

■Initiatives for Improving the Effectiveness of the Board of Directors

For further strengthening of corporate governance, the Company has been conducting annual self-assessments regarding the effectiveness of the Board of Directors since FY2014 to ensure the validity of decision-making by the Board of Directors, and utilized this for improvements in the following fiscal year and thereafter.

For the FY2023 evaluation, a third-party organization conducted a one-hour interview with all Directors individually, after conducting an anonymous survey of all Directors in advance. The advance survey consists of a total of 26 questions in 8 categories, which include “Overall Evaluation,” “Structure,” “Discussion,” “Operation,” “Culture,” “Committee,” “Self-evaluation,” and “Others.” After receiving an evaluation based on the responses to the advance survey and individual interviews as well as future issues and proposed directions for actions from the third-party organization, improvement initiatives are considered and implemented.

In FY2023, each Director was interviewed individually for 30 minutes by a third-party organization as part of a mutual evaluation (peer review) of Directors. This is intended to provide an opportunity for each Director to gain insight into further enhancing their contribution toward further improvement of the effectiveness of the Board of Directors.

Issues	Measures for improvement
(1) Enhance group governance system	<ul style="list-style-type: none">Share awareness of significant issues for the group governance and deepen discussions on management indicators that should be monitored as a board of a shareholding company, which will be reflected in formulation of a next medium-term management plan
(2) Deliberation and initiatives as to an ideal shape of the Board of Directors in the pursuit of increased corporate value	<ul style="list-style-type: none">Share awareness periodically among directors as to themes requiring discussionsClarify points in question in strategic discussions to utilize expertise of outside directors and provide information and prepare materials conducive to active discussionsContinue offering opportunities for outside directors to deepen understanding of the Company’s business through offsite meetings and other occasionsProvide more opportunities for communications between outside directors and executive officers

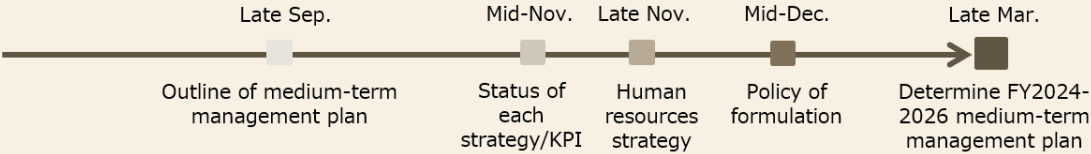
FY2023

Examples of specific improvement initiatives for FY2023

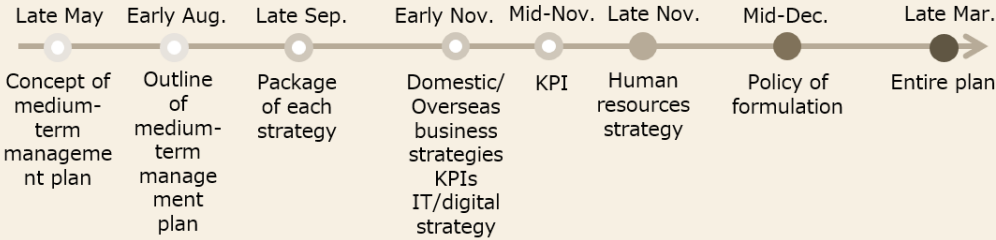
(1) Enhance group governance system

- Further consolidation on how to apply the Company’s governance to the operating companies as a group governance issue.
- In order to set KPIs for the new medium-term management plan that are appropriate as management indicators to be monitored by the holding company, discussions were held on setting indicators to realize adjusted ROE > cost of capital, and on changing definitions, etc., in anticipation of the introduction of new economic value regulations at the end of fiscal 2025.
- For the agenda related to the new medium-term management plan, effective deliberation process was realized by providing enough time for discussion during the year through the use of opinion exchange meetings and preliminary explanatory meetings (see schedule below).

<Board of Directors>



<Opinion exchange meetings ●/Preliminary explanatory meeting ●>



(2) Deliberation and initiatives as to an ideal shape of the Board of Directors in the pursuit of increased corporate value

- a.) Share recognition of themes to be discussed
- At the first meeting of the Board of Directors in fiscal 2023, the Chairperson shared the policy of emphasizing strategic discussions, appropriate risk-taking, and highly effective supervision of execution during the year.
 - The annual schedule of agenda was established to achieve an effective schedule and discussion content backcast from the status expected at the end of fiscal 2023.
 - The Board of Directors agreed to update or reschedule the agenda as necessary depending on the progress of discussions and changes in circumstances, as appropriate.
- b.) Clarification of issues in materials
- Provided a model for summary materials in order to fulfill the elements that contribute to activating discussion.
 - The Board of Directors Office conducted a preliminary review of the materials and provided feedback for further clarification of issues as necessary.
- c.) Fostered outside directors’ understanding on the Group businesses and further enhanced communication opportunities
- Through dialogue between outside directors and executive officers and inspection of business sites, deepened mutual understanding of the Company’s issues and direction to be pursued, and strengthen the foundation for discussions on the formulation of the medium-term management plan, etc.

(3) Other initiatives to improve the effectiveness of the Board of Directors

- Flexibly provided opportunities for discussion to encourage proactive risk-taking by the execution, including acquisitions, and fully exercised the functions of the Board of Directors (6 extraordinary meetings of the Board of Directors and 3 extraordinary meetings for exchange of opinions).

FY2024

Issues	Measures for improvement
(1)Enhance group governance system	<ul style="list-style-type: none">Enhance reporting by CXOs and Group HeadsEnhance reporting on business strategies of operating companies in overseas and non-insurance areas
(2)Enhance group strategy discussions	<ul style="list-style-type: none">Discuss on the group-based resource allocation and the medium to long term business portfolio using off-site meetings, etc.
(3)Further strengthen the function of the Board of Directors secretariat	<ul style="list-style-type: none">Strengthen feedback from the Board of Directors Office to each department from the viewpoint of setting appropriate agendas and stabilizing the quality of explanatory materialsImprove the model of summary materials used for explanations in order to clarify the issues of a proposalEarlier timing of providing materials to directors to allow time for them to understand the content of the agenda in advance, in order to enhance discussions