. Among them, the Group manages risks as follows.



► **Basic concept for risk management**

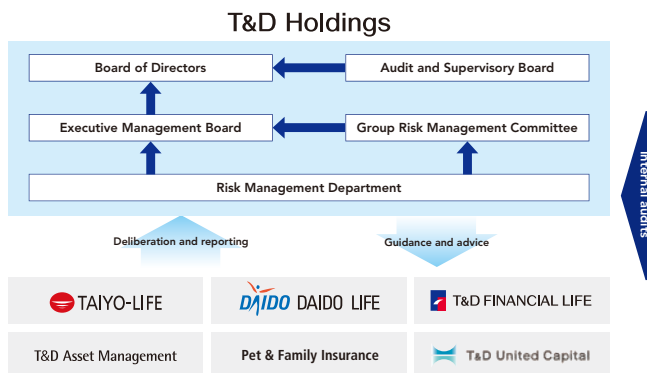
At the T&D Insurance Group, T&D Holdings has formulated a Group Risk Management Policy setting forth the Group’s basic approach to risk management and, based on this policy, the direct subsidiaries have developed their risk management system that covers their affiliates as well.

T&D Holdings has established a Group Risk Management Committee and manages risks within the Group. The Committee receives reports, regularly and as required, on risks assessed

using uniform economic value-based risk management indicators, from the direct subsidiaries, in order to identify and manage the various types of risks faced by the Group companies. Based on the report received, T&D Holdings reports on these risks to the Board of Directors and provides guidance and advice to the Group companies as necessary, thereby ensuring that proper risk control is implemented at each company and strengthening the risk management system for the entire Group.

► **Risk management**

In light of the social and public nature of the life insurance business, the T&D Insurance Group views risk management as a key priority issue in order to ensure sound and adequate business management. Under overall control by the holding company, T&D Holdings, each Group company implements the necessary risk management suited to their respective business model and risk profiles based on the principle of self-responsibility.



► **Risk awareness and assessment (risk profile)**

The T&D Insurance Group uses a risk profile* to comprehensively categorize risks surrounding the Group, in order to respond to increasingly diverse and complex risks. We comprehensively identify risks, ascertain and assess them, and use them to prioritize initiatives in light of comprehensive factors including severity, impact, and the degree to which they are under control. The risks are reflected in management planning as necessary.

As a rule, we review our risk profiles twice a year in order to accurately recognize and ascertain emerging severe risks, as well as major changes to previously recognized risks and the gap between in-house/ the industry’s customs and the world. We report our findings to the Group Risk Management Committee and the Board of Directors.

* Risk profile is a general risk management tool to characterize risks from various factors such as nature and magnitude.

► Risk classification and responses

The T&D Insurance Group classifies various management risks as shown below, including disruption in financial markets, large-scale disasters, pandemics, climate change and cyber attacks. Risk management policies have been established for each of these risks, and efforts are made to prevent these risks from occurring or to confine them within certain acceptable levels.

The risks we see as important in connection with our Group's business are as follows:

• Risks as a holding company

- ✓ Risk related to reliance on the performance of the life insurance business
- ✓ Risk related to dividend income
- ✓ Risk related to expanding scope of operations
- ✓ Risk related to regulatory changes

Examples of efforts

✓ Risk related to reliance on the performance of the life insurance business

The Group is heavily reliant on the performance of its three life insurance companies. Therefore, if the business circumstances of any of the three life insurance companies change, and/or the roles or positions of any of the three life insurance companies change, the Group's performance and financial condition could be adversely affected.

(Responses)

- The Board of Directors gives the necessary advice and support on the performance of the three companies, together with monitoring budget variance management and progress of the management plan.
- The diversification and optimization of business portfolio is promoted as a pillar of the growth strategy in the Group Long-Term Vision.

