



Framework for Continuous Value Creation

- 61 Corporate Governance
- 72 Compliance
- 73 Management Organization

- 75 Interview with the Chair of the Nomination and Compensation Committee
- 77 Messages from New Directors
- 79 Stakeholder Engagement

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

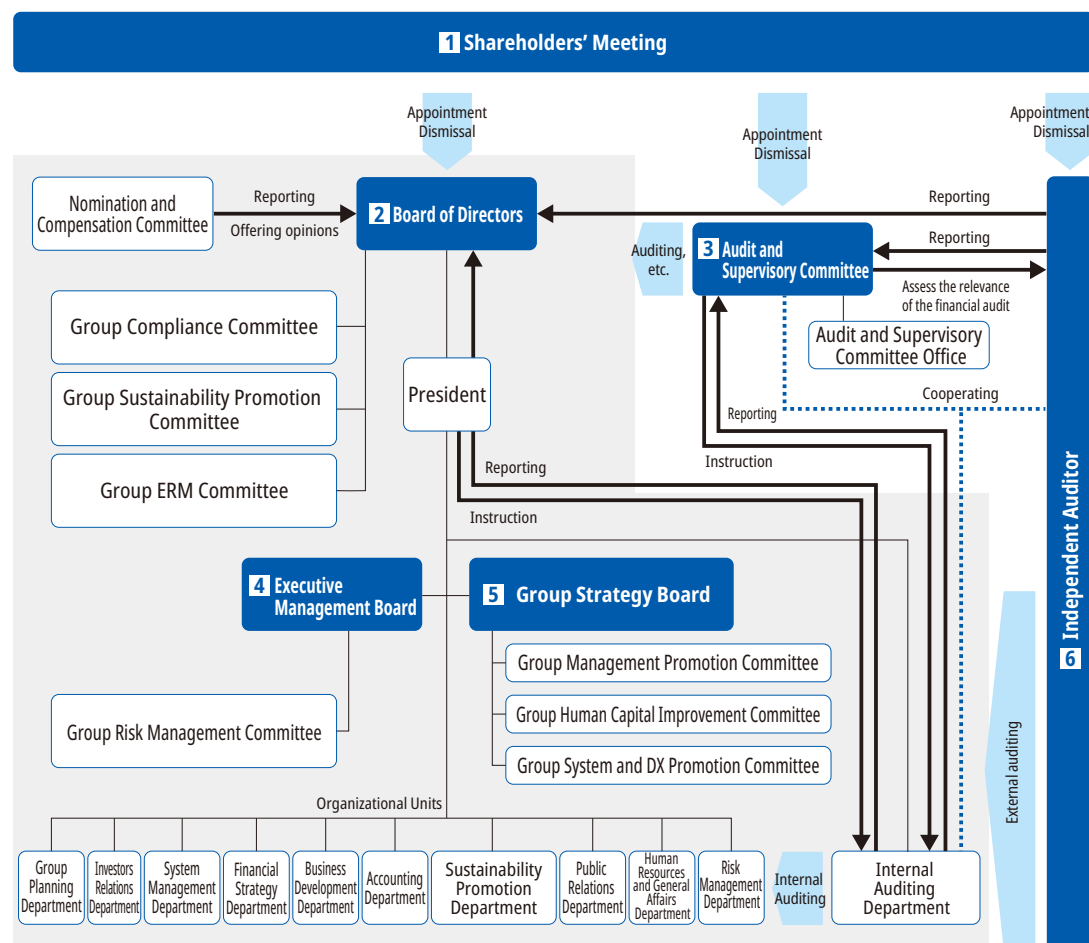
	Entity	Total number of directors	Number of outside directors (ratio)	Number of female directors (ratio)	Topics
2004	Company with an Audit & Supervisory Board	8	1 (13%)	–	• Establishment of T&D Holdings, Inc.
2012		10	1 (10%)	–	• Introduction of stock compensation-type stock options as an executive compensation system.
2013		11	2 (18%)	1 (9%)	• Increase in the number of outside directors from one to two.
2015		11	2 (18%)	1 (9%)	• 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		12	3 (25%)	1 (8%)	• Increase in the number of outside directors from two to three.
2018		12	3 (25%)	1 (8%)	• 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	14	5 (36%)	1 (7%)	• Transition to a company with an Audit and Supervisory Committee. • Increase in the number of outside directors from three to five.
2021		12	5 (42%)	1 (8%)	• Change in the number of inside directors from nine to seven to further strengthen agile decision-making and oversight function.
2022		13	6 (46%)	2 (15%)	• Increase in the number of outside directors from five to six*. • Increase in the number of female directors from one to two*.
2023		12	5 (42%)	1 (8%)	• 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.
2024		14	6 (43%)	2 (14%)	• Increase in the number of outside directors from five to six and the number of female directors from one to two.

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

Corporate Governance

Mechanisms to Support Initiatives

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 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.													
3 Audit and Supervisory Committee	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.													
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 management-related strategies and issues of the Company or those common to the Group.													
6 Information related to the Independent Auditor (FY2023)	<table border="1"> <thead> <tr> <th>Category</th><th>Remuneration for audit certification services (¥ millions)</th><th>Remuneration for nonaudit certification services (¥ millions)</th></tr> </thead> <tbody> <tr> <td>Submitting company</td><td>204</td><td>28</td></tr> <tr> <td>Consolidated subsidiaries</td><td>239</td><td>15</td></tr> <tr> <td>Total</td><td>443</td><td>43</td></tr> </tbody> </table>		Category	Remuneration for audit certification services (¥ millions)	Remuneration for nonaudit certification services (¥ millions)	Submitting company	204	28	Consolidated subsidiaries	239	15	Total	443	43
Category	Remuneration for audit certification services (¥ millions)	Remuneration for nonaudit certification services (¥ millions)												
Submitting company	204	28												
Consolidated subsidiaries	239	15												
Total	443	43												

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 corporate 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	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"> Determining Group strategies Profit and risk management Optimizing the allocation of business resources Determining capital strategies 	<ol style="list-style-type: none"> Determining marketing strategies 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

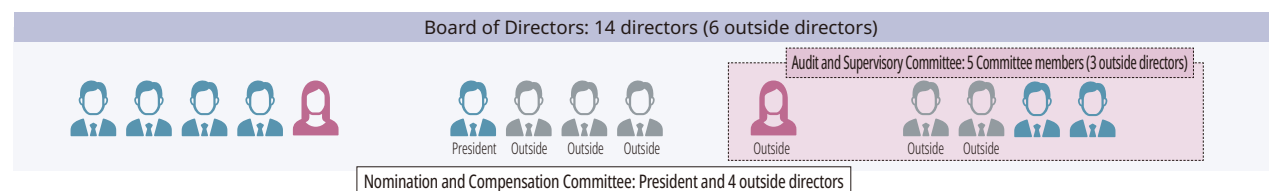
our company and the Group as a whole.

