Roundtable Talk of Outside Directors

(Front row, from left)

Atsuko Taishido
Director
(Outside Director)

Masazumi Kato
Director
(Outside Director)

(Back row, from left)

Kensaku Watanabe
Director
(Outside Director)*

* Mr. Watanabe's title is as of the date of the roundtable discussion (retired June 25, 2026).

Koji Nitto
Director (Audit and Supervisory Committee Member)
(Outside Director)

Kenji Fuma
Director
(Outside Director)

Shinnosuke Yamada
Director (Audit and Supervisory Committee Member)
(Outside Director)

Enhancing Corporate Value through Offensive and Defensive Governance

In April 2026, the T&D Insurance Group announced a new Group Long-Term Vision. By establishing a ¥500 billion investment capacity and building new earnings foundations through disciplined growth investments, the Group aims to enhance corporate value over the medium to long term. In this roundtable discussion, outside directors look back on the previous Group Long-Term Vision and discuss from a range of perspectives the deliberations behind the formulation of the new Group Long-Term Vision, growth strategies for a changing business environment, and the future of governance.

* Date of roundtable discussion: April 30, 2026
* Following the roundtable discussion, the transfer of shares in T&D Financial Life was resolved. Outside Directors Kato and Nitto subsequently provided additional comments.

⇒ P. 73 Board of Directors Skills Matrix ⇒ P. 78 Management Organization

Looking Back on the Five Years of the Previous Group Long-Term Vision

Yamada Among the financial KPIs, we achieved our targets for Group adjusted profit, adjusted ROE, and ROEV, but unfortunately fell short of the target for value of new business due to the impact of revisions to insurance assumptions and the ultimate forward rate. Since value of new business is a source of future earnings, we will continue to strive to achieve the new target. I also feel that under the previous Group Long-Term Vision, we did not communicate clearly enough how non-financial KPIs such as customer satisfaction, the employee engagement score, and GHG emissions reductions were linked to financial KPIs and ultimately to enhanced corporate value. The new Group Long-Term Vision was formulated with these relationships in mind, so going forward we want to communicate them in a clear and accessible way.

Watanabe The previous Group Long-Term Vision was formulated in recognition of the issue that financial accounting profit had stagnated despite growth in economic value. I believe it is a testament to management's efforts that this issue was translated into KPIs and the targets were achieved. Integrated Group management has been discussed in many forums and is a topic often raised by investors, but it is important to demonstrate how integrated Group management contributes to corporate value and our businesses. I have participated in internal Group IR sessions, and I was impressed to see T&D Holdings executives directly convey the capital market perspective to younger employees at operating companies. Through the accumulation of such initiatives, I feel that awareness on the front lines is steadily changing.

Kato I also commend the early achievement of the financial KPIs. A major factor was the expansion of the closed book business, a growth area, into Europe as well as the United States, which established a new earnings base. Focusing on the

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specialized business models of Daido Life and Taiyo Life also led to expansion in both positive spread and profit. I would especially emphasize the steady progress made in initiatives to improve capital efficiency. The cycle of using dividends from subsidiaries for growth investments and shareholder returns has been strengthened, and this has contributed to market confidence, as reflected in solid total shareholder return (TSR) performance. Going forward, it will be essential to strengthen profitability in the domestic life insurance business and further refine the governance that supports it. We will address these issues firmly under the Group Long-Term Vision.

Nitto From a financial perspective, I appreciate how, under President Moriyama's leadership, management has become even clearer in its focus on shareholder value and corporate value, contributing to an improvement in the share price. At the same time, Group synergies remain a challenge, and collaboration among businesses needs to be further accelerated and strengthened. Looking ahead to a future of population decline, we also need to build growth foundations beyond the closed book business. The challenge going forward will be to deploy the ¥500 billion new investment capacity established under the Group Long-Term Vision in a disciplined manner and translate it into effective growth.

Fuma In the two years since I became an outside director, I have seen progress in two areas. One is the strengthening of Group governance. T&D Holdings' leadership over the use of Group funds and the allocation of human resources has become more clearly defined, which is a major step forward. The other area is the development of a business entity that can serve as a third arm alongside the major subsidiaries. Through the many proposals from the Business Development Department and discussions at Board meetings, we now have a framework for exploring new directions. At the same time, the remaining challenges are clear. We need concrete discussions about what kind of business portfolio we should aim to achieve five years from now while utilizing the growth investment capacity we have established. We also need to deepen our discussions on asset management in a rising interest rate environment, including how to address systemic risks closely related to the Group's businesses, and further refine our approach to asset management.