• Business risks

	Risk taking policies	Risk management policies
(1) Insurance underwriting risk	Based on an awareness of the major impact that the life insurance underwriting of a life insurance company has on business over the long-term, the Group fully analyzes and checks risk profiles, and risk and return characteristics, both of which differ depending on products, formulating product strategies.	Based on an awareness of the major impact that life insurance underwriting has on business over the long-term, the Group determines, analyzes, and assesses the insurance underwriting risk and carries out appropriate controls.
(2) Investment risk	To make sure to pay insurance claims in the future, the Group sufficiently secures assets with optimal characteristics (current maturity, liquidity and others) and develops asset management strategies with a full consideration to liability characteristics and risk tolerance. <ul style="list-style-type: none"> • Interest rate risks have a significant impact on the change of surplus due to the long-term nature of insurance liabilities; therefore, the Group strives to reduce such risks given their financial accounting-based and economic value-based effects. 	Investment risks are classified as market risks (fluctuations in interest rates, share prices and exchange rates), credit risks (deterioration of the financial conditions of an entity to which credit is provided) and real estate investment risks (decrease in profits and price related to real estate). Optimal risk controls are taken in accordance with the characteristics of each asset.
(3) Operational risk	The Group strives to prevent risks from occurring and reducing them not to harm its corporate value.	The system to control operational risks such as administrative and system risks is established.
(4) Affiliate and other entity risk	The Group analyzes and checks the soundness, profitability and risk and return characteristics of the business as well as assesses the appropriateness and reasonableness of investment. Then, the Group develops business investment strategies considering their financial accounting-based and economic value-based effects.	Risks are properly controlled through assessing the income/expenditure situation as well as the potential for the occurrence of various risks at subsidiaries, affiliates, and other business investments.
(5) Liquidity risk	The Group secures a certain level of liquidity and establishes a structure that enables a smooth securitization of assets to respond to liquidity risks.	The status of financing is categorized depending on its severity level. By determining a controlling method according to each category, the Group secures a certain level of liquidity and establishes a structure that enables a smooth securitization of assets for fund preparation.
(6) Reputational risk	The Group strives to prevent risks from occurring and reducing them not to harm its corporate value.	Information related to reputational risks is collected, and responses to reputational risks and a reporting system are clarified.

► Action on integrated risk management

The Group categorizes and quantifies various risks that surround the Group, and controls them using the Economic Solvency Ratio (ESR), a risk indicator based on economic value. It also practices appropriate control of risks in the business as a whole, including un-quantified risks, in order to tackle integrated risk management that leads to attainment of management goals.

1. Risk quantification

The Group employs internal models to gauge asset management risks, insurance underwriting risks, and operational risks. Specifically, we use “value at risk” as an indicator for these risks, and with a measurement period of one year and a confidence level of 99.5%, we calculate the loss value which is considered as the risk volume.

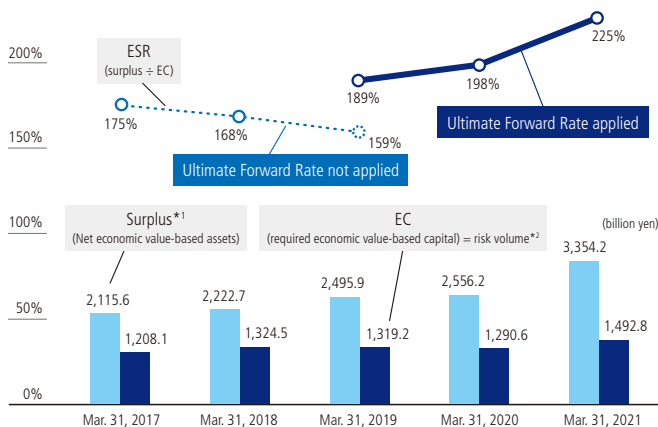
(Unit: billion yen)

	As of March 31, 2020	As of March 31, 2021	Change
Insurance underwriting risk (domestic)	944.0	907.3	(36.7)
Investment risk	1,169.4	1,323.1	+153.7
Insurance underwriting risk (overseas)*1	8.2	188.9	+180.7
Operational risk	85.9	85.5	(0.3)
Affiliate and other entity risk	25.2	27.4	+2.1
Variance effect, etc.	(942.2)	(1,039.5)	(97.3)
Total risk volume*2	1,290.6	1,492.8	+202.2

*1 Records business investment risks including insurance underwriting risks related to overseas insurance companies subject to investments (internally booked as affiliate and other entity risk)
 *2 The economic value based risk volume (after variance effect) calculated by the internal model (measurement period 1 year, VaR 99.5%).

