

[Translation]

June 4, 2024  
Tetsuya Kikuta  
Representative Director, President  
Chief Executive Officer  
Dai-ichi Life Holdings, Inc.  
Code: 8750 (TSE Prime section)

## **Supplementary Explanation for Proposal 3 of the 14th Annual General Meeting of Shareholders**

With regards to the 14<sup>th</sup> Annual General Meeting of Shareholders of the Company to be held on June 24, 2024, Institutional Shareholder Services Inc. (hereinafter "ISS") has recommended AGAINST Mr. Koichi Masuda and Mr. Satoshi Nagase, who are candidates for Proposal 3 respectively: "Election of Five (5) Directors Serving as Audit & Supervisory Committee Members", on the grounds that their independence is uncertain.

The Company believes that ISS's opinion on independence is not based on sufficient consideration of the actual status and is in conflict with the Company's understanding that their independence from the Company is sufficiently secured and therefore are suitable candidates for outside directors serving as Audit & Supervisory Committee members of the Company. Explanation of why they have been nominated as Directors, their expected roles as well as background information on their independence can be found on pages 31 through 35 of the "Convocation Notice of the Annual General Meeting of Shareholders for the 14th Fiscal Year". In addition, we would like to reiterate our thoughts as follows.

We would appreciate our shareholders' and investors' attention to the following details as well as your understanding towards the proposal.

### 1. Mr. Koichi Masuda (Candidate No.4)

#### (1) The Company's view on the recommendation by ISS to vote AGAINST

ISS recommends to vote AGAINST his appointment, noting his lack of independence solely because he belonged to KPMG AZSA LLC (hereinafter "KPMG-AZSA"), currently the Company's independent auditor.

We believe that this recommendation by ISS does not appropriately take into account the concept of the so-called "cooling-off period", which defines the expiration of interest after a certain period of time post resignation, despite the fact that approximately 17 years have passed since his resignation from KPMG-AZSA.

We believe that it is not reasonable to unconditionally deny independence, solely on

the basis of having belonged to the Company's current independent auditor, without taking into account the length of period post resignation, his activities during that period and the status of the firm he originally belonged to. The Corporate Governance Code states that "at least one person with sufficient knowledge of finance and accounting should be appointed as corporate auditor<sup>1</sup>". Given that there are only a few major audit firms capable of handling accounting audits for global companies, the approach of ISS would lead to hindering the effectiveness of the Board of Statutory Auditors<sup>1</sup> as well as the effective use of independent outside directors who have extensive knowledge and experience as certified public accountants.

(2) The Company's Rationale of his nomination as outside director serving as Audit & Supervisory Committee member and his expected roles

He has extensive experience and advanced and specialized knowledge as a certified public accountant, as well as extensive experience as an outside director (Audit & Supervisory Committee member) and outside auditor of other companies, including serving as a representative partner at a major audit firm and making efforts to enhance and strengthen certified public accountant audits as the Chairman and President of the Japanese Institute of Certified Public Accountants.

Since his appointment, Mr. Koichi Masuda has actively provided opinions at the Company's Board of Directors meetings and Audit & Supervisory Committee meetings mainly on financial matters, including opinions on accounting and auditing policies, audits of overseas subsidiaries, key audit matters (KAM), reinsurance transactions, and regulatory aspects of accounting for more than seven and a half years. During the current two-year term, he has also provided the Company with a wide range of opinions, including opinions on internal controls such as the three-line defense model in the Group, risk management in overseas business development, and financial accounting considerations for M&A, contributing to the improvement of the Company's corporate governance.

The Company expects that he will continue to take advantage of his experience in conducting audits and supervision of the Group's management, and therefore proposes him as a candidate for outside director serving as Audit & Supervisory Committee member.

(3) The Company's view on his independence

He served until June 2007 as an executive responsible for the operations of KPMG AZSA, which is currently the independent auditor of the Company, but approximately 17 years have passed since he retired from the accounting firm.

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<sup>1</sup> As a Company with an Audit & Supervisory Committee structure, "Statutory Auditor" refers to a director who is an Audit & Supervisory Committee member, and "Board of Statutory Auditors" refers to the Audit & Supervisory Committee.