Taishido As a member of the Nomination and Compensation Committee, I have seen progress in governance during my tenure, including stronger processes and provision of human resources information to enable the Committee to take a leading role in nominating core Group talent. When Chairman Uehara handed over the top management role to President Moriyama in 2024, the Nomination and Compensation Committee conducted extensive discussions and ensured that the selection was based squarely on individual merit. There was no notion whatsoever that positions should rotate based on the executive's company of origin. Meanwhile, improving profitability in the insurance business, particularly how to translate Taiyo Life's strong sales channel into higher earnings, remains a challenge. Initiatives such as consolidation of asset management functions are progressing, but I feel the Group is still only partway toward realizing synergies. We also need to sharpen our strategy for where and how to allocate the growth investment capacity and present investors with a clear picture of the path to growth.

■ Seeing women excel in positions of responsibility unquestionably changes the landscape of the organization. (Taishido)

Discussions on Formulating the Group Long-Term Vision

Watanabe One of the most memorable topics in Board discussions was how to organize economic value and financial accounting and manage from both prospectives. The concept of translating the accumulation of economic value into financial results that can fund growth investments and shareholder returns is reflected in the KPIs of the Group Long-Term Vision. On governance, I have also stressed the importance of flexibly reviewing how discussions are conducted to improve Board effectiveness. We will continue to strengthen governance further through operational measures such as holding discussions exclusively for outside directors , setting dedicated intensive-discussion days, and expanding forums for discussion beyond Board meetings.

Kato From the perspective of aligning economic value and financial accounting, it is extremely important to accumulate high-quality new business. What we clarified through the discussions to formulate the Group Long-Term Vision was the path whereby the accumulation of high-quality new business generates high-quality EV, which in turn produces stable earnings that become the source of future growth investments and shareholder returns. The new KPIs were set to embed this logic. Discussions on improving Taiyo Life's profitability were also conducted from this perspective.

Taishido In formulating the Group Long-Term Vision, I assessed whether sufficiently thorough discussions were being held in light of the Group's strengths and challenges. The financial and non-financial KPIs that were established are important messages showing the market and the Group's officers and employees the direction in which the Group should move. They are the result of extensive discussion under an approach of management on both

■ Outside directors are expected to bring a perspective that embraces challenges in uncharted areas. (Fuma)

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a financial accounting basis and an economic value basis. As we shift to the phase of supervising strategy execution, the Board of Directors, as a monitoring board, will further strengthen both its offensive and defensive supervisory functions.

Yamada Regarding strategy execution, we held repeated discussions under the Group Long-Term Vision on the new investment capacity and significantly expanded it to ¥500 billion. A certain scale is essential to capture growth potential and vigorously promote DX investment and investment in human resources. Going forward, I will use my expertise to assess whether these growth investments are being made with discipline. Regarding accounting standards, while monitoring trends toward IFRS adoption, we will continue to examine which standards most appropriately reflect the Company's actual condition as the number of overseas investors grows.

Nitto Regarding the reduction of strategic shareholdings, I repeatedly pointed out the importance of implementing our policy firmly even in a rising stock market, as well as accelerating the pace of reduction. Going forward, we will continue to supervise whether the stated policy is being reliably executed.

Taishido Drawing on my expertise as a lawyer, I make recommendations on establishing a governance framework suited to the Group's actual circumstances while taking into account generally recognized best practices. For example, I actively participated in discussions on changing the chair of the Board of Directors from the Representative Director and President to the non-executive Chairman, and on revising the Group executive compensation system to strengthen KPIs that reflect a capital market perspective as a listed life insurance group. We are currently discussing a move toward a majority of independent outside directors, based on the Board of Directors Skills Matrix.

Fuma I believe the true purpose of formulating the Group Long-Term Vision is to prepare for the future, looking ahead to changes in market structure through around 2040. I consistently kept that in mind when commenting during discussions on each strategy in the vision. For the future, optimizing human resources and organizational structures across the Group is essential, and areas such as AI strategy and cybersecurity measures need to be driven by T&D Holdings from the perspective of optimizing the Group as a whole rather than by individual operating companies. Further evolution of governance is also important. We have repeatedly discussed increasing the ratios of outside directors and female directors and enhancing the Skills Matrix. In particular, I believe the skills the Board should strengthen going forward are global business and AI. In addition to the ability to judge overseas investments and assess profitability, we need capabilities to realize productivity improvements through AI.

