



Corporate Governance

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Outside Director Roundtable

Strengthening governance for the next stage of growth

We asked the outside directors to discuss T&D Holdings' corporate governance challenges, efforts to resolve them, their roles as outside directors, and other topics, while also taking into account the issues mentioned in the FY2022 roundtable.

FY2022 review of the strengthening of the Group's corporate governance

Ohgo

I believe that the Group's governance has greatly progressed over this year. I acted as the chairman of the Nomination and Compensation Committee for the first time. Thanks to the efforts of the committee members, individual compensation for directors and Audit and Supervisory Committee members is now determined by a resolution of the Board of Directors, instead of the discretionary decision of the Representative Director as it had been before. An even greater new epoch is the process for nominating a president of each core company. Previously, each core company would list up candidates for President, discuss it at the Nomination and Compensation Committee and then again in the Board of Directors. This time, a different process was used—T&D

Holdings took the lead in discussing the selection of candidates for President of core companies. To be honest, I think that this is a huge step forward in the sense that T&D Holdings, which used to have each company acting individually, has started to move together as one Group.

Taishido

I was appointed an outside director last June, and I understood that the promotion of integrated Group management with T&D Holdings at the helm was an extremely key management issue. At the same time, it was a year where I was keenly felt, from my outside perspective, how the management team had a strong awareness of promoting integrated Group management and were trying to



Outside director
Seiji Higaki

Outside director
Shinnosuke Yamada

Outside director
Atsuko Taishido

Outside director
Kensaku Watanabe

Outside director
Naoki Ohgo

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The Group was also proactive in constructive dialogue with stakeholders, which I believe can be highly praised.
— Yamada

improve it. Intra-Group personnel rotation has also been strengthened, with an eye to developing talent that can steer management from the perspective of the total optimization of the Group as a whole. Furthermore, just as Mr. Ohgo says, I believe it is essential to strengthen the function of the Nomination and Compensation Committee, and I consider the strengthening of the attitude toward Group governance by T&D Holdings with regard to the personnel for directors and Audit and Supervisory Board members, including those of subsidiaries, to be a significant development. Furthermore, to ensure the effectiveness of the deliberations, a lively discussion was held on everything from decision-making processes, such as the appointment of the top management of core companies, to what information is necessary for the discussion. While the Group's governance reforms still need some work, I believe this was a year of great progress. The broadcasting of the Group's first commercial this spring also had a symbolic meaning in terms of promoting integrated Group management.

Watanabe

I have also recognized integrated Group management as a challenge since my appointment. During the past year, as a member of the Nomination and Compensation Committee, I have also offered my opinions on the personnel for Group directors and Audit and Supervisory Committee members, revisions to regulations, and actual operations, in an effort to promote the leadership of T&D Holdings. Furthermore, moving forward, I am proposing deeper discussion on the compensation system for directors and Audit and Supervisory Committee members. When it comes to integrated Group management, I believe it is important to enhance the growth potential that comes from being a Group, and to promote going back to the starting point of establishing the T&D Holdings, to be recognized in the capital market.

Yamada

I have been involved in the Group Long-Term Vision (Try & Discover 2025), which was announced in May 2021, from the formulation stage. Setting KPIs that facilitate social value as well as economic value, the deadline was announced externally to be realized in a five-year timeframe, and the message is very clear. At the same time, I felt that a considerable amount of resolution would be required from both the executive side implementing the Group Long-Term Vision and us, who monitor it. Two years have now passed. As the environment has been changing under what is known as VUCA, I have experienced firsthand the difficulty and burden of steadily moving forward with plans while keeping our feet on the ground. Against this backdrop, the Group has been proactive in engaging in constructive dialogue with stakeholders, and has strengthened its governance so that issues that emerge from these discussions are properly discussed by the Board of Directors, which I believe is highly commendable.

Higaki

As you all mentioned, T&D Holdings was established in 2004, and I feel that in its 20th year, a major gear has been set in motion. As the chairman of the Audit and Supervisory Committee, I believe there is a need to change starting from the corporate culture in order to further promote progress with this Group's reforms. We should create a culture in which issues are firmly raised about what needs to be changed—for example, we could foster an open culture by implementing a 360 degree evaluation system that includes top management. Various laws and regulations, such as the Insurance Business Act, must be upheld when managing an insurance company. This is to protect policyholders, not the insurance company. With this in mind, I am pushing for governance reform. However, it is still a work in progress, and it was a year where I had an extremely strong sense of how necessary it is to further push forward with corporate culture reforms in particular.

Moving forward, I am proposing deeper discussion on the compensation system for directors and Audit and Supervisory Committee members.
— Watanabe



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Challenges to further strengthen governance and role in resolving these challenges

Higaki

Having already touched on some of the challenges, I would further say that from a shareholder and investor perspective, it is all about managing the company with capital in mind. There is a need to make clear where capital is being used, sufficiently improve return on this capital, and distribute it appropriately. In order to achieve this, we need to take the scalpel to pain points and push forward with reforms. At present, we have not yet gotten that far. When I look into the cause of this, I feel that it lies in a culture where everyone is looking for comfort and trying to avoid friction as much as possible. This cannot be overlooked as an outside director, that is, a representative of stakeholders, including shareholders. This is why I believe that not turning a blind eye to the pain involved and overcoming it to move forward will lead to the next step up.

Yamada

The Group is committed to management on both an economic value basis and a financial accounting basis. FY2022 was a very difficult year when it comes to this goal. With costs increasing due to COVID-19 hospitalization benefits payments as well as foreign exchange hedging, I witnessed firsthand how important it is to strike a balance between securing profits for financial accounting purposes, which are the source of shareholder return, while also ensuring a stable increase in economic value. I highly commend the fact that the executive side was sensitive to changes in the market environment, discussed awareness of the issues at the Board of Directors in a timely and appropriate manner, and reviewed the revised profit targets at an early stage and disclosed them promptly, rather than postponing them. However, it is a fact that profits have decreased both on an economic value basis and on a financial accounting basis. Accordingly, I believe that this is

an issue to be discussed at the Board of Directors meetings and other forums from a medium- to long-term perspective.

Watanabe

At the IR Meeting held the other day, I was impressed by the power of T&D Financial Life President Morinaka's message in response to an investor question: "there are still many things we should do in terms of integrated Group management." At the same time, I used to be an Audit and Supervisory Board member for the company, so I would like to use that experience to monitor the company closely and support its growth.

Taishido

I would like to see further progress in strengthening the function of the Nomination and Compensation Committee. Sufficient commitment is required for outside directors to be effectively involved in personnel for directors and Audit and Supervisory Committee members, so I would like to commit to working on reform. With respect to management, outside directors are in a position to supervise from an outside perspective. After I was appointed last year, I wanted to determine what the Group's management issues were, and in particular, what issues should be prioritized. I actively communicated with all of the outside directors as well as the executive side and management team to understand the various issues we face. In light of this, I would like to persevere as an outside director to see through to the end whether the Group is steadily advancing measures and achieving certain results toward the realization of Group Long-Term Vision. During my term in this position, I would like to push to leave a legacy of significant progress and great improvements in this area.