2. Risk control

The Economic Solvency Ratio (ESR), a risk indicator based on economic value, is calculated by dividing the net assets (surplus) found by subtracting liabilities from economic value-based assets by the risks quantified as above (economic capital). We ensure financial soundness and capital adequacy by controlling the EC within a certain range of surplus, while also applying the current finance supervision system concerning soundness. The ESR is managed monthly and reported to the Group Risk Management Committee and the Board of Directors along with other risk reviews.



*1 Difference between assets, evaluated on an economic value basis, and liabilities. Evaluation of assets and liabilities is calculated using basically the same assumptions as for MCEV. The capital cost rate used as the risk margin is set as 5%. In addition to applying the Ultimate Forward Rate since the end of March 2019, subordinated debt is added into the surplus (¥170 billion at the end of March 2021).
 *2 The economic value based risk volume (after variance effect) calculated by the internal model (measurement period 1 year, VaR 99.5%). Necessary capital for MCEV is evaluated by the same internal model.

3. Stress test implementation

We strive to keep track of a wide range of risks, to make sure we can also handle risks not fully grasped by quantification, while also controlling quantified risks. We run stress tests to check the impacts of widely identified risks, and of severe shocks which exceed expectations, such as major worsening

of financial markets or large-scale disasters. We analyze the results of stress tests and check our countermeasures etc. in advance, and we build a framework that can maintain our soundness in all kinds of situations.

► Cyber security initiatives

The Group recognizes that one of the important tasks of management is properly protecting and managing information assets in compliance with laws and regulations. This specifically involves protecting information assets from increasingly sophisticated cyber threats. To fulfill our social responsibilities as a company engaged in life insurance business and other businesses, we have formulated our Group Information Security Policy and Rules on the Group's Cyber Security Management and made engagement in cyber security mandatory for all executives and employees. Cyber attacks etc. have the potential to stop systems and impede our operations, and to cause leakage of important information.

In particular, in order to provide even safer services to customers, we utilize security tools to conduct round-the-clock monitoring of cyber threats that target financial institutions, which have increased in recent years in both frequency and sophistication. We have also established the cross-organizational Group Computer Security Incident Response Team (CSIRT) along with company-level CSIRT teams, which collect information, conduct

analysis and implement measures in connection with cyber attacks. In addition, we conduct Group- and company-level drills and participate in industry-wide drills and training. Issues identified through these drills are reflected in our response procedures and manuals to strengthen our practical responsiveness.

Along with conducting multi-layered security measures (entrance, exit, and internal), we regularly receive diagnostic security evaluations from independent institutions and promptly implement the necessary measures. In addition, we bring in outside experts to educate group management on the latest trends in cyber security, and are working to raise awareness of cybersecurity risks. Executives and employees also receive training on information security and cyber security and drills are continually conducted on handling suspicious email in order to further raise security literacy.

The Internal Auditing Department verifies whether these systems are functioning effectively and reports the results to the Board of Directors.

Compliance

► Basic compliance policies

The Group has formulated the T&D Insurance Group CSR Charter, the T&D Insurance Group Compliance Code of Conduct, and the T&D Insurance Group Basic Policy for Strengthening the Compliance Structure. The Group ensures that executives and employees are conversant with these basic

policies and standards to promote rigorous Group-wide compliance efforts.



Please see the Company's website for more detail of the Compliance Promotion System.
<https://www.td-holdings.co.jp/en/company/governance/compliance.html>

► Basic policies to block relationships with antisocial forces

In its Group Compliance Code of Conduct, the Group defines its policy toward antisocial forces as to "reject and stringently respond to any antisocial forces which threaten the order and safety of the civil society." In accordance with this policy, the Group has formulated "T&D Insurance Group Basic Policy for

Responding to Antisocial Forces," and has announced this on the Company's website.



T&D Insurance Group Basic Policy for Responding to Antisocial Forces (Japanese only)
<https://www.td-holdings.co.jp/information/antisocial-forces.html>

► Accountability

The Company works to disclose information in line with the basic concept of striving to increase the transparency of management by appropriately and timely disclosing corporate information, including appropriate financial information and non-financial information regarding management strategies, management priorities and other matters.