We also confirm that he meets the requirements for independency of the Tokyo Stock Exchange as well as the Company's independency criteria for outside directors.

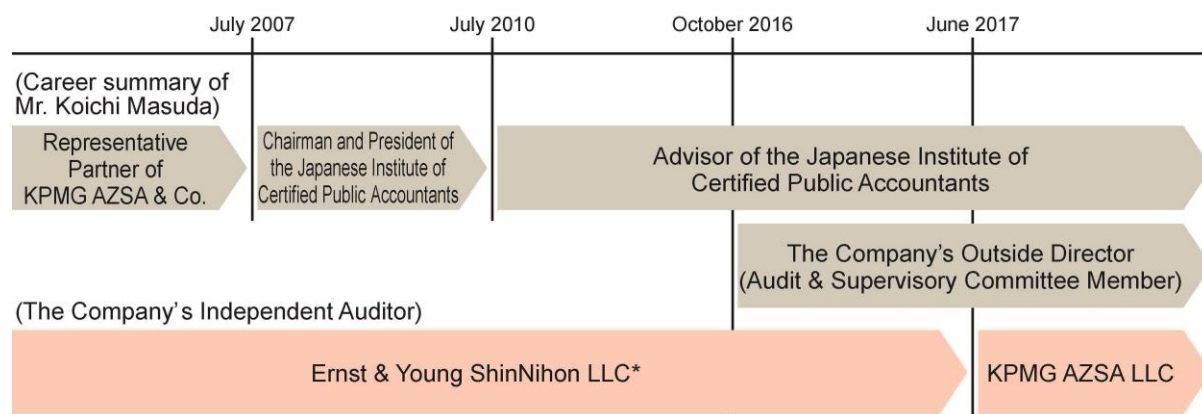
For these reasons, the Company believes that the independence of Mr. Koichi Masuda is sufficiently secured.

The Company has filed with the Tokyo Stock Exchange to appoint him as an independent director without conflict of interest between general shareholders as defined by the stock exchange.

<Supplemental information on the independence of Mr. Koichi Masuda>

KPMG AZSA did not become the independent auditor of the Company until June 2017, and KPMG AZSA did not engage in the accounting audit of the Company during the period he was affiliated with the accounting firm, which was until June 2007.

Mr. Koichi Masuda has declared his intention not to participate in, and has abstained from, any resolutions pertaining to the election of the accounting firm as the independent auditor of the Company.



\* The name Ernst & Young ShinNihon LLC is as of June 2017.

2. Mr. Satoshi Nagase (Candidate No.5)

(1) The Company's view on the recommendation by ISS to vote AGAINST

ISS recommends to vote AGAINST his appointment, noting his lack of independence solely because he belonged to JPMorgan Securities Japan Co., Ltd. (hereinafter "JPMorgan Securities") in the past, the Company's 7th largest shareholder (1.81% shareholding ratio as of March 31, 2024).

The Company has confirmed with JPMorgan Securities that the objective of their shareholding in the Company is to provide brokerage services (mainly securities lending) to their clients. Their shareholding is not based on any relationship with the

Company whatsoever, nor is based on their intention to impact the Company's management by exercising their voting rights.

We also believe that this recommendation by ISS does not appropriately take into account the concept of the so-called "cooling-off period", which defines the expiration of interest after a certain period of time post resignation, despite the fact that approximately 19 years have passed since his resignation from JP Morgan Securities.

We believe that it is not reasonable to unconditionally deny independence, solely on the basis of having belonged to a major shareholder of the Company, without taking into account the objective of the shareholding or the length of period post resignation, as this would lead to hindering the effective use of independent outside directors who have extensive experience and deep insight as management leaders of financial institutions.