I would like to see further progress in strengthening the function of the Nomination and Compensation Committee.
— Taishido

Ohgo

As a consultant, I have seen many cases in which companies that vocally emphasize only corporate governance have not necessarily done well. While it is important to push forward with efforts to strengthen governance, I am keenly aware that, ultimately, the primary objective of a company is to sustainably increase its corporate value. A company that is growing sustainably is the one that is able to continue to provide new value to its customers. If this is done, then as a matter of course, earnings will expand, shareholders and investors will highly evaluate the company, compensation will increase, employee satisfaction will rise, and further business expansion will increase the number of managerial posts, which will increase motivation to work and contribute to society in terms of employment. It is our responsibility to work hard to transform into a company that will please our stakeholders through such a virtuous cycle. However, the answer to the question of what approaches can help us find new value is not

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found in textbooks or taught in MBA programs.

Over these three years, T&D United Capital, which is in charge of the closed book business, is beginning to make a profitable contribution to the Group and is starting to see results, but its current focus is on All Right. Now that we have established the company, I want the Group to work together as one to achieve success. Because we are taking on something new, many issues that we have not thought about before will come up. I believe that the new challenge for the next year is to create a system in which the Group works as one to solve problems.

Taishido

I feel that it is wonderful that the closed book business is producing results as a new source of revenue outside of the life insurance business. On the other hand, as an equity-method affiliate

I am keenly aware that the primary objective of a company is to sustainably increase its corporate value.
— Ohgo



with weak controlling interest, a key issue for the Audit and Supervisory Committee to monitor is how governance and risk management should be effectively implemented. As the Group's business diversifies, it is still extremely important to strengthen human capital. Through the personnel rotation I mentioned earlier, it is important to develop human resources who can take charge of management from the perspective of the entire Group. I also believe that strengthening the sales representative channel is essential for strengthening the business in the medium- to long-term. I consider it very important to create an environment in which our sales representatives can work with vigor and vitality, and can work for a long time as a stable base for their livelihoods. As an outside director, I would like to closely monitor progress in this regard.

Yamada

In terms of human capital, the Group Long-Term Vision calls for improving the employee engagement score from the FY2020 level as a non-financial KPI. However, at first, sales representatives were not included in the survey. One of the key objectives of the employee engagement survey is to create an environment in which not only administrative personnel, but also sales representatives who interact with customers and propose insurance policies on a daily basis can work with vigor and enthusiasm. I think it is extremely positive that sales representatives are now included in the employee engagement survey. Trends in survey results will emerge in the future, and it is important not to be complacent about good overall scores, but to analyze critical evaluations in detail, and for management to promptly take the necessary remedial measures. I intend to closely supervise this. I also believe there is a need to keep a close eye on matters such as whether Taiyo Life is responding with attention to detail in the household market, or whether Daido life is cultivating sustainable SMEs as small micro-enterprises decrease in number due to a lack of successors.

Higaki

The independent insurance agent market, on which T&D Financial Life focuses, is a highly competitive market. Mr. Morinaka, former HD Representative Director and Executive Vice President, has been appointed President of this company. I think it is important to develop leaders who do not build their careers only within one company, but also have experience in outside companies other than one's own company. Large banks give their employees experience from a young age in being seconded in order to restructure their loan recipients' companies, not just their affiliates. This creates management personnel. I strongly wish that people who have experienced tough business will become leaders in our Group in the future.

Ohgo

There are also issues that boil down to diversity in human resources—since the Group is developing its business globally, it is questionable that management is exclusively Japanese, and All Right, which is developing its business using digital technology, should hire more and more engineers from outside the company. In this era of reforming services through digital transformation, I think it is only natural that we will see an increase in the number of people with science backgrounds, including those on the executive side. I believe we need to increase the number of personnel who can see things in a different way, and we need to have more diversity, breaking with the conventional wisdom of the company and the industry. Rather than discovering a consensus that everyone can agree on, I want people to be ready to delve deeper and discuss whether the consensus is correct.

Higaki

I agree. If anything, administrative personnel think based on previous precedents and do not question the common sense within the company very much. This is something I have said

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before at the Board of Directors. On the other hand, people in the sciences are in the business of taking on the unknown, so I think it is rather natural for reform to start from a place where one's common sense is negated. In this light, I believe that it is difficult for reforms to progress, much less innovation, in a company

with a large concentration of administrative personnel. As is demonstrated by the calls for the ratio of female managers to be brought to 30%, I think it will be difficult to become an innovative company unless we increase the diversity of the organization, be it in the ratio of people with science backgrounds or in mid-career

hiring. The company will change considerably when it becomes an organization that mobilizes people through their skills, abilities, and judgments. I would like the company to aim to become like this.

Message to stakeholders

Higaki

Encourage the Group to fulfill its accountability to policyholders in the most understandable and appropriate manner, and to provide products and services that are superior to any other company. At the very least, I believe it is the duty of those of us who are appointed as outside directors in this company.

I believe the company will not be innovative unless it increases its organizational diversity.
— Higaki



Yamada

The Group takes an extremely positive stance toward information disclosure. This is highly commendable. The company has also started preparing its annual securities report much earlier, and is one of the few companies that submit it before the Shareholders' Meeting. Not only does it publish its integrated report at an early stage, but it also appears to work hard to enhance the report's content. The company is also proactive when it comes to constructive dialogue with investors. While the amount of information communicated externally is increasing every year, I would like the company to establish a system to ensure accountability without fleeing from the issue. I believe this will help improve the corporate value of the Group.

Watanabe

Because I have been a business revitalization attorney for so long, I often think about things from the employee's perspective, which is key to business revitalization. A comfortable and rewarding working environment for employees and the development of human resources are also important for the growth of a company. I would like to ensure that the company and employees can grow together, and from this perspective, I would like to supervise the management of the company.

Taishido

Customer satisfaction and employee engagement scores are the KPIs of the Group Long-Term Vision, so I would like to properly see a change in them. It is important that those scores steadily increase, and I will focus my supervision on whether new issues are being identified from the survey results, and whether improvement measures are being formulated and implemented. In addition, I advocate for ROE management and actively discuss our business portfolio. Concerning this point, I believe that we should proceed while further deepening our dialogue with the capital market, and I intend to keep a close eye on such matters during this year.

Ohgo

I would like to see the Group steadily implement "Try & Discover" as stated in the T&D Insurance Group's Corporate Philosophy and the "Make Change with Boldness" committed to in the Group Long-Term Vision. My hope is that the company will not only uphold these ideals, but also carry them through.