In specific terms, the Company strives to provide easy-to-understand disclosure based on the fair disclosure rules of timeliness, fairness and accuracy in order to maintain and reinforce trust among all of its stakeholders, including customers, shareholders, employees, insurance agents, business partners, and local communities, and to increase the level of management transparency.

► Internal reporting system

The T&D Insurance Group has created a Group-wide internal reporting system, the T&D Group Help Line, which is intended to serve as a conduit for reports from any executive or Group employee on instances of illegal behavior and other compliance

infractions that may damage the Group's credibility or reputation. The system helps to forestall if possible the occurrence of such events and quickly assess and remedy the situation if not.

Management Organization

Board of Directors (as of June 25, 2021)



Representative Director and President

Hirohisa Uehara

Personal history

Apr 1984 Joined Taiyo Life
 Jan 2005 General Manager of Investment Planning Department of Taiyo Life
 Feb 2005 Director of T&D Asset Management
 Apr 2007 General Manager of Group Planning Department of T&D Holdings
 Apr 2010 Director of T&D Asset Management
 Apr 2011 Executive Officer and General Manager of Group Planning Department of T&D Holdings
 Apr 2012 Director of T&D Financial Life
 Apr 2014 Executive Officer of Taiyo Life
 Jun 2014 Director and Executive Officer of Taiyo Life
 Apr 2015 Director and Managing Executive Officer of Taiyo Life
 Apr 2016 Director and Senior Managing Executive Officer of Taiyo Life
 Apr 2017 Director of Taiyo Life
 Executive Vice President of T&D Holdings
 Jun 2017 Director of T&D Financial Life
 Representative Director and Executive Vice President of T&D Holdings
 Apr 2018 Representative Director (current)

Number of the Company's shares held*1	46,500
Attendance to the Board of Directors' meetings*2	16 / 16



Representative Director and Executive Vice President

Kanaya Morinaka

Personal history

Apr 1984 Joined Daido Life
 Apr 2010 Executive Officer of Daido Life
 Apr 2013 Managing Executive Officer of Daido Life
 Jun 2015 Director and Managing Executive Officer of Daido Life
 Apr 2017 Director and Senior Managing Executive Officer of Daido Life
 Jun 2019 Representative Director and Senior Managing Executive Officer of Daido Life
 Apr 2020 Director of Daido Life (current)
 Executive Vice President of T&D Holdings
 Jun 2020 Representative Director and Executive Vice President of T&D Holdings (current)
 Jun 2021 Director of T&D Financial Life (current)

Significant concurrent positions
 Director of Daido Life
 Director of T&D Financial Life

Number of the Company's shares held*1	25,200
Attendance to the Board of Directors' meetings*2	13 / 13



Director and Senior Managing Executive Officer

Mitsuhiro Nagata

Personal history

Apr 1985 Joined Daido Life
 Apr 2008 General Manager of Profit Management and Actuarial Department of Daido Life
 Apr 2011 Executive Officer of Daido Life
 Apr 2015 Managing Executive Officer of Daido Life
 Jun 2015 Director and Managing Executive Officer of Daido Life
 Apr 2017 Managing Executive Officer of T&D Holdings
 Apr 2018 Director of Daido Life
 Senior Managing Executive Officer of T&D Holdings
 Jun 2018 Director of T&D Financial Life
 Director and Senior Managing Executive Officer of T&D Holdings (current)
 Jul 2019 Director of T&D United Capital
 Apr 2020 Director and Senior Managing Executive Officer of Daido Life (current)

Significant concurrent positions
 Director and Senior Managing Executive Officer of Daido Life

Number of the Company's shares held*1	24,300
Attendance to the Board of Directors' meetings*2	15 / 16



Director (part-time)

Mutsuro Kitahara

Personal history

Apr 1982 Joined Daido Life
 Apr 2008 General Manager of Planning Department of Daido Life
 Apr 2010 Executive Officer of Daido Life
 Apr 2013 Managing Executive Officer of Daido Life
 Jun 2013 Director and Managing Executive Officer of Daido Life
 Apr 2015 Managing Executive Officer of T&D Holdings
 Apr 2016 Director and Senior Managing Executive Officer of Daido Life
 Apr 2017 Senior Managing Executive Officer of T&D Holdings
 Jun 2019 Representative Director and Senior Managing Executive Officer of Daido Life
 Apr 2020 Representative Director and Executive Vice President of Daido Life
 Apr 2021 Representative Director and President of Daido Life (current)
 Jun 2021 Director of T&D Holdings (current)