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.

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 six outside directors to appropriately apply the opinions of individuals with extensive experience and knowledge in their capacity as



Corporate Governance

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.

■ 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.

■ 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

Key themes discussed at the fiscal 2023 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 Initiatives to increase human capital
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"> Internal audit policy and verification of results 	<ul style="list-style-type: none"> Compliance status of the Group

Summary of the evaluation of the effectiveness of the Board of Directors as a whole in fiscal 2023

Evaluation Procedures	We conducted a survey of and interviewed directors regarding the effectiveness of the operations of the Board of Directors as a whole (including the voluntary Nomination and Compensation Committee) in fiscal 2023 to analyze and evaluate the results. We also introduced a new initiative for the self-assessment of individual directors.
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	<p>Based on the results of our analysis and evaluation, we confirmed the items below and therefore the Board of Directors is more or less functioning effectively in terms of its expected role.</p> <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 the integrated management of the Group, further progress was achieved in discussions with an awareness of the business portfolio, ROE and the cost of capital. Supervision and governance of subsidiaries advanced. The quality of Board discussions has improved, with more time being devoted to important agenda items There was progress in actions to share the content of the dialogue with investors internally so that it is reflected in policies and issues are addressed.
Status of Responses to Previous Issues	We recognize that steady improvements have been made addressing the issues identified in the fiscal 2022 evaluation: ensuring the diversity of the Board of Directors based on the management strategy, management focused on ROE with an awareness of capital cost and return on capital, and advancing Group human resources initiatives to help improve human capital.
Newly Recognized Issues	<p>We also realized the need to step up actions regarding the issues to be handled by the Board of Directors for its continued advancement, specifically the implementation of Group human resources initiatives that aid the improvement of human capital (such as the effective assignment of human capital) and ensuring the diversity of the Board of Directors in connection with the management strategy (such as the expansion of the skills matrix) as well as actions for the integrated Group management and the generation of synergy.</p> <p>In addition, we will use the results of the new individual director self-evaluations to further improve officer training and for other purposes.</p>
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

perspectives, we conduct evaluations of the Board's effectiveness using external organizations once every few years.

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 strengthen independence, objectivity and accountability, 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 2023, the Nomination and Compensation Committee met a total of 14 times.

The main topics discussed by the Nomination and Compensation Committee For fiscal 2023 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• Composition of our Board of Directors (including the skills matrix)• Selection of candidate directors not serving as Audit and Supervisory Committee members and candidate directors serving as 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 of individual directors not serving as Audit and Advisory Committee members and executive officers and determination of their individual compensation• Results of the evaluations of the representative directors of direct subsidiaries• Extension of the trust period for trust-type stock compensation• Treatment of the executives of the Company and its direct subsidiaries



Discussions with outside directors

1. Information communicated by outside directors

Our outside directors act from an independent standpoint as representatives of stakeholders, 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.

In fiscal 2023, outside directors effectively provided opinions and suggestions based on their knowledge regarding the initiatives to increase human capital, risk management related to investments in overseas businesses and the measures for improving group governance at Board of Directors meetings.

Since April 2021, we have been committed to our five-year Group Long-Term Vision, Try & Discover 2025. In fiscal 2023, we intensively deliberated Group-wide business portfolio management at Board of Directors meetings and also separate occasions, mainly discussing the positions of individual group companies and the direction of investment areas which are a key factor in the Group's growth from the perspective of increasing capital efficiency. In these discussions, the outside directors provided many opinions regarding points and issues

that should be further explored. They expressed their views and proposed ideas from objective and broad perspectives.

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.

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 outside of the Group, are experts in law and accounting, and have the expertise and experience necessary to implement the Group's growth strategy 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

Formulation of overall strategy function

Supervisory function

Business management function

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	Global	Sustainability management	Finance and accounting	Risk management	Legal affairs and compliance
Hirohisa Uehara	Representative Director and Chairman		●	●	●	●	●			●
Masahiko Moriyama	Representative Director and President	●	●	●	●		●		●	●
Hotaka Nagai	Director and Senior Managing Executive Officer		●	●				●		
Yoko Futami	Director and Managing Executive Officer								●	●
Kensaku Watanabe	Outside director	●							●	●
Masazumi Kato	Outside director	●	●	●		●		●		
Kenji Fuma	Outside director	●	●	●		●	●		●	
Naoki Soejima	Director		●	●	●	●	●			
Mutsurou Kitahara	Director		●	●	●		●			
Takashi Ikawa	Director (Full-time Audit & Supervisory Committee Member)					●		●	●	●
Takashi Tojo	Director (Full-time Audit & Supervisory Committee Member)							●	●	●
Shinnosuke Yamada	Outside director (Audit & Supervisory Committee Member)							●	●	
Atsuko Taishido	Outside director (Audit & Supervisory Committee Member)	●							●	●
Koji Nitto	Outside director (Audit & Supervisory Committee Member)		●	●		●	●	●		

* The Company utilizes outside knowledge to further improve the functioning of the Board of Directors. For example, people with required expertise and experience are invited to be outside members of specialized committees established as needed in many different fields and the discussions of these committees are reported 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	Corporate management and business strategy	Marketing			
II	Diversification and optimization of business portfolio	Corporate management and business strategy	Capital and financial markets	Marketing	Risk management	Global
III	Upgrading capital management	Capital and financial markets	Finance and accounting	Risk management		
IV	Promoting integrated Group management	Corporate management and business strategy	Marketing			
V	SDGs management and creation of value	Corporate management and business strategy	Capital and financial markets	Marketing	Sustainability management	

Legal affairs and compliance

Reasons for selection of the expertise and experience

Expertise and experience	Reasons for selection
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.
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.
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.
Global	Because a wealth of knowledge and management experience on a global scale is necessary to keep the closed book business positioned as a growing business to seek new investment opportunities with a view toward the diversification and optimization of the business portfolio.
Sustainability management	Because a wealth of expertise and experience in sustainability management is necessary to achieve the Group's goal of creating shared value through SDG management initiatives and solutions to social issues.
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.
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.
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 formula