Corporate Governance

T&D Holdings has been enhancing its corporate governance by using a basic approach that involves 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, in addition to accepting all the code's principles, we have established the Basic Policy on Corporate Governance as an initiative in response to its 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/>

Progress in Strengthening Governance

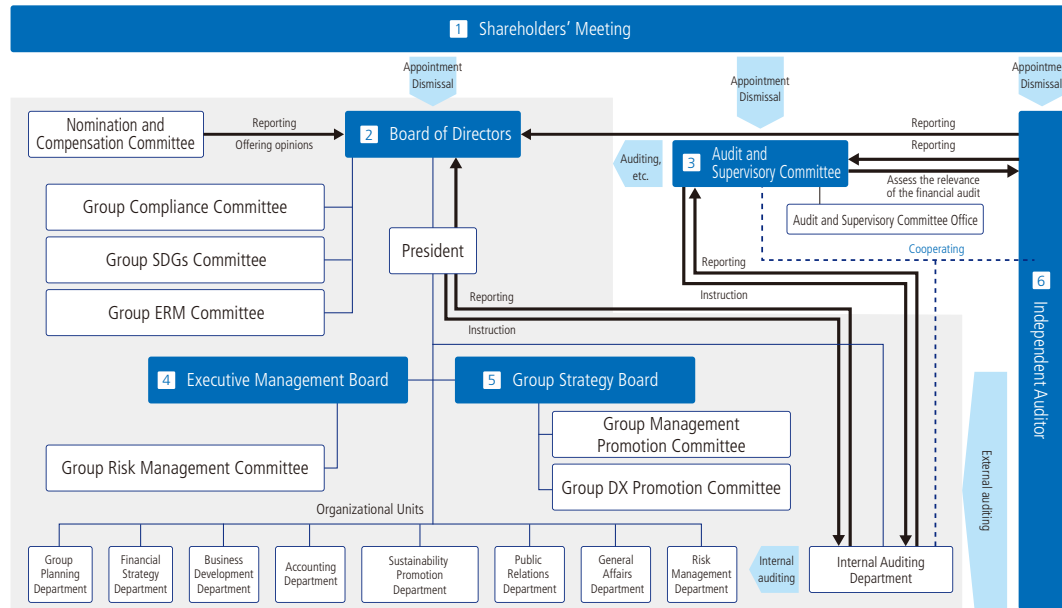
	Entity	Outside directors (Female outside directors within the total) / Board of Directors	Ratio of outside directors	Topics
2004	Company with an Audit & Supervisory Board	1 / 8 persons	13%	• Establishment of T&D Holdings, Inc.
2012		1 / 10 person	10%	• Introduction of stock compensation-type stock options as an executive compensation system.
2013		2 (1) / 11 person	18%	• Increase in the number of outside directors from one to two.
2015		2 (1) / 11 person	18%	• Establishment of the Nomination and Compensation Committee. • Commencement of the evaluation of the effectiveness of the Board of Directors. • Establishment and announcement of the Basic Policy on Corporate Governance.
2017		3 (1) / 12 person	25%	• Increase in the number of outside directors from two to three.
2018		3 (1) / 12 person	25%	• Introduction of trust-type stock compensation [the Board Incentive Plan (BIP) Trust] as an executive compensation system. * Abolition of stock compensation-type stock options.
2020	Company with an Audit and Supervisory Committee	5 (1) / 14 person	36%	• Transition to a company with an Audit and Supervisory Committee. • Increase in the number of outside directors from three to five.
2021		5 (1) / 12 person	42%	• Change in the number of inside directors from nine to seven to further strengthen agile decision-making and oversight function.
2022		6 (2) / 13 person	46%	• Increase in the number of outside directors from five to six*. • Increase in the number of female directors from one to two*.
2023		5 (1) / 12 person	42%	• The method for determining the monthly compensation, bonuses, and individual evaluations of directors has been changed following deliberation by the Nomination and Compensation Committee and a resolution by the Board of Directors.

* Within the same year, one female outside director resigned for personal reasons.

Corporate Governance

Mechanisms to Support Initiatives

Corporate Governance Framework



<p>1 Shareholders' Meeting</p>	<p>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.</p>												
<p>2 Board of Directors</p>	<p>The Board of Directors is composed of all directors and makes important management decisions while overseeing 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 Committee, 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.</p>												
<p>3 Audit and Supervisory Committee</p>	<p>The Audit and Supervisory Committee is composed of Audit and Supervisory Committee members, the majority of whom are outside directors. As an independent body entrusted by the Company's shareholders, the Audit and Supervisory Committee fulfills its roles and responsibilities, including auditing the execution of duties by directors (excluding directors serving as Audit and Supervisory Committee members) in accordance with laws and ordinances, the Articles of Incorporation, and the Company's relevant rules.</p>												
<p>4 Executive Management Board</p>	<p>The Executive Management Board deliberates and passes resolutions on important matters concerning the Company's management and the corporate management of the Group.</p>												
<p>5 Group Strategy Board</p>	<p>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.</p>												
<p>Committees</p>	<p>Committees discuss management-related strategies and issues of the Company or those common to the Group.</p>												
<p>6 Information related to the Independent Auditor (FY2022)</p>	<table border="1"> <thead> <tr> <th>Category</th> <th>Remuneration for audit certification services (¥ millions)</th> <th>Remuneration for non-audit certification services (¥ millions)</th> </tr> </thead> <tbody> <tr> <td>Submitting company</td> <td>201</td> <td>8</td> </tr> <tr> <td>Consolidated subsidiaries</td> <td>246</td> <td>14</td> </tr> <tr> <td>Total</td> <td>447</td> <td>23</td> </tr> </tbody> </table>	Category	Remuneration for audit certification services (¥ millions)	Remuneration for non-audit certification services (¥ millions)	Submitting company	201	8	Consolidated subsidiaries	246	14	Total	447	23
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Submitting company	201	8											
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Corporate Governance

Promoting Group Management

As a holding company, T&D Holdings 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 seven Group companies, including Taiyo Life Insurance Company, Daido Life Insurance Company, and T&D Financial Life Insurance Company in particular as well as T&D United Capital, T&D Asset Management, Pet & Family Insurance and All Right (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.

Meanwhile, the directly owned subsidiaries, with their own unique business strategies, aim to expand the Group's corpo-

rate value by maximizing their uniqueness and specialization through determining marketing strategies and operating businesses in line with their strengths.

The specific roles and responsibilities of the holding company

and its direct subsidiaries are outlined in the table below. The T&D Insurance Group advances flexible and cohesive Group operations by clearly defining the roles and authority of the holding company and its direct subsidiaries.

Roles of the holding company and direct subsidiaries

Roles of the holding company	Roles of direct subsidiaries
<ul style="list-style-type: none"> • Expanding the Group's corporate value • Using a strong governance system for the entire Group management 	<ul style="list-style-type: none"> • Expanding business profit
<ol style="list-style-type: none"> 1. Determining Group strategies 2. Profit and risk management 3. Optimizing the allocation of business resources 4. Determining capital strategies 	<ol style="list-style-type: none"> 1. Determining marketing strategies 2. Undertaking the business execution of each business unit

Corporate Governance System

As a company with an Audit and Supervisory Committee, we have adopted a corporate governance framework in which the Audit and Supervisory Committee, independent of the Board of Directors, audits the performance of directors' duties and provides oversight. This framework focuses on enhancing the managerial functions (determining management policy and overall strategy) of the Board of Directors, which is responsible for making crucial management decisions and overseeing the execution of business, as well as oversight functions, while also improving the agility and efficiency of business execution.

A majority of the Audit and Supervisory Committee members are outside directors, and they audit and oversee the Board of Directors from a neutral and independent perspective to ensure

that business execution decision-making is done in an appropriate and efficient manner. Audit and Supervisory Committee members who are not involved in business execution closely coordinate with the internal audit and internal control departments to exercise effective oversight functions over management, thereby establishing a transparent management system.