Significant concurrent positions

Representative Director and President of Daido Life

Reasons for selection

Mr. Mutsuro Kitahara has business experience in the Group mainly in products, planning, and human resources, and is currently serving as Representative Director and President of Daido Life Insurance Company. He is expected to fulfill the roles mainly of supervising key management decisions and the execution of business by utilizing his extensive management knowledge and experience in the Group's holding company and insurance company, which includes being in charge of corporate planning, risk management, and internal auditing units.

Number of the Company's shares held*1	30,600
Attendance to the Board of Directors' meetings*2	—



Director (Audit and Supervisory Board Member (Full-Time))

Junichi Yanai

Personal history

Apr 1984 Joined Taiyo Life
 Apr 2016 General Manager of Financial Loan Department of Taiyo Life
 Jun 2017 Audit & Supervisory Board Member of Taiyo Life (current)
 Audit & Supervisory Board Member of T&D Holdings
 Jun 2020 Director (Audit and Supervisory Board Member (Full-Time)) of T&D Holdings (current)

Significant concurrent positions

Audit & Supervisory Board Member of Taiyo Life

Number of the Company's shares held*1	9,300
Attendance to the Board of Directors' meetings*2*3	16 / 16
Attendance to Audit and Supervisory Board meetings*2	14 / 14



Director (Audit and Supervisory Board Member (Full-Time))

Yasuo Teraoka

Personal history

Oct 2000 Joined Daido Life
 Apr 2011 General Manager of Market & Alternative Investment Department of Daido Life
 Apr 2013 Executive Officer of Daido Life
 Apr 2015 Executive Officer of T&D Holdings
 Jun 2018 Audit & Supervisory Board Member of Daido Life (current)
 Audit & Supervisory Board Member of T&D Holdings
 Jul 2019 Audit & Supervisory Board Member of T&D United Capital (current)
 Jun 2020 Director (Audit and Supervisory Board Member (Full-Time)) of T&D Holdings (current)

Significant concurrent positions

Audit & Supervisory Board Member of Daido Life

Audit & Supervisory Board Member of T&D United Capital

Number of the Company's shares held*1	21,700
Attendance to the Board of Directors' meetings*2*3	16 / 16
Attendance to Audit and Supervisory Board meetings*2	14 / 14



Director (outside officer, part-time)

Naoki Ohgo

Personal history

Apr 1985 Joined McKinsey & Company, Inc.
 Jul 1999 Partner of McKinsey & Company, Inc.
 Jul 2005 Executive Officer of GE Consumer Finance K. K. (current Shinsel Financial Co., Ltd.)
 Aug 2008 Representative Director of Root F Co., Ltd. (current)
 Jun 2017 Director of T&D Holdings (current)

Significant concurrent positions
 Representative Director of Root F Co., Ltd.
 Director of Orient Corporation

Reasons for selection

Mr. Naoki Ohgo possesses advanced expertise and a wide range of knowledge gained through his tenure as a partner in a foreign consulting firm, followed by his current position of Representative Director of Root F Co., Ltd. where he utilizes his global perspective and high level of insight to provide consulting services mainly in the financial field. He is expected to fulfill the roles mainly of supervising key management decisions and the execution of business from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	2,400
Attendance to the Board of Directors' meetings*2	15 / 16



Director (outside officer, part-time)

Kensaku Watanabe

Personal history

Mar 1997 Registered as an Attorney
 Apr 1997 Joined Okazaki, Ohashi & Maeda (current Tokei Partners)
 Jan 2006 Partner of Tokei Partners (current)
 Jun 2016 Audit & Supervisory Board Member of T&D Financial Life
 Jun 2020 Director of T&D Holdings (current)

Significant concurrent positions
 Attorney

Reasons for selection

Mr. Kensaku Watanabe possesses significant expertise and extensive insight as an attorney at law specialized in corporate legal affairs. He is expected to fulfill the roles mainly of supervising key management decisions and the execution of business from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	200
Attendance to the Board of Directors' meetings*2	13 / 13



Director (part-time)