The Group's Path to Growth

Kato I understand that in the natural sciences, "evolution" is also said to occur through the repurposing of existing functions, and I believe corporate growth likewise is built on the extension of a company's strengths. A good example is the closed book business, which leverages the expertise in alternative investments and reinsurance cultivated through our domestic life insurance business. Our cautious approach to investment, working with strong partners in the United States and Germany, is a distinctive feature of the Group. In Japan as well, the key will be how we transform our existing capabilities into solutions for the challenges faced by seniors and SMEs, markets in which the Group has strengths. Rather than remaining on the defensive, we need to accelerate the building of future growth foundations by exploring partnerships with external parties through flexible thinking.

Taishido I believe new business initiatives should be developed on the foundation of the household and SME markets, where the Group has overwhelming strengths. For example, Daido Life operates *Dodai?*, a platform for business owners that now has more than 120,000 members, advancing value creation beyond insurance. I want to support growth while closely supervising the speed and effectiveness of such initiatives.

Fuma As the business portfolio diversifies, I feel the way we think about synergies is also changing. We need to consider Group synergies from the perspective of whether we can create a business structure that generates new synergies not only among domestic life insurance subsidiaries, but also with affiliates such as Fortitude Re and Viridium and through new investments. In particular, an important issue will be whether growth investments in non-insurance domains can create synergies that lead to long-term enhancement of corporate value in the Group's core markets of households and SMEs.

Kato From the perspective of reviewing the business portfolio, the transfer of shares in T&D Financial Life (TDF) was also one of the important issues we discussed. We engaged in discussions from the standpoint of whether the transaction would contribute to enhancing corporate value and shareholder value, how it would affect the future business portfolio, and whether it would be a desirable choice for stakeholders, including customers, employees, and market participants. In particular, we placed importance on how to reallocate the capital generated by the transfer to strengthen the competitiveness of

Going forward, I will use my expertise to assess whether these growth investments are being made with discipline. (Yamada)

T&D Holdings should be a catalyst that sparks new chemical reactions. (Kato)

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core business and invest in AI, DX, and human capital to drive future growth. We also placed a high value on the comprehensive business alliance with PayPay, which offers the Group access to a customer base and digital capabilities it could not build on its own. I see the transaction not simply as a business divestiture, but as a strategic decision to strengthen the foundation for future growth.

Nitto What I considered most important was whether the decision to transfer the shares would lead to the enhancement of the Group's corporate value over the medium to long term. T&D Financial Life has played a part in the Group's core business, and its profitability has improved. The decision to transfer the business was therefore by no means an easy one. I repeatedly asked the executive team to ensure that the discussions were not proceeding on the assumption that a transfer was the predetermined outcome, and that they were comparing and examining both options: continuing to pursue growth on our own and entrusting the business to a "best owner." I believe this decision was highly significant in terms of reviewing the business portfolio based not only on current profitability but also on future potential.

Yamada Human capital is essential to the Group's sustainable growth. As the employee engagement score has reached a certain level, we have set a new target to raise the proportion of employees with diverse skills and experience from the current 30% to 40%. Going forward, we will also prioritize the enhancement of administrative personnel's skills and develop global and specialist human resources.

Taishido On the human resources front, the Group is taking ambitious steps to promote women's advancement. Seeing women excel in positions of responsibility gives hope to those who follow and unquestionably changes the landscape of the organization. It goes without saying that enabling people, regardless of gender, to fully realize their potential and play active roles leads to corporate growth. I am encouraged to see male executives also actively expressing views on the advancement of women.

Fuma Like other financial institutions in Japan, the Group still has a low ratio of women in management positions and considerable room for improvement. However, the key is not to chase short-term numerical targets, but to resolve structural issues. During the period of the Group Long-Term Vision, we need to steadily remove the factors that discourage women from seeking promotion and create an environment in which more women can move into management positions.

Nitto Ultimately, I think it comes down to putting "Try & Discover," which is embedded in our corporate philosophy, into practice. If something does not work the first time, we should change the approach. Taking on challenges and making new discoveries through them—that, I believe, is what makes our Group distinctive.

Further Improving the Effectiveness of the Board of Directors

Taishido Strengthening the supervisory function is essential to improving the effectiveness of the T&D Holdings Board of Directors. With operating subsidiaries responsible for business operations, the role of T&D Holdings naturally centers on supervision, but strengthening the supervisory function also helps drive strategy execution. Through dialogue with the executive team based on mutual trust, I will actively engage in improving the quality of strategy execution while closely monitoring the speed and progress of initiatives. We also hold discussions among outside directors only, and I believe reflecting our deeper understanding of issues gained through those discussions back in Board deliberations will further strengthen the supervisory function.