Additionally, our company has implemented an executive officer system to strengthen business execution capabilities. This system clarifies the responsibilities for oversight and execution, thereby enhancing the governance function of the Board of Directors.

Moreover, we have established a Nomination and Compensation Committee as an advisory body to the Board of Directors.

The committee scrutinizes the fairness and appropriateness of director appointments and dismissals (including succession plans) and executive compensation to ensure the transparency of management and improve accountability, thereby reinforcing the corporate governance framework of our company and the Group as a whole.

We have also set up an Executive Management Board to deliberate and make decisions on significant matters concerning the management of our company and the Group. Running parallel to this, we have a Group Strategy Board to consider matters related to the Group's growth strategy and other significant issues for the purpose of achieving sustainable enhancement of Group corporate value, all from a Group-wide perspective.

Corporate Governance

Composition of Directors and the Board of Directors

The number of directors (excluding directors who are Audit and Supervisory Committee members) of the Company shall be no more than nine, and the number of directors who are Audit and Supervisory Committee 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 Committee 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 while bolstering Group-wide

governance.

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



Composition of the Audit and Supervisory Committee

The number of Audit and Supervisory Committee 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 Committee members. In addition, members include persons with appropriate knowledge of finance and accounting. The Audit and Supervisory Committee consists of all the Audit and Supervisory Committee members.

Corporate Governance

Details of Discussions at the Board of Directors Meeting

As a company with an Audit and Supervisory Committee, we delegate some important business execution decisions 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. 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.

Key themes discussed at the fiscal 2022 Board of Directors meeting

Management Strategy and Growth Strategy	<ul style="list-style-type: none"> Monitoring of the Group Long-Term Vision Group-wide Business Portfolio Management Planning and monitoring of investment in new businesses Monitoring and future planning of subsidiary businesses 	<ul style="list-style-type: none"> Discussion on Group Capital Management Sustainability initiatives Review of strategic shareholdings and the 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"> Dividends and share buybacks Status of investor relations and shareholder relations activities 	<ul style="list-style-type: none"> Formulation of operating policies for Shareholders' Meeting
Corporate Governance	<ul style="list-style-type: none"> Matters related to officers (selection of representative directors, appointment of officers of holdings and directly owned subsidiaries, etc.) Evaluation of the effectiveness of the Board of Directors 	<ul style="list-style-type: none"> Summary of discussions of the Nomination and Compensation Committee Operating status of the internal control system
Risk Management	<ul style="list-style-type: none"> Impact of the spread of COVID-19 and countermeasures Internal audit policy and verification of results 	<ul style="list-style-type: none"> 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. Moreover, based on the evaluation of the Board's effectiveness, etc., we are working toward further enhancing the oversight functions and decision-making process of the Board of Directors. For objectivity, transparency, and the incorporation of third-party perspectives, we conduct evaluations of the Board's effectiveness using external organizations once every few years.

Summary of the evaluation of the effectiveness of the Board of Directors as a whole in fiscal 2022

Evaluation Procedures	For fiscal 2022, we conducted a survey (self-evaluations, etc.) and interviews among the directors to analyze and evaluate the effectiveness of the entire Board of Directors, including the voluntary Nomination and Compensation Committee.
Evaluation Method	In the survey, we verified the effectiveness of the Board through multiple-choice answers and written opinions on evaluation items related to the composition, operation, discussion, and oversight functions, etc. of the Board of Directors. Through interviews, we confirmed the evaluation judgement basis of the questionnaire responses as well as issues of the Board of Directors.
Overall Assessment	Based on the results of our analysis and evaluation, we confirmed the items below and therefore determined that the Board of Directors is more or less functioning effectively in terms of its expected role. <ul style="list-style-type: none"> The number of directors and the ratio of outside directors on the Board are generally appropriate From the perspective of integrated Group management, there has been further progress in discussions on business portfolios and capital costs Governance and oversight of subsidiaries are making progress The quality of Board discussions has improved, with more time being devoted to important agenda items Progress is being made in sharing the details of dialogue with investors internally and responding to issues
Status of Responses to Previous Issues	We recognize that steady improvements have been made by addressing the issues identified in the fiscal 2021 evaluation, such as enriching and deepening discussions on integrated Group management strategies, further promoting integrated Group management, and improving the structure and creation of materials for better discussions in the Board of Directors, etc.
Newly Recognized Issues	In terms of issues facing the Board of Directors, we have identified the need for a more diverse Board of Directors in line with the management strategy, promoting ROE management with consideration for capital costs and capital profitability, and stronger efforts toward advancing Group personnel matters that contribute to human capital improvement.
Future Initiatives	We will continue to work toward further enhancing the effectiveness of the Board of Directors by addressing the issues identified in this effectiveness evaluation.

Corporate Governance

TOPICS Discussions with outside directors

1. Information communicated by outside directors

Our outside directors act from an independent standpoint as representatives of stakeholders, including minority shareholders, and maintain a suitable level of tension and distance from our internal directors. Through effective communication, they contribute to enhancing both the oversight functions and effectiveness of our Board of Directors, as well as the growth and improvement of corporate value of our Group. Each outside director provides valuable and candid insights and opinions based on their individual expertise and experience.

We have been committed to our five-year Group Long-Term Vision Try & Discover 2025, which was launched in April 2021. For fiscal 2022, we established the topic of "Group-wide business portfolio management" with the aim of broadly and comprehensively discussing five primary themes. These themes include strengthening our core business, diversifying and optimizing our business portfolio, and upgrading our capital management and so forth. Throughout the year,

the Board of Directors led multiple rounds of concentrated discussions on issues and countermeasures specific to each business within our Group in light of the current situation, all from a standpoint of improving capital efficiency. Over the course of these discussions, our outside directors contributed in a significant manner, offering numerous opinions and identifying points and issues that warrant deeper exploration. They provided valuable contributions from an objective, broad perspective.

Furthermore, we have been actively working on expanding and developing our closed book business, identified as a growth area. We have also formed a corporate venture capital fund for investing in startup companies. The outside directors have provided effective feedback and suggestions based on their own expertise, particularly concerning the establishment and maintenance of a more appropriate management and oversight system for our business investment targets.

In the life insurance industry in FY2022, there was an increase in hospitalization benefits and other payments due to

the spread of COVID-19. However, from both the perspective of the impact on company performance and the social mission that life insurance companies should fulfill, statements and useful suggestions were made from the perspective of general business companies as well.

2. Meetings with outside directors

To further enhance the effectiveness of our Board of Directors and to stimulate richer discussions, we have implemented the following meetings and initiatives.

Advance Board of Directors explanations	We hold advance explanations and Q&A sessions for outside directors in relation to important agenda items, etc.
Discussion sessions between Audit and Supervisory Committee members and outside directors	We hold discussion sessions intended to give our Audit and Supervisory Committee members and outside directors (excluding Audit and Supervisory Committee members) the opportunity to share information on management issues, risks faced by the Company, etc.