(2) The Company's Rationale of his nomination as outside director serving as Audit & Supervisory Committee member and his expected roles

He has had a wide range of experiences and high-level insight as a corporate manager at financial institutions and extensive experience in capital policy and finance as a CFO of other companies. In addition, he has deep experience and knowledge in the life insurance business as Outside Director of The Dai-ichi Frontier Life Insurance Co., Ltd., a subsidiary of the Company. The Company expects that he will actively advise on various matters of the Company based on his objective viewpoint at the Board of Directors meetings and other occasions and utilize his experience in conducting audits and supervision of the Group's management, and therefore proposes him as a candidate for outside director serving as Audit & Supervisory Committee member.

(3) The Company's view on his independence

He served until March 2005 as an executive responsible for the operations of JPMorgan Securities, Ltd., which is a major shareholder of the Company, but approximately 19 years have passed since he retired from the company.

We also confirm that he meets the requirements for independency of the Tokyo Stock Exchange as well as the Company's independency criteria for outside directors.

For these reasons, the Company believes that the independence of Mr. Satoshi Nagase is sufficiently secured.

In addition, we plan to file his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

<Supplemental information on the independence of Mr. Satoshi Nagase>

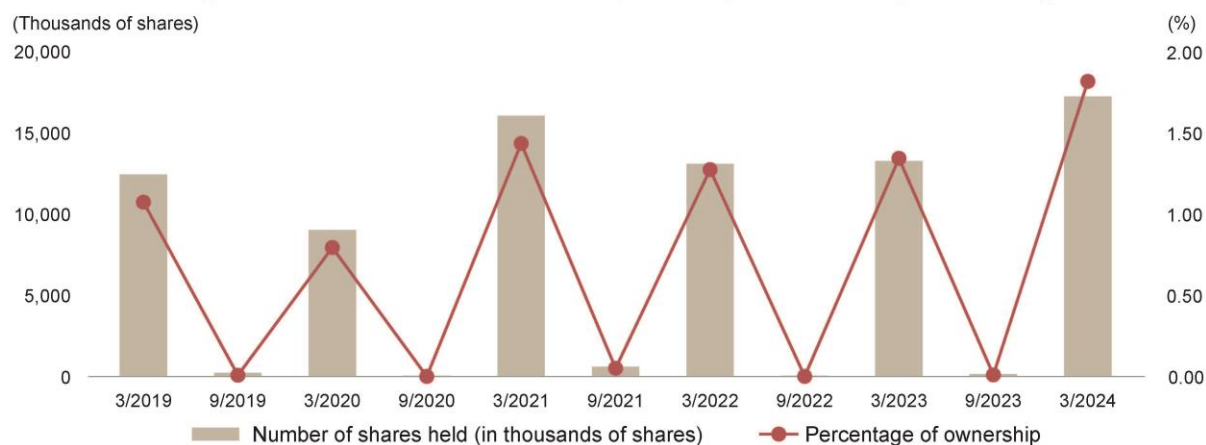
Mr. Satoshi Nagase served until March 2005 as an executive responsible for the operations of JPMorgan Securities, which was the 7th largest shareholder of the Company (as of March 31, 2024, the percentage of shares held was 1.81%). In our opinion, the Company recognizes that the purpose of JPMorgan Securities' holding of the Company's shares is to provide brokerage services to investor clients for transactions mainly in the securities lending business, and is not a holding based on any relationship with the Company, the issuer, or on the assumption that JPMorgan Securities intends to influence management rights through the exercise of voting rights.

In addition, approximately 19 years have passed since he retired from JPMorgan Securities, which is considered sufficient as a so-called "cooling-off period," or the lapse of interest after a certain period of time after retirement.

Furthermore, he meets the requirements for independence stipulated by the Tokyo Stock Exchange and the Company's standards for independence of outside directors as described on pages 38 through 39 of the "Convocation Notice of the Annual General Meeting of Shareholders for the 14th Fiscal Year".

Because of the above reasons, we judge that his independence has been sufficiently secured.

**Reference: Changes in number of shares held<sup>\*1</sup> and percentage of ownership<sup>\*2</sup> of JPMorgan Securities**



\*1 The number of shares held is based on the information in the Company's register of shareholders.

\*2 Percentage of ownership is calculated after deducting the number of treasury stock held by the Company from the number of issued shares.