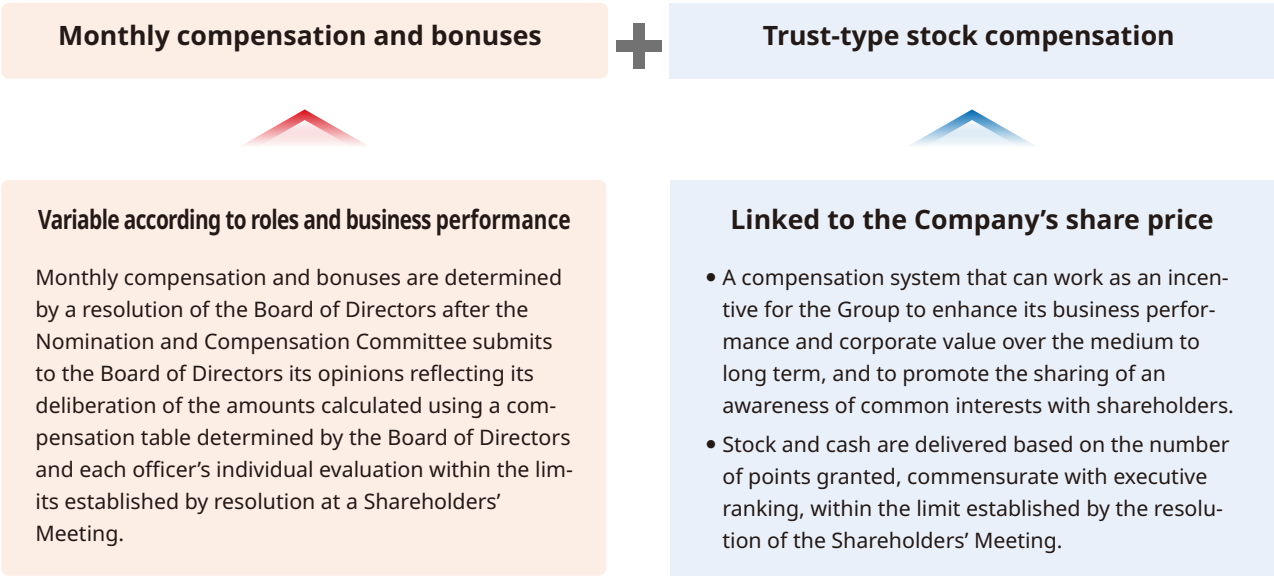
The Basic Policy on Corporate Governance stipulates the Company's policy related to determining executive compensation, etc.

■ 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.



■ 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> (FY2023)

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	99.5 billion	103.5 billion	104.0%
Value of new business	173.9 billion	161.7 billion	93.0%

(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 8.6%.
- Actual ROEV is 16.8%.

(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 247.0% over five years.

Note: TSR is calculated as follows:

- Five years: (Share price on March 31, 2024 + cumulative total of dividends per share from FY2019 to FY2023) / share price on March 31, 2019

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

Evaluation criteria, etc.	
Customer satisfaction level	The degree of achievement is evaluated using evaluation criteria formulated referencing the level in the previous fiscal year.
Employee engagement score	
Reduction of CO ₂ emissions	

- The customer satisfaction and employee engagement results achieved or exceeded the level in the previous fiscal year, fulfilling the evaluation criteria.
- CO₂ emissions have been reduced by 10.0% compared to the level of the previous fiscal year, fulfilling the evaluation criteria.

■ 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.

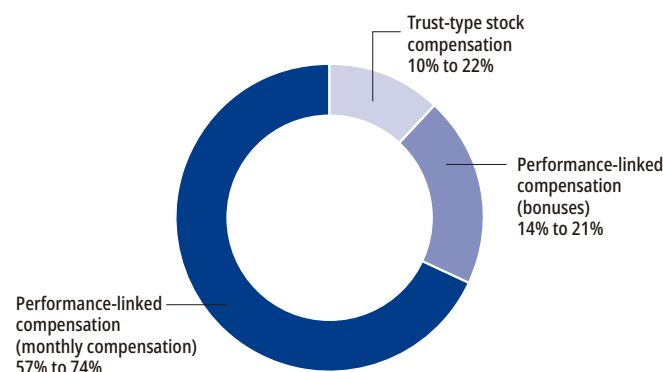
The method we use for calculating individual executive compensation, etc. amounts for the directors of our direct subsidiaries is consistent with these corporate performance evaluations for each direct subsidiary, as determined by our Board of Directors.

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	124	3	36	3	35	6	197
Directors serving as Audit and Supervisory Committee members (excluding outside directors)	2	86	0	—	0	—	2	86
Outside directors not serving as Audit and Supervisory Committee members	2	20	0	—	0	—	2	20
Outside directors serving as Audit and Supervisory Committee members	3	37	0	—	0	—	3	37
Total	13	268	3	36	3	35	13	341

1. 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 ¥142 million and non-monetary compensation, etc. is a total of ¥35 million.
2. 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 19th Ordinary General Meeting of Shareholders on June 28, 2023. As of the end of this fiscal year, we have seven directors not serving as Audit and Supervisory Committee members and five who are.
3. 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, 2024, based on the executive compensation system.
4. There is no compensation, etc. received by Outside Directors from the Company's parent company, etc.
5. 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. Monthly compensation and bonuses for directors, excluding outside directors, other part-time directors and directors serving as Audit and Supervisory Committee members, and their individual evaluations are determined by a resolution of the Board of Directors after the Nomination and Compensation Committee submits to the Board of Directors its opinions reflecting its deliberations regarding them.

■ 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.

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
Directors not serving as Audit and Supervisory Committee members	¥450 million per year
Outside directors included in the above	¥40 million per year
Directors serving as Audit and Supervisory Committee members	¥150 million per year
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
Directors not serving as Audit and Supervisory Committee members	¥500 million
Maximum total number of points to be granted under trust-type stock compensation	Points
Directors not serving as Audit and Supervisory Committee members	215,000 points per fiscal year

Corporate Governance

Succession Plan

■ Succession Plan Formulation and Implementation

With an eye toward continued growth, the medium- to long-term enhancement of the value of our Group and stable business continuity, we formulate and implement succession plans for the presidents of the Company and the three life insurance companies.

These plans detail the qualities and skills that are required of presidents and selection processes. The Nomination and Compensation Committee deliberates the formulation and implementation of the plans and submits its opinions to the Board of Directors. Then, the Board of Directors supervises all of the successor nomination processes to see whether or not they have been properly implemented and ensure their objectivity, timeliness and transparency.

■ 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.

Training for Officers

Our Basic Policy on Corporate Governance stipulates that we shall provide directors and other officers opportunities to acquire and update their knowledge which is necessary for them to properly fulfill their roles and responsibilities, both at the time of their appointment and continually during their term of office.

In fiscal 2023, we organized opportunities for outside directors and the President to exchange opinions and also for the independent auditor and the representative directors of major subsidiaries to exchange opinions. We also held training on key subjects related to the implementation of the Group Long-Term Vision, such as the latest trends in sustainability and human capital management.