Nomination and Compensation Committee

The Nomination and Compensation Committee scrutinizes the fairness and appropriateness of appointments and dismissals of our company's and direct subsidiaries' directors and executive officers, including succession plan, as well as their executive compensation. The committee then reports its opinions to the Board of Directors.

This committee is comprised of the President of our company and the outside directors. To ensure independence and neutrality, a majority of its members are chosen from among the outside directors. Moreover, the chairman of the committee is selected from among the outside directors by mutual vote of the committee members.

In fiscal 2022, the Nomination and Compensation Committee met a total of 14 times.

The main topics discussed by the Nomination and Compensation Committee

For fiscal 2022 were as follows.

Nominations, etc.	<ul style="list-style-type: none"> • Succession plans for the presidents and outside officers of both our company and direct subsidiaries • The composition of our Board of Directors • Selection of director candidates not serving as Audit and Supervisory Committee members, director candidates serving as Audit and Supervisory Committee members, and director candidates serving as substitute Audit and Supervisory Committee members • Identification of outside directors to serve on the Nomination and Compensation Committee • Selection of the chairman for the Nomination and Compensation Committee • Appointment of director and Audit and Supervisory Board member candidates for direct subsidiaries • Election of executive officers for both our company and direct subsidiaries
Compensation, etc.	<ul style="list-style-type: none"> • Evaluation outcomes for directors not serving as Audit and Supervisory Committee members and executive officers for fiscal 2021 • Evaluation outcomes for the representative directors of direct subsidiaries for fiscal 2021 • Executive treatment for our company and direct subsidiaries

Corporate Governance

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 to enable the Board of Directors to perform its functions more effectively. 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 we 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.

The Three Main Functions of the Board of Directors



Board of Directors Skills Matrix

Name	Position at the Company	Nomination and Compensation Committee	Expertise and experience particularly anticipated					
			Corporate management and business strategy	Capital and financial markets	Marketing	Finance and accounting	Risk management	Legal affairs and compliance
Hirohisa Uehara	Representative Director and President	●	●	●	●			
Masahiko Moriyama	Representative Director and Senior Managing Executive Officer		●		●			
Hotaka Nagai	Director and Managing Executive Officer		●	●		●		
Naoki Ohgo	Outside director	●	●	●	●			
Kensaku Watanabe	Outside director	●					●	●
Naoki Soejima	Director		●	●	●			
Mutsurou Kitahara	Director		●	●	●			
Takashi Ikawa	Director (Full-time Audit & Supervisory Committee Member)					●	●	●
Takashi Tojyo	Director (Full-time Audit & Supervisory Committee Member)					●	●	●
Seiji Higaki	Outside director (Audit & Supervisory Committee Member)		●	●				
Shinnosuke Yamada	Outside director (Audit & Supervisory Committee Member)					●	●	
Atsuko Taishido	Outside director (Audit & Supervisory Committee Member)	●					●	●

* The Company utilizes outside knowledge to further improve the functions of the Board of Directors by inviting persons with expertise and experience in fields other than the above to serve as outside members of advisory committees established as necessary in each field (e.g., digital and SDGs), and by reporting the content of each committee meeting to the Board of Directors.

Corporate Governance

The relationship between the Group’s growth strategies and the expertise and experience expected of the Board of Directors and the reasons for selection of the expertise and experience

In the management policy for the period from FY2021 to FY2025, the Group Long-Term Vision, the Company has set the following primary themes in the Group’s growth strategies. The relationship between the primary themes in the Group’s growth strategies and the expertise and experience expected of the Board of Directors and the reasons for selection of the expertise and experience are as follows.

Relationship between the Group’s growth strategies and the expertise and experience expected of the Board of Directors

Primary themes in the Group’s growth strategies		Expertise and experience			
I	Strengthening of core business	(1) Corporate management and business strategy	(3) Marketing		
II	Diversification and optimization of business portfolio	(1) Corporate management and business strategy	(2) Capital and financial markets	(3) Marketing	(5) Risk management
III	Further advancement of ERM (Upgrading of capital management)	(2) Capital and financial markets	(4) Finance and accounting	(5) Risk management	
IV	Promoting integrated Group management	(1) Corporate management and business strategy	(3) Marketing		
V	SDGs management and creation of value	(1) Corporate management and business strategy	(2) Capital and financial markets	(3) Marketing	

(6) Legal affairs and Compliance

Reasons for selection of the expertise and experience

Expertise and experience	Reasons for selection
(1) Corporate management and business strategy	Because a wealth of expertise and experience in overall corporate management and business strategy is necessary to make important management decisions and to formulate and promote business strategies that contribute to improving corporate value over the medium to long term.
(2) Capital and financial markets	Because a wealth of expertise and experience in finance and capital markets, including corporate finance, is necessary for the appropriate operation of group capital management, etc.
(3) Marketing	Because a wealth of expertise and experience in marketing, including branding, is necessary to accurately grasp the business environment and the intentions of stakeholders, and to continuously provide valuable products and services, etc.
(4) Finance and accounting	Because a wealth of expertise and experience in finance and accounting is necessary for the preparation of appropriate financial statements and the fulfillment of auditing and supervisory roles from the perspective of protecting investors and ensuring credibility in the capital markets.
(5) Risk management	Because a wealth of expertise and experience in risk management is necessary to maintain and increase group corporate value by systematically managing group-wide risks and avoiding or reducing losses, etc.
(6) Legal affairs and Compliance	Because a wealth of expertise and experience in various legal aspects is necessary to establish an appropriate governance structure and fulfill an effective supervisory role for fair and reliable corporate management.

Corporate Governance

Compensation System

● **Policy related to determining executive compensation, etc. and calculation formulae**

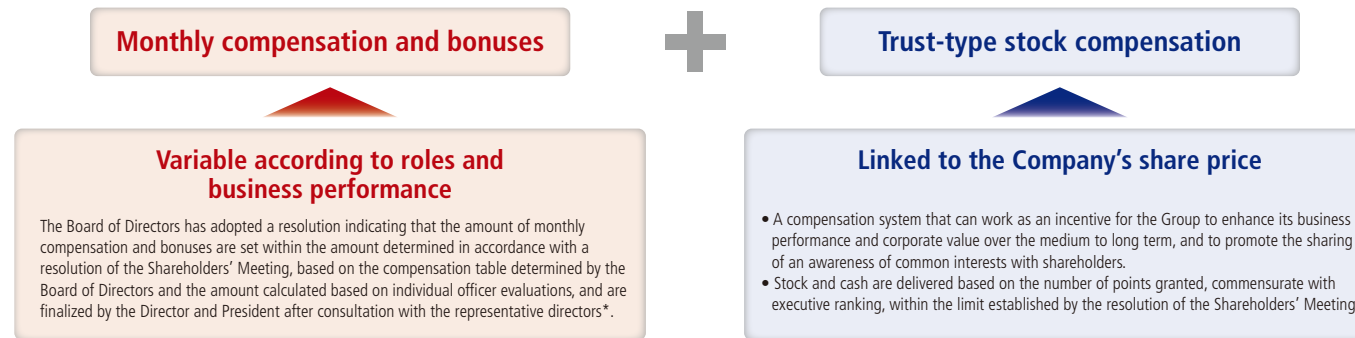
The Basic Policy on Corporate Governance stipulates the Company's policy related to determining executive compensation, etc.