Naoki Soejima

Personal history

Apr 1981 Joined Taiyo Life
 Oct 2008 General Manager of Marketing Planning Department of Taiyo Life
 Apr 2009 Executive Officer of Taiyo Life
 Apr 2011 Managing Executive Officer of Taiyo Life
 Jun 2011 Director and Managing Executive Officer of Taiyo Life
 Apr 2014 Representative Director and Senior Managing Executive Officer of Taiyo Life
 Apr 2016 Representative Director and Executive Vice President of Taiyo Life
 Apr 2019 Representative Director and President of Taiyo Life (current)
 Jun 2019 Director of T&D Holdings (current)

Significant concurrent positions
 Representative Director and President of Taiyo Life

Number of the Company's shares held*1	19,710
Attendance to the Board of Directors' meetings*2	16 / 16



Director (Audit and Supervisory Board Member) (outside officer, part-time)

Haruka Matsuyama

Personal history

Apr 1995 Assistant Judge to the Tokyo District Court
 Jul 2000 Registered as an Attorney
 Jul 2000 Joined Hibiya Park Law Offices
 Jan 2002 Partner of Hibiya Park Law Offices (current)
 Jun 2013 Director of T&D Holdings
 Jun 2020 Director (Audit and Supervisory Board Member) of T&D Holdings (current)

Significant concurrent positions
 Attorney at law
 Audit & Supervisory Board Member of MITSUI & CO., LTD.
 Director of Mitsubishi UFJ Financial Group, Inc.*
 Director of Restar Holdings Corporation
 *Stepped down as of June 29, 2021

Reasons for selection

Ms. Haruka Matsuyama has sophisticated expertise and extensive insight as an attorney at law specialized in corporate legal affairs. She is expected to fulfill the roles mainly of auditing and supervising key management decisions and the performance of duties by directors not serving as Audit and Supervisory Board members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	3,400
Attendance to the Board of Directors' meetings*2	15 / 16
Attendance to Audit and Supervisory Board meetings*2	14 / 14



Director (Audit and Supervisory Board Member) (outside officer, part-time)

Seiji Higaki

Personal history

Apr 1975 Joined The Daiwa Bank, Ltd.
 Jun 2003 Executive Officer of Resona Bank, Ltd.
 Jun 2005 Executive Officer of Resona Holdings, Inc.
 Jun 2006 Director of Resona Holdings, Inc.
 Jun 2007 Director, President and Representative Executive Officer of Resona Holdings, Inc.
 Apr 2009 Representative Director and Executive Officer of Resona Bank, Ltd.
 Jun 2011 Director and Vice Chairman of Resona Bank, Ltd.
 Apr 2013 Director of Resona Holdings, Inc.
 Jun 2013 Chairman of Resona Research Institute Co., Ltd.
 Jun 2018 Director of T&D Holdings
 Jun 2020 Director (Audit and Supervisory Board Member) of T&D Holdings (current)

Reasons for selection

Having served as a director, president and representative executive officer of a bank holding company and as a representative director and executive officer of a bank, Mr. Seiji Higaki has a wealth of knowledge and experience in corporate management. He is expected to fulfill the roles mainly of auditing and supervising key management decisions and the performance of duties by directors not serving as Audit and Supervisory Board members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	1,300
Attendance to the Board of Directors' meetings*2	16 / 16
Attendance to Audit and Supervisory Board meetings*2	14 / 14



Director (Audit and Supervisory Board Member) (outside officer, part-time)

Shinnosuke Yamada

Personal history

Oct 1983 Joined Asahi Accounting Company (current KPMG AZSA LLC)
 Mar 1987 Registered as a Certified Public Accountant
 Jul 2010 Partner of KPMG AZSA LLC
 Jul 2010 Executive Board Member of The Japanese Institute of Certified Public Accountants
 Jun 2020 Director (Audit and Supervisory Board Member) of T&D Holdings (current)

Significant concurrent positions
 Certified public accountant
 Director (independent auditor) of Kyowa Exeo Corporation

Reasons for selection

Mr. Shinnosuke Yamada possesses significant expertise and extensive insight as a certified public accountant. He is expected to fulfill the roles mainly of auditing and supervising key management decisions and the performance of duties by directors not serving as Audit and Supervisory Board members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	200
Attendance to the Board of Directors' meetings*2	13 / 13
Attendance to Audit and Supervisory Board meetings*2	14 / 14

Stakeholder Engagement

The Group proactively engages in dialogue with stakeholders as set out in the T&D Insurance Group CSR Charter (see “4. Communication”). By taking every possible opportunity to interact, the Company and each Group company collect the opinions of policyholders, sales agents and other stakeholders and reflect them in their respective business management.