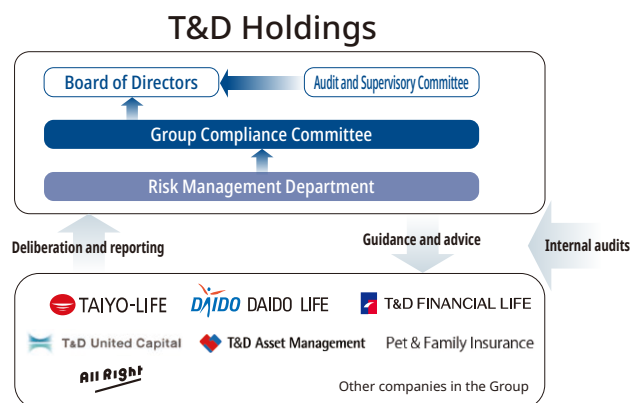
Compliance

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 corporate officers and employees are conversant with these basic policies and standards to promote rigorous Group-wide compliance efforts.

Group Compliance Promotion Structure

The Group has established a compliance promotion structure based on the T&D Insurance Group Basic Policy for Strengthening the Compliance Structure. To monitor and improve the Group's compliance framework, the Group Compliance Committee was established as an organization subordinate to the Board of Directors. In addition, the Risk Management Department manages the promotion of compliance. In collaboration with the compliance management departments of the three life insurance companies in the Group, it implements regular monitoring and receives reports



regarding material issues to provide guidance and advice to individual companies as appropriate. The three life insurance companies and other companies each operate a compliance promotion structure centered on a compliance committee and a compliance management department.

Compliance Implementation

By implementing measures based on the fundamental policies just described and paying due consideration to the business scale and special characteristics of each Group company, the T&D Insurance Group strives to ensure employee consciousness of compliance issues. For example, the Group has established a Compliance Program to serve as a plan for ensuring strict compliance performance among all directors and employees at T&D Holdings, the three life insurance companies, and other Group companies. Moreover, the Group has created Compliance Guidelines to provide concrete explanations of how to thoroughly implement compliance regulations in the course of business operations.

Basic Policies to Block Relationships with Antisocial Forces

In its Group Compliance Code of Conduct, the Group defines its policy toward antisocial forces as follows: "to reject and stringently respond to any antisocial forces that threaten the order and safety of civil society." In accordance with this policy, the Group has formulated the T&D Insurance Group Basic Policy for Responding to Antisocial Forces and has announced this on the Company's website.

Information Disclosure (Ensuring Information Disclosure and Transparency)

• The Company shall strive to provide easy-to-understand disclosure based on its core disclosure principles of timeliness,

fairness and accuracy in order to maintain and reinforce trust among all of its stakeholders and to increase the level of transparency in its corporate governance.

- The Company shall disclose statutory information stipulated in the Insurance Business Act, the Financial Instruments and Exchange Act, and other related laws and ordinances, and in the rules of the Tokyo Stock Exchange. The Company shall also disclose information it deems to be important for its stakeholders, taking into account the business environment, economic conditions, and industry trends.
- The Company shall strive to disclose information to as many people as possible using various media.
- The Company shall establish Disclosure Rules that set forth the purpose, basic policy, system, activities and other aspects of disclosure, and shall proactively strive to provide disclosure based on those rules.

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 (including retirees) 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.

Under this system, we have established rules to ensure that no one submitting any such report will be treated in any disadvantageous way because of the report. The system also open the way for people to report matters anonymously through the outside company receiving these reports. We thus endeavor to ensure the effectiveness of the system. We will continue to increase our compliance efforts through the internal reporting system.

Management Organization (as of August 30, 2024)

Board of Directors



Representative Director and Chairman
Hirohisa Uehara

Number of the Company's shares held*1 60,700
Attendance to the Board of Directors' meetings*2 17 / 17

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
Apr 2024 Representative Director and Chairman of T&D Holdings (current)
Jun 2024 Director of Taiyo Life (current)

Significant concurrent positions

Director of Taiyo Life

Reasons for selection

Mr. Hirohisa Uehara has operational experience within the Group including asset investment and sales. In addition, he has previously been in charge of Group Planning at the Company. Following service as Representative Director and President, he is currently serving as Representative Director and Chairman of the Company. He is expected to continue 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, etc.



Director (outside director, part-time)
Kensaku Watanabe

Number of the Company's shares held*1 1,300
Attendance to the Board of Directors' meetings*2 17 / 17

Apr 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)
Aug 2023 Director of JDC Corporation (current)

Significant concurrent positions

Attorney

Director of JDC Corporation

Reasons for selection

Mr. Kensaku Watanabe has sophisticated expertise and extensive insight as an attorney at law specialized in corporate legal affairs. He can be expected to capitalize on this knowledge and experience to continue to serve his role in making key management decisions and supervising the execution of operations from a perspective of protecting general shareholders.

Although Mr. Kensaku Watanabe has not been engaged in corporate management other than as an outside director and outside audit & supervisory board member, the Company believes that he can perform his duties appropriately as an Outside Director who is not an Audit & Supervisory Committee Member for the reasons above.



Representative Director and President
Masahiko Moriyama

Number of the Company's shares held*1 17,100
Attendance to the Board of Directors' meetings*2 17 / 17

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
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
Jun 2023 Representative Director and Senior Managing Executive Officer of T&D Holdings
Apr 2024 Representative Director and President of T&D Holdings (current)

Significant concurrent positions

Reasons for selection

Mr. Masahiko Moriyama has operational experience within the Group including sales, products, planning and systems. In addition, he has previously been in charge of Group Planning at the Company. Following service as Representative Director and Senior Managing Executive Officer, he is currently serving as Representative Director and President of the Company. He is expected to continue 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, etc.



Director (outside director, part-time)
Masazumi Kato

Number of the Company's shares held*1 0
Attendance to the Board of Directors' meetings*2 —

Apr 1974 Joined Long-Term Credit Bank of Japan, Limited (current SBI Shinsei Bank, Limited)
Mar 2000 Executive Officer of Long-Term Credit Bank of Japan, Limited
Jun 2004 Managing Executive Officer of Shinsei Bank, Limited
Sep 2005 Senior Managing Executive Officer of Shinsei Bank, Limited
Mar 2008 Director of LIFENET INSURANCE COMPANY
Jun 2008 Representative Executive Officer and Vice President of Shinsei Bank, Limited
Oct 2010 Representative Executive Officer and Vice Chairman of Russell Investments Japan Co., Ltd.
Jan 2013 Representative Director and Vice Chairman of Russell Investments Japan Co., Ltd.
Oct 2023 Representative Director of Russell Investments Japan Co., Ltd.
Jun 2024 Special Advisor of Russell Investments Japan Co., Ltd. (current)
Jun 2024 Director of T&D Holdings (current)

Significant concurrent positions

Reasons for selection

Mr. Masazumi Kato possesses a wealth of knowledge and experience of corporate management, gained from his positions as Representative Executive Officer and Vice President at a bank and Representative Director and Vice Chairman at a foreign-owned asset management company. He can be expected to capitalize on this knowledge and experience to serve his role in making key management decisions and supervising the execution of operations from a perspective of protecting general shareholders.