Kato To improve Board effectiveness, I intend to fulfill my supervisory role based on my expertise in corporate management, finance and capital markets, and global business. We are now at a historic turning point of nominal growth and the normalization of interest rates, and management of financial institutions is entering a competitive phase that has shifted from "defensive" to "offensive." The Group needs to sharpen its distinctive strengths: its strong presence in specific channels and products that meet the needs of those channels. More specifically, I believe we should strengthen product development and asset management capabilities by further advancing ALM and increasing our risk-taking capacity.

Nitto The Board of Directors is required to provide both "defensive governance," which maintains discipline, and "offensive governance," which encourages management to take appropriate risks. It is not enough to view governance simply as monitoring and supervision. Risk management is important for preventing the erosion of corporate value, but the fundamental purpose of governance is to enhance corporate value. Outside directors with diverse expertise are expected to broaden existing boundaries and encourage breakthroughs. We can only say we have truly fulfilled our role if corporate value grows, so I want to pursue governance that encourages challenge and growth.

Fuma I believe the role of outside directors is to guide organizations that tend to focus on the "exploitation of knowledge" toward the "exploration of knowledge"—taking on challenges in unexplored domains—and thereby realize ambidextrous

■ Putting "Try & Discover" into practice is, I believe, what makes our Group distinctive.
(Nitto)

■ It is important to demonstrate that integrated Group management contributes to enhancing corporate value.
(Watanabe)

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management. Particularly in identifying new domains, it is important to offer perspectives that are difficult to see from inside the organization, broadening the range of Board decision-making. As a prerequisite, we ourselves must continue learning. I believe this accumulation of knowledge will support further improvement in Board effectiveness.

Yamada During the period of the previous Group Long-Term Vision, we faced the unprecedented challenge of the COVID-19 pandemic, but we fulfilled our responsibility as an insurance company providing the necessary benefits in accordance with our mission. Going forward, it will be extremely important to strike a balance between staying close to policyholders and paying the benefits they need as an insurer, while also achieving sustainable growth. I will rigorously monitor the financial indicators that underpin that balance.

Watanabe Six years have passed since I became an outside director. The current outside directors share with the executive team the goal of sustainably enhancing corporate value while offering frank opinions from their respective positions, and I feel we are providing constructive supervision. This has given me a strong sense that governance is functioning effectively. This fiscal year, we revised the Group executive compensation system and further strengthened value sharing between management and stakeholders by increasing the weight placed on TSR and sustainability indicators. I expect these mechanisms to support the execution of management strategy and contribute to greater Board effectiveness.

Kato An important role of T&D Holdings is to function as a catalyst. It should bring together the strengths of Group companies and generate new synergies. The same applies to us as outside directors. We will continue to provide oversight and recommendations as catalysts, bringing incisive perspectives to the organization from our respective areas of expertise, to unlock the Group's full potential.

Message from a Newly Appointed Outside Director

Ryoko Ueda, who was appointed an Outside Director in fiscal 2026, shares her views on the challenges facing the Group and how she hopes to contribute to enhancing its corporate value.

Supporting the Sustainable Enhancement of Corporate Value through Offensive and Defensive Governance

Ryoko Ueda Outside Director

In my work at financial institutions and universities, I have been engaged in both practice and research relating to corporate governance and sustainability, primarily from a capital markets perspective. Throughout this work, I have consistently focused on the sustainable enhancement of corporate value from a medium- to long-term perspective.

The sustained enhancement of corporate value requires both "offensive governance," which creates an environment in which management can perform to its full potential, and "defensive governance," which ensures management soundness through appropriate risk management and effective monitoring. I believe that maintaining a balance between the two leads to sustainable growth and enhanced corporate value.

Under the Group Long-Term Vision, Try & Discover 2030 -Breaking Beyond-, the T&D Group aims to achieve sustainable growth and create value by leveraging its diverse business foundations. As a listed corporate group, we are expected to live up to the trust placed in us by our shareholders and work to enhance corporate value over the medium to long term in a way that translates into shareholder value.

Insurance companies also play a role as part of the social infrastructure that supports people's lives. The insurance business is built on long-term relationships of trust with customers. It is therefore an important mission for us to conduct our insurance business on a stable basis over the medium to long term and continue to live up to the trust of our customers and society.

Sound governance is an important foundation not only for ensuring sustainable management but also for building trust among stakeholders, including shareholders and investors, customers, employees, and local communities. Even amid major changes in the business environment, I believe that balancing soundness and growth while continuing to create sustainable value will contribute to the further development of the T&D Group.

As an Audit and Supervisory Committee Member, I will draw on a capital markets perspective and engage in constructive dialogue with stakeholders as I work to ensure the effectiveness of both offensive and defensive governance. By meeting the expectations of stakeholders, including shareholders and investors, I will contribute to the sustainable enhancement of the T&D Group's corporate value.