For Shareholders and Investors

Shareholders' Meetings, financial results briefings, one-on-one meetings for institutional investors, and publication of shareholder newsletters

T&D Holdings, Inc. conducts highly communicative investor relations (IR) activities, on the principle that its top management is responsible for all IR statements.

In addition to regular financial results meetings for institutional investors and analysts, the Company holds briefings with a focus on the theme of insurance sales and others. The Company holds one-on-one meetings with investors in Japan and overseas, and shares views obtained through dialog broadly with management and employees in the Group.

The Company also publishes corporate information in a timely manner through its IR website, and has been rated highly by external assessment organizations.



▲ Scenes from an IR meeting for institutional investors and analysts

Evaluations by External Assessment Organizations

*The number of evaluated companies differs depending on the timing of surveys, etc.

2020 Internet IR Award

(Daiwa Investor Relations Co. Ltd.)



Evaluated 3,883 listed companies*

Selected as one of 116 winners of the Commendation Award

FY2020 All Japanese Listed Companies' Website Ranking

(Nikko Investor Relations Co., Ltd.)

Evaluated all 3,844 listed companies*

Selected as one of 177 companies with grade AAA websites in the Overall Ranking for the fourth consecutive year

Meetings Held in FY2020

Financial results meetings for institutional investors and analysts	2
Financial results telephone conferences for institutional investors and analysts	4
Conferences sponsored by securities firms	3
One-on-one meetings	Total 216

For Customers

Customer feedback, customer surveys, customer meetings, Service Quality Improvement Committee, Service Supervision Committee, etc.

The Group has set up many points of contact with its customers, including sales representatives, agents, call centers and the Internet, as well as a new policy procedures survey that focuses on the attitudes of sales representatives and the understandability of application forms and other documents and customer satisfaction surveys, giving the Group access

to a wide range of customer feedback. A committee has also been established to improve customer satisfaction, and the Group incorporates the opinions of outside committee members, including attorneys and experts in consumer issues, in its management.

For Agents and Tie-up Organizations

Training program, business partner meetings and proposal of welfare systems for companies and organizations

High-quality support is provided for agents by giving sales agents its own e-learning materials to help them acquire broad knowledge on the compliance and insurance business, as well as by conducting training for sales staff mainly

to enhance sales skills and improve presentation skills. The "Business partner meetings" are held with its tie-up organizations and agents to report the latest business developments and to hear their views on the Group's business operations.

For Employees

Education and training, human rights training, employee awareness surveys, dialogues and consultations with labor unions, an internal reporting system, etc.

Education and training are provided through on-the-job training and group training, and through support for self-education efforts. The Group also conducts human rights awareness training that addresses discrimination, harassment and other issues as a way of deepening employees' understanding of the importance of respecting human rights. Awareness

surveys are conducted to collect information on employee opinions and requests regarding job satisfaction and enhancing motivation. Through dialogues with its labor unions, the Group has an opportunity to discuss a wide range of subjects, including management policies, wages, working hours, leave, human resource systems and benefits.

For Protecting the Environment and Contributing to Local Communities

Participation in the UN Global Compact (UNGC), Principles for Financial Action for the 21st Century, and the Japan Association for the United Nations Environment Programme (UNEP), support for the Japan Down Syndrome Society, working with the Japan Philanthropic Association, implementing Forests of Taiyo Life activities, supporting activities by The Nature Conservation Society of Japan, etc.



The Group participates in the UN Global Compact, Principles for Financial Action for the 21st Century, and other initiatives. It also exchanges views in a wide range of areas through study groups and dialogues with the participating companies. Furthermore, the Group has opportunities to understand stakeholders' expectations toward enterprises and to explore possibilities of the Group's contribution through support of and participation in the activities of NPOs active in each field.