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

Number of the Company's shares held*1 15,600
Attendance to the Board of Directors' meetings*2 14 / 14

Apr 2002 Joined Daido Life
Apr 2015 Executive Officer of T&D Holdings
Apr 2017 Managing Executive Officer of T&D Financial Life
Jun 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

Jun 2023 Director and Senior Managing Executive Officer of T&D Holdings

Apr 2024 Director and Executive Officer of T&D Holdings (current)

Jun 2024 Director of Daido Life (current)

Significant concurrent positions

Director of Daido Life

Director of T&D Financial Life

Reasons for selection

Mr. Hotaka Nagai has operational experience within the Group including planning and business management. In addition, he has been in charge of the Financial Strategy Department and Accounting Department at the Company. He is expected to continue 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, etc.



Director and Managing Executive Officer
In charge of Internal Auditing Department
Yoko Futami

Number of the Company's shares held*1 5,700
Attendance to the Board of Directors' meetings*2 —

Feb 1991 Joined Taiyo Life
Apr 2017 Executive Officer of Taiyo Life
Jun 2018 Director and Executive Officer of Taiyo Life
Apr 2024 Director and Managing Executive Officer of Taiyo Life
Jun 2024 Director and Managing Executive Officer of T&D Holdings (current)

Significant concurrent positions

Reasons for selection

Ms. Yoko Futami has operational experience within the Group including risk management, legal affairs, asset management, and human resources. She has served as Director and Managing Executive Officer at Taiyo Life Insurance Company. She is expected to serve her role in making key management decisions and supervising the execution of operations, leveraging her wealth of knowledge and experience relating to the management of insurance companies.



Director (outside director, part-time)
Kenji Fuma

Number of the Company's shares held*1 0
Attendance to the Board of Directors' meetings*2 —

Apr 2004 Joined Recruit Ablic Inc. (current Recruit Co., Ltd.)
Jul 2013 Representative Director and CEO of Neural, Inc. (current)
Nov 2021 Director of Valence Holdings Inc. (current)
Jul 2022 Adjunct Professor, Shinshu Sustainability Transformation Initiative, Shinshu University (current)
Jun 2024 Director of T&D Holdings (current)

Significant concurrent positions

Representative Director and CEO of Neural, Inc.
Director of Valence Holdings Inc.

Reasons for selection

Mr. Kenji Fuma possesses a wealth of knowledge and experience gained from his position as CEO of a sustainability management and ESG investment advisory company. He can be expected to capitalize on this knowledge and experience to serve his role in making key management decisions and supervising the execution of operations from a perspective of protecting general shareholders.

*1 As of March 31, 2024

*2 FY2023

Management Organization (as of August 30, 2024)

Board of Directors



Director (part-time)
Naoki Soejima

Number of the Company's shares held*1 25,310
Attendance to the Board of Directors' meetings*2 17 / 17

Apr 1981 Joined Taiyo Life
Apr 2009 Executive Officer of Taiyo Life
Apr 2011 Managing Executive Officer of Taiyo Life
Jun 2011 Representative 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

Reasons for selection

Mr. Naoki Soejima has operational experience within the Group including products, planning and sales. He currently serves as Representative Director and President of Taiyo Life Insurance Company. In addition, he currently holds office of Director of the Company. He is expected to continue 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, etc.



Director (part-time)
Mutsurou Kitahara

Number of the Company's shares held*1 40,800
Attendance to the Board of Directors' meetings*2 17 / 17

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

Reasons for selection

Mr. Mutsurou Kitahara has operational experience within the Group including products, planning and human resources. He is currently serving as Representative Director and President of Daido Life Insurance Company and as Director of the Company. He is expected to continue 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, etc.

Directors who are Audit and Supervisory Committee Members



Director (Audit and Supervisory Committee Member (full-time))
Takashi Ikawa

Number of the Company's shares held*1 65,900
Attendance to the Board of Directors' meetings*2 17 / 17
Attendance to Audit and Supervisory Committee meetings*2 19 / 19

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 operational experience within the Group including asset investment and accounting, and he has considerable expertise in finance and accounting. He has been in charge of risk control and internal administration departments. He is expected to continue to serve his role in making key management decisions as well as auditing and supervising the execution of duties of Directors who are not Audit & Supervisory Committee Members, leveraging his wealth of knowledge and experience relating to the operations of insurance holding companies, insurance companies, etc.



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

Number of the Company's shares held*1 0
Attendance to the Board of Directors' meetings*2 15 / 17
Attendance to Audit and Supervisory Committee meetings*2 19 / 19

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 2015 Auditor of KANDA HOLDINGS Co., Ltd.
Apr 2019 Audit & Supervisory Board Member of Pigeon Corporation (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 has sophisticated expertise and extensive insight as an attorney at law specialized in corporate legal affairs. She can be expected to capitalize on this knowledge and experience to continue to serve her role in making key management decisions as well as auditing and supervising the execution of duties of Directors who are not Audit & Supervisory Committee Members from a perspective of protecting general shareholders.

Although Ms. Atsuko Taishido has not been engaged in corporate management other than as an outside director and outside audit & supervisory board member, the Company believes that she can perform her duties appropriately as an Outside Director who is an Audit & Supervisory Committee Member for the reasons above.



Director (Audit and Supervisory Committee Member (full-time))
Takashi Tojo

Number of the Company's shares held*1 15,000
Attendance to the Board of Directors' meetings*2 17 / 17
Attendance to Audit and Supervisory Committee meetings*2 19 / 19

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)

Jun 2024 Audit & Supervisory Board Member of Taiyo Life (current)

Significant concurrent positions

Audit & Supervisory Board Member of Taiyo Life

Reasons for selection

Mr. Takashi Tojo has operational experience within the Group including asset investment and legal affairs, and he has considerable expertise in finance and accounting. He has been in charge of the Risk Control Department. He is expected to continue to serve his role in making key management decisions as well as auditing and supervising the execution of duties of Directors who are not Audit & Supervisory Committee Members, leveraging his wealth of knowledge and experience relating to the operations of insurance holding companies, insurance companies, etc.