● **Composition of executive compensation, etc.**

Our company has designed a compensation system and specific compensation levels to serve as healthy incentives for the medium- to long-term performance improvement and corporate value enhancement of our Group. For our directors (excluding part-time directors, which includes

outside directors, and directors serving as Audit and Supervisory Committee members), the compensation package consists of a monthly compensation and bonuses that vary based on roles and performance. Additionally, we offer trust-type stock compensation (not applicable to non-residents of Japan) utilizing a trust scheme to deliver the Company's shares.

It is deemed inappropriate to have performance-linked compensation for our part-time directors, including outside directors independent of the Company's business execution, and directors serving as Audit and Supervisory Committee members. Thus, these positions receive a fixed amount of compensation.



* In order to further improve the fairness and appropriateness and management transparency regarding the policy related to determining calculation formulae for individual officer compensation, etc., the Company revised this policy on May 31, 2023, and for monthly compensation, bonuses to be paid after June 29 of the same year and individual evaluations, the Nomination and Compensation Committee deliberate and report its opinion to the Board of Directors, which passed a resolution at a meeting.

● **Calculation method for Company performance assessment and evaluation of the division in charge**

A weighted average is used for the evaluation weightings for both the Company performance assessment and the evaluation of the division each officer is in charge of, based on criteria set by the Board of Directors according to the responsibilities of each role. Note that the Representative Director's evaluation weighting for the Company performance assessment is 100%.

Calculation method

Assessment of Company performance	<ul style="list-style-type: none"> ○ 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 stipulated based on the mid- to long-term management strategy. ○ For performance indicators, a coefficient according to the achievement rate for each item is multiplied to yield a score.
Evaluation of the division in charge	<ul style="list-style-type: none"> ○ A score for the division an individual officer is in charge of is calculated based on how much progress has been made on achieving divisional targets.

Corporate Governance

● Key performance indicators of Company performance assessment <Performance-linked indicator> (FY2022)

Key performance indicators of Company performance assessment are as follows.

For finance performance indicators, we evaluate the single fiscal year target achievement ratio and progress toward the achievement of the target in fiscal year 2025 based on the Group's long-term vision established in fiscal year 2021.

(i) Single fiscal year evaluation items [evaluation weightings:50%]

The single fiscal year target achievement ratio was evaluated toward the achievement of the target in FY2025.

	Target in FY2025
Group adjusted profit	¥130.0 billion
Value of new business	¥200.0 billion

	Single year target	Actual	Achievement ratio
Group adjusted profit	¥105.6 billion	¥90.2 billion	85.4%
Value of new business	¥168.4 billion	¥167.0 billion	99.2%

(ii) Medium- and long-term evaluation items [evaluation weightings:30%]

These items were evaluated based on progress as an evaluation criterion for the achievement of the target in FY2025.

	Target in FY2025
Adjusted ROE	8.0%
ROEV	7.5%

Actual adjusted ROE is 7.6%. Actual ROEV is 2.9% in FY2022.

● Reflecting Assessment of Company performance in Executive Compensation for Direct Subsidiaries

We conduct Assessment of Company performance with the primary aim of ascertaining whether our company and our direct subsidiaries are managing their operations in line with the Group's strategic goals. The objective is to contribute to a stable and sustainable improvement in the corporate value of the Group as a whole.

The method we use for calculating individual executive compensation, etc. amounts for the directors of our direct subsidiaries is consistent with these corporate performance evaluations for each direct subsidiary, as determined by our Board of Directors.

(iii) Market evaluation items [evaluation weightings:10%]

Evaluation criteria, etc.	
Total shareholder return (TSR)	TSR is calculated, taking into account factors such as the deviation rate between the actual result and the listed life insurance company as the benchmark.

Actual TSR performance is 112.0% over five years.

Note: TSR is calculated as follows:

• Five years: (Share price on March 31, 2023 + cumulative total of dividends per share from FY2018 to FY2022) / share price on March 31, 2018

(iv) ESG evaluation items [evaluation weightings:10%]

Evaluation criteria, etc.	
Customer satisfaction level	<ul style="list-style-type: none"> The status of achievement of these items are evaluated based on the levels of these items in the previous fiscal year as the evaluation criteria.
Employee satisfaction level	
Reduction of CO ₂ emissions	

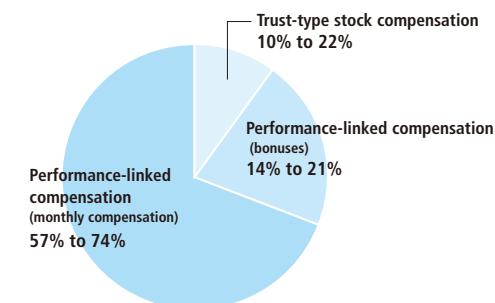
The results of the customer satisfaction level and the employee satisfaction level have achieved or exceeded the levels of the previous fiscal year. CO₂ emissions have been reduced by 6.5% compared to the level of the previous fiscal year.

Corporate Governance

● Payment ratios by type of compensation

In terms of our compensation composition for directors, we assign ratios to performance-linked compensation (monthly and bonuses) and 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% based on a standard assessment according to the individual officer evaluation. For bonuses, the ratio fluctuates either negatively or positively by roughly 40% based on a standard assessment according to the individual officer evaluation.



Total amounts of compensation by officer category and compensation type

Category	Monthly compensation, etc.		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 Committee members (excluding outside directors)	6	123	3	40	3	42	6	207
Directors serving as Audit and Supervisory Committee members (excluding outside directors)	4	79	0	—	0	—	4	79
Outside directors not serving as Audit and Supervisory Committee members	3	22	0	—	0	—	3	22
Outside directors serving as Audit and Supervisory Committee members	4	37	0	—	0	—	4	37
Total	17	263	3	40	3	42	17	346

- Monthly compensation and reserve for bonus for Directors who are not Audit and Supervisory Committee Members (excluding part-time Directors (includes Outside Directors)) are performance-linked compensation and trust-type stock compensation is non-monetary compensation. For Directors who are not Audit and Supervisory Committee Members (excluding part-time Directors (includes Outside Directors)) (four Directors), performance-linked compensation is a total of ¥145 million and non-monetary compensation, etc. is a total of ¥42 million.
- Regarding the number of individuals who have received compensation, etc. and the total amounts, these figures include one director not serving as an Audit and Supervisory Committee member, who retired at the conclusion of the 18th Ordinary General Meeting of Shareholders on June 28, 2022. They also include three directors serving as Audit and Supervisory Committee members and one director not serving as an Audit and Supervisory Committee member, who resigned on September 15, 2022. As of the end of this fiscal year, we have seven directors not serving as Audit and Supervisory Committee members and five who are.
- 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, 2022, based on the executive compensation system.
- In addition to the above, the Company paid ¥1 million that was not included in reserve for bonus to directors and Audit and Supervisory Committee members recognized in fiscal year 2021 as a bonus to one resigned Director who is not an Audit and Supervisory Committee Member.
- There is no compensation, etc. received by Outside Directors from the Company's parent company, etc.
- 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 deliberates items regarding important decisions or changes relating to executive treatment at the Company or direct subsidiaries and offers its opinions to the Board of Directors. The amount of monthly compensation and bonuses is determined based on individual evaluations of officers decided through deliberations by the Nomination and Compensation Committee and the compensation table, etc. determined by the Board of Directors.

Appropriateness of compensation levels

The amount of compensation for directors, etc. is determined based on consideration of the responsibilities of directors, etc. 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, etc. after the transition to a company with an Audit and Supervisory Committee

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

Maximum amount of compensation, etc.	Amount	Number of persons*
Directors not serving as Audit and Supervisory Committee members	¥450 million per year	9
Outside directors included in the above	¥40 million per year	2
Directors serving as Audit and Supervisory Committee members	¥150 million per year	5
Maximum amount of funds to be contributed to the trust for trust-type stock compensation (determined based on a resolution of the Ordinary General Meeting of Shareholders passed every three fiscal years)	Amount	Number of persons*
Directors not serving as Audit and Supervisory Committee members	¥500 million	4
Maximum total number of points to be granted under trust-type stock compensation	Points	Number of persons*
Directors not serving as Audit and Supervisory Committee members	215,000 points per fiscal year	4

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

Corporate Governance

Succession Plan

● Succession Plan Formulation and Implementation

With an eye on the sustained growth and medium- to long-term corporate value enhancement of our Group, and ensuring the stable continuation of business, our Board of Directors oversees the formulation and implementation of succession plan for the presidents of our company and the three life insurance companies that constitute our Group's core business.

Our Nomination and Compensation Committee, the majority of whose members are outside directors, takes part in the formulation and implementation of succession plan, ensuring objectivity, timeliness, and transparency in the succession nomination process.

● Development of Successor Candidates and Future Group Management Talent

In a concerted effort to systematically nurture successor candidates for the presidencies of our company and the three life insurance companies, as well as future Group management talent for the Group, we undertake various initiatives that include rotation of executives and employees within the Group, dispatching individuals to external executive training programs, and conducting interviews with our outside directors.

Management Organization (as of August 31, 2023)

Board of Directors



Representative Director and President
Hirohisa Uehara

Apr 1984 Joined Taiyo Life
Feb 2005 Director of T&D Asset Management
Apr 2011 Executive Officer 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
Apr 2017 Executive Vice President of T&D Holdings
Jun 2017 Director of T&D Financial Life
Jun 2017 Representative Director and Executive Vice President of T&D Holdings
Apr 2018 Representative Director and President of T&D Holdings (current)

Number of the Company's shares held*1	56,700
Attendance to the Board of Directors' meetings*2	16 / 16



Representative Director and Senior Managing Executive Officer
In charge of Group Planning Department
Vice in charge of Internal Auditing Department
Masahiko Moriyama

Apr 1989 Joined Daido Life
Apr 2016 Executive Officer of Daido Life
Apr 2019 Managing Executive Officer of Daido Life
Jun 2019 Director and Managing Executive Officer of Daido Life
Apr 2022 Director of Daido Life (current)
Apr 2022 Senior Managing Executive Officer of T&D Holdings
Jun 2022 Director and Senior Managing Executive Officer of T&D Holdings
Oct 2022 Director of All Right (current)
Jun 2023 Representative Director and Senior Managing Executive Officer of T&D Holdings (current)

Significant concurrent positions

Director of Daido Life

Director of All Right

Reasons for selection

Mr. Masahiko Moriyama has business experience within the Group including sales, products, planning, and systems. 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.

Number of the Company's shares held*1	14,300
Attendance to the Board of Directors' meetings*2	13/13



Director and Managing Executive Officer
In charge of Financial Strategy
Department and Accounting Department
Hotaka Nagai

Apr 2002 Joined Daido Life
Apr 2015 Executive Officer of T&D Holdings
Apr 2017 Managing Executive Officer of T&D Financial Life
Apr 2017 Director and Managing Executive Officer of T&D Financial Life
Apr 2020 Director and Senior Managing Executive Officer of T&D Financial Life
Jun 2021 Director of T&D Financial Life (current)
Jun 2021 Managing Executive Officer of T&D Holdings
Jun 2022 Director of T&D Asset Management (current)
Jun 2023 Director and Managing Executive Officer of T&D Holdings (current)

Significant concurrent positions

Director of T&D Financial Life

Director of T&D Asset Management

Reasons for selection

Mr. Hotaka Nagai has operational experience within the Group including planning and business management. He is expected to serve his role in making key management decisions and supervising the execution of operations, leveraging his wealth of knowledge and experience relating to the management of insurance holding companies, insurance companies, which includes being in charge of financial strategy and accounting.

Number of the Company's shares held*1	14,500
Attendance to the Board of Directors' meetings*2	—



Director (outside director, part-time)
Naoki Ohgo

Apr 1985 Joined McKinsey & Company, Inc.
Jul 1999 Partner of McKinsey & Company, Inc.
Jul 2005 Executive Officer of GE Consumer Finance K. K. (current Shinsei 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	4,000
Attendance to the Board of Directors' meetings*2	16/16



Director (outside director, part-time)
Kensaku Watanabe

Apr 1997 Registered as an Attorney
Apr 1997 Joined Okazaki, Ohashi & Maeda (now 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	1,000
Attendance to the Board of Directors' meetings*2	16/16



Director (part-time)
Naoki Soejima

Apr 1981 Joined 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	23,510
Attendance to the Board of Directors' meetings*2	16/16



Director (part-time)
Mutsuro Kitahara

Apr 1982 Joined 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

Number of the Company's shares held*1	38,000
Attendance to the Board of Directors' meetings*2	16/16

Management Organization (as of August 31, 2023)

Directors who are Audit and Supervisory Committee Members



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

Takashi Ikawa

Apr 1985 Joined Daido Life
Apr 2012 Executive Officer of Daido Life
Apr 2016 Managing Executive Officer of Daido Life
Jun 2017 Director and Managing Executive Officer of Daido Life
Apr 2020 Managing Executive Officer of T&D Holdings
Apr 2021 Director and Senior Managing Executive Officer of Daido Life
Apr 2021 Senior Managing Executive Officer of T&D Holdings
Jun 2022 Audit & Supervisory Board Member of T&D United Capital (current)
Jun 2022 Director (Audit and Supervisory Committee Member) of T&D Holdings (current)

Significant concurrent positions

Audit & Supervisory Board Member of T&D United Capital

Reasons for selection

Mr. Takashi Ikawa has business experience within the Group including asset investment and accounting, and he has considerable expertise in finance and accounting. He is expected to fulfill the roles mainly of auditing and supervising key decisions and the performance of duties by directors not serving as Audit and Supervisory Committee members by utilizing his extensive knowledge related to business operations and his experience in the Group's holding company and insurance company, which includes being in charge of risk management and internal auditing units.