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

Number of the Company's shares held*1 0
Attendance to the Board of Directors' meetings*2 —
Attendance to Audit and Supervisory Committee meetings*2 —

Apr 1983 Joined Tateishi Electric Corporation (current OMRON Corporation)
Jun 2011 Executive Officer of OMRON Corporation
Apr 2013 Managing Executive Officer of OMRON Corporation
Apr 2014 Senior Managing Executive Officer of OMRON Corporation
Jun 2014 Director and Senior Managing Executive Officer of OMRON Corporation
Apr 2017 Director, Senior Managing Executive Officer and CFO of OMRON Corporation
Apr 2023 Director of OMRON Corporation
Jun 2023 Director of Wacoal Holdings Corp. (current)
Jun 2024 Director of GS Yuasa Corporation (current)
Jun 2024 Director (Audit and Supervisory Committee Member) of T&D Holdings (current)

Significant concurrent positions

Director of Wacoal Holdings Corp.

Director of GS Yuasa Corporation

Reasons for selection

Mr. Koji Nitto has wealth of knowledge and experience in corporate management, having served as Director, Senior Managing Executive Officer and CFO at a globally operating company listed on the Tokyo Stock Exchange Prime Sector. Additionally, he has considerable expertise in finance and accounting. He can be expected to capitalize on this knowledge and experience to serve his role in making key management decisions as well as auditing and supervising the execution of duties of Directors who are not Audit & Supervisory Committee Members from a perspective of protecting general shareholders.



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

Number of the Company's shares held*1 2,200
Attendance to the Board of Directors' meetings*2 17 / 17
Attendance to Audit and Supervisory Committee meetings*2 19 / 19

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)

Dec 2021 Audit and Supervisory Board Member of RAKUTEN BANK, LTD. (current)

Significant concurrent positions

Certified public accountant

Audit & Supervisory Board Member of RAKUTEN BANK LTD.

Reasons for selection

Mr. Shinnosuke Yamada has sophisticated expertise and extensive insight as a certified public accountant. He can be expected to capitalize on this knowledge and experience to continue to serve his role in making key management decisions as well as auditing and supervising the execution of duties of Directors who are not Audit & Supervisory Committee Members from a perspective of protecting general shareholders.

Although Mr. Shinnosuke Yamada has not been engaged in corporate management other than as an outside director and outside audit & supervisory board member, the Company believes that he can perform his duties appropriately as an Outside Director who is an Audit & Supervisory Committee Member for the reasons above.

*1 As of March 31, 2024

*2 FY2023

Interview with the Chair of the Nomination and Compensation Committee

Kensaku Watanabe, an Outside Director who has been the chair of the Nomination and Compensation Committee since earlier this year, was interviewed about the process of electing the new president, key points of the discussions of the committee and his hopes regarding the new president and the new management team.

Q | First, what has the Nomination and Compensation Committee been doing and what roles does it play, in your view? Have there been any particularly memorable discussions?

I became an outside director of T&D Holdings in June 2020. Since then, I have been taking part in the deliberations of the Nomination and Compensation Committee as one of its members. The Nomination and Compensation Committee discusses the election of the officers of T&D Holdings and Group companies and the fairness and appropriateness of the compensation provided to them. During FY2023, we met 14 times and spent a lot of time on personnel affairs related to officers in particular.

The guidelines for the election of a new T&D Holdings president in the Internal Rules on Presidential Successor Plan have provisions regarding the qualities and capabilities that are required of a president. Based on these guidelines, we discussed whether or not specific individuals had the ability to manage the organization, were oriented towards innovation and had other qualities. T&D Holdings has been studying a successor development plan since Hirohisa Uehara, who is currently the chairman of T&D Holdings, became president. Since I was appointed to be a Nomination and Compensation Committee member, we have selected a number of successor candidates from a medium- and long-term perspective and performed annual assessments in view of the state of training and their achievements in the past twelve months. Through this process, the Nomination and Compensation Committee deliberated, ultimately deciding to nominate Masahiko Moriyama for president.

In considering the nomination of the representative directors of operating companies which play a significant role in increasing the Group's corporate value, each committee member expressed their views and engaged in extensive discussions, during both initial appointments and reappointments. The Nomination and Compensation Committee is a discussion body whose significance lies in the reporting of the details of its discussions to the Board of Directors. In some cases, we respected the comments of individual members and reported them exactly to the Board of Directors.



Kensaku Watanabe, an Outside Director

Biography: He registered as an attorney at law in April 1997 and has been a partner of Tokei Partners since January 2006. In June 2016, he was appointed to be an Audit & Supervisory Board member of T&D Financial Life. Since June 2020, he has been a director of T&D Holdings. Since August 2023, he has also been a director of JDC Corporation.

Q | What do you expect from the new president, Masahiko Moriyama?

We discussed two points regarding the election of the new president. One was the stable continuation of the management of the Group. The other was our hopes for the realization of new management for the Group. The new president is passionate and able to lead. I believe he will be able to think about the Group's growth from a long-term perspective looking 10 or 15 years into the future.

For the Group's next long-term vision, it is important that the new leader draws a picture of the future. He has experience in the management of the Group as an officer in charge of the Group Planning Department. I hope that he will put this experience to good use as he demonstrates leadership in advancing our new Group management structure with a greater focus on growth.

We will be working to advance the Group's capital management, increase the shared use of systems and standardize paperwork. I expect that a wide variety of opinions will emerge within the Group, but I hope that his strong leadership will accelerate individual measures and increase the Group's value. As for the management of core personnel within the Group, it is important that we select people with great abilities who are the most appropriate people for

Interview with the Chair of the Nomination and Compensation Committee

the Group without being restricted by the company they belong to. I hope that personnel affairs will be implemented from the perspective of what is optimal for the Group as I mentioned, and the Nomination and Compensation Committee will closely monitor this matter.

Q | In your view, is the T&D Group's governance advancing?

Yes, it is advancing. However, there is no complete form of governance. There is no goal. We need to be always aware of issues and continuously seek the best governance. The outside directors have very important roles to play in this. We discuss the things that we should do to express our unreserved opinions and continually improve governance with the awareness that we have been selected from the market as the outside directors of T&D Holdings. Newly appointed outside directors provide insight and suggestions based on their expertise and careers. It is expected that they stimulate discussions from a broader perspective.

To ensure that the outside directors play these roles, it is important that they collaborate with the administrative office that supports their activities. The activities of the Group's office include planning training for outside directors, arranging opportunities for informal discussion, and incorporating opinions or issues raised during the pre-briefings given to outside directors into the materials and explanations for Board of Directors meetings. These activities support the outside directors' performance of their duties. We will always discuss how to improve the relationship with the office and seek to do so.

Q | Now that you have become the chair of the Nomination and Compensation Committee, how do you plan to fulfill your duties?

For the Group's growth, it is vital that all of the personnel of the Group increase their awareness of the achievement of growth in the capital market as members of a publicly listed corporate group. In my view, investor relations activities inside the Group support development of this awareness. Increasing every employee's awareness as a member of a publicly listed corporate group will have some effect on their stance, mindset and behaviors in their everyday operations. Finally, it will construct a foundation for the Group's development. I will monitor these measures as well as the changes in mindsets of the Group's staff.

The Group's Nomination and Compensation Committee has a high percentage of outside directors, enabling the committee to operate in a way that makes it easy for us to speak

frankly. We hope to maintain this culture going forward. Two newly appointed outside directors have recently joined the committee. I will do my best to manage discussions to ensure that insights are provided from new points of view, that the deliberations reflect more diverse viewpoints, and ultimately that our useful opinions and deliberative output are presented to the Board of Directors, benefitting the Group.

Q | What personnel or skills are necessary for the T&D Holdings Board of Directors?

While it is centered on its core life insurance business, the Group operates many different businesses, including investment, asset management, non-life insurance and digital customer base establishment businesses. We need people that are capable of discussing each of these various businesses. However, the Group is a publicly listed corporate group in the life insurance sector, which means the Group's stakeholders are incredibly diverse, encompassing not only policyholders, agencies, business partners and employees but also shareholders and local communities. We must achieve growth by resolving social issues. Therefore, I believe we need people who can provide insight from the perspectives of our diverse stakeholders.

The people that we need vary depending on the circumstances surrounding the Group, the specific moment in time and the strategy. I believe that in the process of formulating the Group's next long-term vision, we should reexamine the expertise that will be needed for the realization of the Group's future growth strategy in consideration of the accelerating changes of the times.

Q | How do you plan to use your career as an attorney in your position as an outside director?

As an attorney, I am often involved in business revitalization. I have been inside companies many times working with their employees on the corporate reorganization procedures for restructuring their businesses. In these times, my experience has been that it is the morale and eagerness of individual people that drives the reconstruction of corporate value. Participating in the procedures for rebuilding companies in crisis permitted me to have these experiences, but I believe that even in normal times, the driving force behind corporate growth is the motivation of each individual employee to do their job and the motivation of the Group as a whole to work toward a common goal, such as resolving social issues. I will closely monitor the Group to ensure that we provide our employees with a fulfilling environment that enables this.

Messages from New Directors

The four new board members, both inside and outside the Company, who were appointed to the board in FY2024, shared their aspirations and their views on how they intend to contribute to the enhancement of our Group's corporate value and the challenges they face.



Carrying out integrated Group management to increase corporate value

Yoko Futami, Director and Managing Executive Officer

The T&D Insurance Group has been working to increase its corporate value to realize the Group Long-Term Vision formulated in 2021 with a focus on the improvement of capital efficiency.

In 1991, I joined Taiyo Life Insurance Company, a life insurance company in the Group. I have been diligently working on matters leading to the enhancement of the Group's corporate value, particularly on the improvement of corporate governance, compliance and risk management, diversity, equity and inclusion (DE&I), the implementation of work style reforms and the development of a good customer-oriented corporate culture. In the past, my duties were to directly implement the businesses at subsidiaries. Now as the director of the holding company that is in charge of internal auditing and as the Group's Chief Audit Executive (CAE), I will strengthen the system for monitoring Group companies to increase the effectiveness of auditing. Through this, I will develop the Group's collaboration structure towards the realization of the Group Long-Term Vision.

In 2024, T&D Holdings celebrates the 20th anniversary of its establishment and it will carry out initiatives to create Group synergy. One of them is increasing the sophistication of the Group's internal auditing functions. Specifically, we will concentrate audit planning and quality management functions within the holding company to implement uniform auditing operations across the Group with the goals of sharing and disseminating the internal auditing mission, improving the quality of the auditing at individual companies and enhancing Group governance.

I will continue to push ahead with the integrated management of the Group so that the Group will work in concert to solve problems, increasing corporate value. I will endeavor to make sure that the Group will continue to be selected by customers and financial markets.



Contributing to growth from the perspectives of a business manager and an investor

Masazumi Kato, Outside Director

For a long time, I have been working in the financial sector and engaged in the management of different types of business: banking, securities and asset management. I also have experience working for publicly listed companies, foreign companies, companies controlled by investment funds and other different types of organizations. I hope to contribute to the future development of T&D Holdings from two perspectives. One is my experience in the management of financial institutions, and the other is that of the investors in an asset management firm.

In the T&D Insurance Group, there are life insurance companies with different strengths that compete in good ways. The Group has thus constructed a unique business model. Additionally, the Group is one of the first to embark on new business such as the closed book business and it is steadily establishing a foothold and making positive steps towards growth. I feel that these actions are driven by our "Try & Discover" motto.

In Japan, the population is aging, the birthrate is declining and in the life insurance business, competition is intensifying. The circumstances surrounding life insurance businesses in Japan do not warrant optimism. We will increase our differentiation, carry out the effective integrated Group management that is currently underway as well as human capital management and advance the establishment of a new corporate culture within the Group. I will serve the Group as it evolves into a remarkable and distinctive Japanese insurance company in the era of the 100-year lifespan.

Messages from New Directors



Proactively addressing the long-term changes in the macroeconomic environment

Kenji Fuma, Outside Director

I founded an ESG advisory services company in 2013. This is the 12th year it has been operating. These days, I am also serving as a specialist member on the committees of several government ministries and agencies regarding sustainability-related policies. As an adjunct professor of Shinshu University (Shinshu Sustainability Transformation Initiative), I am working to develop curricula and carry out a business-academia collaboration project with a focus on local ESG activities. In addition, I am a director of the Japan branch of an international non-governmental organization and a Japanese incorporated association. In both posts, my duties are to develop strategies in individual areas related to sustainability and to strengthen governance.

I have served in several positions and closely watched the circumstances surrounding businesses from multiple perspectives. I feel that the ESG environment surrounding Japan's publicly listed companies and institutional investors has drastically changed over the past 11 years. In particular, all stakeholders have high expectations that asset owners will correctly understand the systemic financial risks that surround sustainability and appropriately engage with portfolio companies, insured parties, beneficiaries and policymakers.

The T&D Insurance Group has three core insurance companies and there are two sides to its business. One is it being a publicly listed company, and the other is being an asset owner. It also has an asset management company, a reinsurance company, a venture capital business and other businesses. The roles that it plays in society are significant. In a human society where sustainability is threatened, I believe it is important for the Group to address systemic risks and achieve long-term growth while living up to the high expectations of our stakeholders. I believe that personnel development, the improvement of capital efficiency and the enhancement of asset management will be particularly important.