Number of the Company's shares held*1	63,600
Attendance to the Board of Directors' meetings*2	13/13
Attendance to Audit and Supervisory Committee meetings*2	12/12



Director (Audit and Supervisory Committee Member (outside director, part-time))

Atsuko Taishido

Oct 2001 Registered as an Attorney
Oct 2001 Joined Mori Sogo Law Offices (current Mori Hamada & Matsumoto)
Jan 2010 Partner of Mori Hamada & Matsumoto (current)
Jun 2022 Director (Audit and Supervisory Committee Member) of T&D Holdings (current)

Significant concurrent positions

Attorney

Audit & Supervisory Board Member of Pigeon Corporation

Reasons for selection

Ms. Atsuko Taishido possesses significant 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 Committee members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	0
Attendance to the Board of Directors' meetings*2	11/13
Attendance to Audit and Supervisory Committee meetings*2	10/12



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

Takashi Tojyo

Apr 1986 Joined Taiyo Life
Apr 2017 Executive Officer of Taiyo Life
Apr 2021 Executive Officer of T&D Holdings
Apr 2021 Director of Pet & Family Insurance
Jun 2021 Director of T&D United Capital
Jun 2022 Director (Audit and Supervisory Committee Member) of T&D Holdings (current)

Reasons for selection

Mr. Takashi Tojyo has business experience within the Group including asset investment and legal affairs, and he has considerable expertise in finance and accounting. He is expected to fulfill the roles mainly of auditing and supervising key decisions and the performance of duties by directors not serving as Audit and Supervisory Committee members by utilizing his extensive knowledge related to business operations and his experience in the Group's holding company and insurance company, which includes being in charge of risk management units.

Number of the Company's shares held*1	14,500
Attendance to the Board of Directors' meetings*2	13/13
Attendance to Audit and Supervisory Committee meetings*2	12/12



Director (Audit and Supervisory Committee Member (outside director, part-time))

Seiji Higaki

Apr 1975 Joined The Daiwa Bank, Ltd. (current Resona 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 Committee 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 Committee members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	2,100
Attendance to the Board of Directors' meetings*2	16/16
Attendance to Audit and Supervisory Committee meetings*2	18/18



Director (Audit and Supervisory Committee Member (outside director, part-time))

Shinnosuke Yamada

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 Committee Member) of T&D Holdings (current)

Significant concurrent positions

Certified public accountant

Audit & Supervisory Board Member of EXEO Group, Inc.
Audit & Supervisory Board Member of RAKUTEN BANK LTD.

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 Committee members from the perspective of protecting general shareholders by utilizing this knowledge and experience.

Number of the Company's shares held*1	1,600
Attendance to the Board of Directors' meetings*2	16/16
Attendance to Audit and Supervisory Board meetings*2	18/18

*1 As of March 31, 2023

*2 FY2022

Stakeholder Engagement

The Group proactively engages in dialogues with all of its 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 apply them to their respective business management.

	Means of Interaction	Stakeholder Relations
Shareholders and Investors	<ul style="list-style-type: none"> •Shareholders' Meetings •Financial results briefings •One-on-one meetings for institutional investors •Publication of shareholder newsletters, etc. 	<p>T&D Holdings conducts highly communicative investor relations (IR) activities based 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 themes that include closed book business and ESG. The Company holds one-on-one meetings with investors in Japan and overseas, and broadly shares views obtained through dialogues with the management and employees of 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</p> <hr/> <p>Number of interviews conducted Total 305 Number of participating officers: 99 companies Number of participating IR departments: 206 companies</p> <hr/> <p>Activities conducted in FY 2022</p> <ul style="list-style-type: none"> • Financial results conference calls (four times) IR responsible officers provided an overview of the financial results. • IR Meetings (two times) The president explained the progress on the Group Long-Term Vision • IR Day (two times) 1) The presidents of our major subsidiaries, Taiyo Life and Daido Life, explained their respective business strategies. 2) The CEO of Fortitude, a company we are investing in, talked about the closed book business (conducted concurrently with an IR Meeting). • Presentations for individual investors (two times) Conducted both online and in-person by IR responsible officers. • Conferences sponsored by securities firms (four times)·· One-on-one meetings were held between the officers responsible for IR and the participants <hr/> <p>Main contents of dialogue</p> <p>Our top management and other members of the management team, as well as our IR department, have actively communicated with shareholders and investors both domestically and internationally through various briefings and one-on-one meetings and have received a wealth of feedback from our shareholders and investors as a result. These opinions are regularly fed back to our Board of Directors and have been incorporated into numerous initiatives in FY 2022. Specifically, we have restructured our policy on shareholder returns and accelerated the reduction of strategic shareholding.</p> <p>We continue to hold IR Day events that focus on themes of particular interest to our shareholders and investors, and based on the feedback received, we are intensifying our disclosure efforts primarily in the following areas.</p> <ul style="list-style-type: none"> • Disclosing not only the actual payment results, but also forecasts for the fiscal year due to the surge in payments related to COVID-19 • Disclosing both the balance of our currency hedges and the fluctuations in our foreign currency-denominated bonds given that costs for currency hedging costs are increasing • Sharing our understanding of the issues as well as future initiatives to improve the P/EV ratio • Disclosing profits by new policy duration in the EV calculations for our major subsidiaries, as well as IRR/the time frame for reaching profit, given that life insurance involves long-term policies • Disclosing the breakdown of profits related to the closed book business <p>* Results current as of the IR Meeting held in May 2023</p> <hr/> <p>Evaluations by External Assessment Organizations</p> <ul style="list-style-type: none"> •2022 Internet IR Award (Daiwa Investor Relations Co. Ltd.) Evaluated 3,996 listed companies* Selected as one of 133 winners of the Commendation Award •FY2022 All Japanese Listed Companies' Website Ranking (Nikko Investor Relations Co., Ltd.) Evaluated all 3,926 listed companies* Selected as one of 207 companies with grade AAA websites in the Overall Ranking for the sixth consecutive year <p>* The number of evaluated companies differs depending on the timing of surveys, etc.</p>



Stakeholder Engagement

	Means of Interaction	Stakeholder Relations
Customers	<ul style="list-style-type: none"> •Customer feedback •Customer surveys •Customer meetings •Service Quality Improvement Committee •Service Supervision Committee, etc. 	<p>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.</p>
Employees	<ul style="list-style-type: none"> •Education and training •Human rights training •Group IR Activities •Employee awareness surveys •Dialogues and consultations with labor unions •An internal reporting system, etc. 	<p>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.</p>
Agents and Tie-up Organizations	<ul style="list-style-type: none"> •Training programs •Business partner meetings •Proposal of welfare systems for companies and organizations, and other services 	<p>High-quality support is provided for agents by giving sales agents their 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. In addition, business reporting meetings are held with tie-up organizations and agents to report the latest business developments and to hear their views on the Group's business operations.</p>
Protecting the Environment and Contributing to Local Communities	<ul style="list-style-type: none"> •The UN Global Compact (UNGC) •Principles for Financial Action for the 21st Century •Participation in the Japan Association for the United Nations Environment Programme (UNEP) •Support for the Japan Down Syndrome Society •Implementing Forests of Taiyo Life activities •Supporting activities by The Nature Conservation Society of Japan, etc. 	<p>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 participating companies. Furthermore, the Group has opportunities to understand stakeholders' expectations toward enterprises and to explore possibilities for the Group's contribution through support for and participation in the activities of NPOs active in each field.</p>