With its diverse composition, the T&D Insurance Group's Board of Directors fosters an atmosphere encouraging lively and open discussion. Going forward, I will double my efforts to develop a clear understanding of our diverse stakeholders' expectations and proactively address the long-term changes in the macroeconomic environment.



Continue to practice "Try & Discover" to achieve what you really want to be

Koji Nitto, Outside Director and Audit and Supervisory Committee Member

Until June 2023, I worked for OMRON Corporation, the main businesses of which include industrial automation, health care and social systems. As Director, Senior Managing Executive Officer, Chief Financial Officer and Senior General Manager, Global Strategy Headquarters I executed corporate strategies, including corporate philosophy-driven management, ROIC-focused management, and the promotion of sustainability to increase corporate value.

The price book-value ratios (PBR) of many Japanese companies are below 1.0, which indicates that their value is lower than their liquidation value. In this situation, they are under increasing pressure from stakeholders to accelerate their efforts to increase their corporate value. After leaving OMRON, I leveraged my experience to serve as an outside director for Wacoal Holdings Corporation, provide advice on ROIC-focused management and portfolio management to a large number of companies and provide other support to increase corporate value. The PBR of T&D Holdings is hovering around 1.0, and the Company understands that it is necessary to increase corporate value.

Corporate value should be increased from a medium- and long-term perspective, not a short-term one. The Corporate Philosophy (the Purpose) is important for achieving the increase of corporate value, and it is important to act to fulfill the Purpose. The T&D Insurance Group has a great Corporate Philosophy that it can be proud of. It reads, "With our 'Try & Discover' motto for creating value, we aim to be a group that contributes to all people and societies." We should not maintain this as merely a slogan. We will clarify the gap between what we are like and what we want to be like, and we will resolutely strive to narrow and eliminate this gap to truly achieve what we want to be. I suspect this gap is wide, but I believe that if we continue to practice Try & Discover we will be able to become a corporate group that achieves both profitability and growth and that is truly needed in society.

As an outside director, I will utilize the extensive knowledge that I have accumulated to be as much help as possible in enabling the growth of the Group's corporate value.

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> <p>Activities conducted in FY2023</p> <table><tr><th>Event</th><th>Frequency</th><th>Outline</th></tr><tr><td>Financial results conference calls</td><td>Four times</td><td>General Manager in charge of IR provided an overview of the financial results.</td></tr><tr><td>IR Meetings</td><td>Two times</td><td>The president explained the progress on the Group Long-Term Vision</td></tr><tr><td>IR DAY</td><td>Three times</td><td>1) The presidents of 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 3) The officer in charge explained our ESG activities based on the integrated report.</td></tr><tr><td>Presentations for individual investors</td><td>Two times</td><td>Conducted both online and in-person by IR responsible officer.</td></tr><tr><td>Conferences sponsored by securities firms</td><td>Three times</td><td>One-on-one meetings were held between the IR responsible officer and other management-level personnel and participants</td></tr></table> <p>Number of interviews conducted Total 310 companies Number of interviews conducted by officers: 132 companies Number of interviews conducted by IR departments: 178 companies</p> <p>Main contents of dialogue Our top executives 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 consequently received a wealth of feedback from our shareholders and investors. We report this feedback to the Board of Directors and other bodies and incorporate it into various measures for fiscal 2023, including measures to reduce asset management risks including the reduction of strategic shareholding. 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">• Our understanding of the issues for improving the P/EV ratio• The current state of the closed book business including the state of the management of Fortitude and policies for future initiatives• Policy for reducing asset management risks centering on interest rate risks and equity risks• State of implementation of the integrated Group management and issues to be considered• Strengths of major subsidiaries' businesses in the face of the expected shrinkage of the life insurance market in Japan• Disclosing sensitivity to interest rates after the revision of the ESR calculation methods and the impact of the increase in interest rates in Japan on EV and insurance business results <p>* Results current as of the IR Meeting held in May 2024</p> <p>Evaluations by External Assessment Organizations</p> <ul style="list-style-type: none">• 2023 Internet IR Award (Daiwa Investor Relations Co. Ltd.) Evaluated 4,048 listed companies* Selected as one of 144 winners of the Commendation Award• FY2023 All Japanese Listed Companies' Website Ranking Survey (Nikko Investor Relations Co., Ltd.) Evaluated all 3,970 listed companies* Selected as one of 203 companies with grade AAA websites in the Overall Ranking for seven consecutive years <p>* The number of evaluated companies differs depending on the timing of surveys, etc.</p>	Event	Frequency	Outline	Financial results conference calls	Four times	General Manager in charge of IR provided an overview of the financial results.	IR Meetings	Two times	The president explained the progress on the Group Long-Term Vision	IR DAY	Three times	1) The presidents of 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 3) The officer in charge explained our ESG activities based on the integrated report.	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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. 	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.
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. 	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.
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 	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.
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 • Global Environment Information Forum, Japan • Support for the Japan Down Syndrome Society • 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 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.

TOPICS

Strengthening IR Activities within the Group –Group IR–

Since fiscal 2022, we have been strengthening IR activities within the Group with the aim of sharing the Group's direction as well as promoting stronger market discipline and other such matters. For the Group's current IR activities, we have also devised ways to make IR more familiar and approachable to Group employees, such as by using the nickname "Group IR" reflecting the fact that the term "IR" sounds like the phrase there is love in Japanese.

Main Activity 1 Group internal IR Meetings

Top Company management executives explain the Group's challenges and policies using the same materials as the IR meetings for investors and analysts.

Main Activity 2 Small meetings

Our management team held dialogue-based small meetings with managers from the Group head office and branches. In fiscal 2023, we focused on two-way dialogue and discussed what to do to become a stronger Group in the future. Our management team explained the purpose and significance of the Group being a public company, the Group's issues as seen from the perspective of the market, the concept behind the Group Long-Term Vision and other matters, and participants voiced various opinions about the Group's issues from a working-level perspective and the hopes they have for the Group Long-Term Vision, etc.

■ Results for FY2023

Participants **670** Events held **69**



Scenes from a small meeting

Main Activity 3 Publication of Group IR Newsletter

The Group has a common comprehensive information portal site, "T&D TALK," which can be accessed by all group executives and employees and members of the authorized alumni associations. We publish the Group IR Newsletter on our site, proactively presenting content that had been communicated externally.

"T&D TALK" screen image



Main Activity 4 Briefing for all group executives and employees

Through the use of video and "T&D TALK," we conduct briefings (delivered via video) for all employees, including sales representatives, and also revitalize the employee stock ownership plan.