

Directors, Audit & Supervisory Board Members



Director
Representative Director, President Executive Officer
Komori Nobuaki Date of birth May 2, 1969

Term of Office 23 years and 11 months
Attendance Record Board of Directors (15/15)

1992 Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)
 2000 Established the Company President and Representative Director of the Company
 2017 Director of AHB Inc. (current position)

2018 Director, Chairman, and Executive Officer of Anicom Insurance, Inc. (current position) Representative Director of the Company (current position)
 2020 Director of Anicom Specialty Medical Institute, Inc. (current position)
 2021 Director of Anicom Pafe, Inc. (current position)



Director
Representative Director, Vice President Executive Officer
Momose Yumiko Date of birth September 8, 1967

Term of Office 3 years and 9 months
Attendance Record Board of Directors (15/15), Nomination, Compensation, and Governance Committee (2/2 meetings)

1991 Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)
 2000 Joined the Company
 2003 Director of the Company
 2005 Managing Director of the Company
 2010 Managing Director of Anicom Insurance, Inc.

2015 Senior Managing Director of Anicom Insurance, Inc.
 2018 Director and Senior Managing Executive Officer of Anicom Insurance, Inc. (current position) Senior Managing Executive Officer of the Company
 2020 Director and Senior Managing Executive Officer of the Company
 2022 Representative Director, Vice President Executive Officer (current position)



Director
Outside Director
Tanaka Eiichi Date of birth November 25, 1953

Term of Office 3 years and 9 months
Attendance Record Board of Directors (15/15 meetings), Nomination, Compensation, and Governance Committee (2/2 meetings), Independent Directors Meeting (3/3 meetings)

1978 Joined the Ministry of Posts and Telecommunications
 2007 Director-General of the Radio Department, Telecommunications Bureau, Ministry of Internal Affairs and Communications
 2008 Director-General for Policy Coordination, Minister's Secretariat
 2010 Director-General of Minister's Secretariat Director-General for Information and Communications Bureau
 2012 Vice-Minister for Policy Coordination

2013 Adviser of Sompō Japan Nipponkoa Insurance Inc. (currently Sompō Japan Insurance Inc.)
 2015 Executive Vice President of NTT Communications Corporation
 2019 Director of Secure Broadcasting Authorization and Research Center (current position) Audit & Supervisory Board Member of GC Story co., Ltd. (current position)
 2020 Outside Director of the Company (current position)



Director
Outside Director
Shoyama Katsuo Date of birth February 21, 1955

Term of Office 1 year and 9 months
Attendance Record Board of Directors (15/15 meetings), Nomination, Compensation, and Governance Committee (2/2 meetings), Independent Directors Meeting (3/3 meetings)

1978 Joined ASAHI BREWERIES, LTD. (currently Asahi Group Holdings, Ltd.)
 2008 Senior Officer and General Manager of Higashi-kanto Regional Headquarters
 2011 Corporate Officer and General Manager of Chugoku Regional Headquarters
 2013 President and Representative Director of LB Co., Ltd.

2016 Senior Managing Director of Asahi Group Foods, Ltd.
 2017 President and Representative Director
 2021 Company Friend of Asahi Group Holdings, Ltd. (current position)
 2022 Outside Director of KAMEDA SEIKA CO., LTD. (current position) Outside Director of the Company (current position)



Director
Outside Director
David G. Litt Date of birth October 10, 1962

Term of Office 1 year and 9 months
Attendance Record Board of Directors (15/15 meetings), Nomination, Compensation, and Governance Committee (2/2 meetings), Independent Directors Meeting (3/3 meetings)

1988 Judicial Clerk to the Chief Judge Alfred T. Goodwin of the U.S. Court of Appeals for the Ninth Circuit
 1989 Admission to the State Bar of California
 1990 Judicial Clerk to Justice Anthony M. Kennedy of the U.S. Supreme Court
 1991 Admission to the District of Columbia Bar Joined O'Melveny & Myers LLP, Partner

2007 Joined Morrison & Foerster LLP, Partner
 2012 JCEO and Representative Director, Deneb Renewable Energy KK
 2015 Professor, Keio University Law School (current position)
 2020 Joined O'Melveny & Myers LLP, Foreign lawyer (current position)
 2022 Outside Director of the Company (current position)



Director
Outside Director
Takemi Hiromitsu Date of birth December 16, 1952

Term of Office 1 year and 9 months
Attendance Record Board of Directors (15/15 meetings), Nomination, Compensation, and Governance Committee (2/2 meetings), Independent Directors Meeting (3/3 meetings)

1975 Joined Japan Development Bank (currently Development Bank of Japan)
 1982 MBA, University of Rochester, USA
 1998 Harvard Business School, USA Completed Advanced Management Program
 2001 Vice Director of Research Institute of Capital Formation, Development Bank of Japan
 2004 Executive Officer of ShinGinko Tokyo, Limited (currently Kiraboshi Bank, Ltd.)

2006 Professor of Graduate School of Accounting & Finance, Chiba University of Commerce (Field of academic interests: Corporate governance and corporate finance)
 2007 PhD, Graduate School of Policy Studies, Chiba University of Commerce
 2017 Outside Audit & Supervisory Board Member of the Company
 2022 Outside Director of the Company (current position)
 2023 Professor Emeritus and Visiting Professor of Graduate School of Accounting & Finance, Chiba University of Commerce (Field of academic interests: Corporate governance, corporate ethics, finance and economics)



Audit
Full-time Audit & Supervisory Board Member
Suda Kazuo Date of birth April 21, 1949

Term of Office 8 years and 9 months
Attendance Record Board of Directors (15/15 meetings), Audit Committee (15/15 meetings), Independent Directors Meeting (3/3 meetings)

1974 Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)
 2005 Director and Vice President of Tokio Marine Seguradora S.A.
 2009 Joined Anicom Insurance, Inc.
 2010 Director of Anicom Insurance, Inc.
 2011 Director of the Company

2016 Audit & Supervisory Board Member of Celltrust Animal Therapeutics Co., Ltd. Full-Time Audit & Supervisory Board Member of the Company (current position)
 2019 Audit & Supervisory Board Member of Anicom Pafe, Inc. (current position) Audit & Supervisory Board Member of Anicom Frontier, Inc. Audit & Supervisory Board Member of Anicom Specialty Medical Institute, Inc. (current position)
 2020 Audit & Supervisory Board Member of SIMNET Co., Ltd. (current position)



Audit
Outside Audit & Supervisory Board Member
Iwamoto Koichiro Date of birth February 4, 1967

Term of Office 15 years and 7 months
Attendance Record Board of Directors (15/15 meetings), Audit Committee (15/15 meetings), Independent Directors Meeting (3/3 meetings)

1996 Registered as attorney-at-law Joined Miyoshi & Associates Law Firm
 2005 Opened Iwamoto Takaku & Watanabe Law Office, Lawyer
 2007 Audit & Supervisory Board Member of QLC corporation

2008 Audit & Supervisory Board Member of the Company (current position) Audit & Supervisory Board Member of Anicom Insurance, Inc.
 2011 Opened The Rights Law and Patent Offices, Lawyer
 2015 Audit & Supervisory Board Member of Anicom Capital, Inc.
 2018 Opened Iwamoto Law Office, Lawyer (current position)



Audit
Audit & Supervisory Board Member
Hanaoka Makoto Date of birth April 3, 1969

Term of Office 1 year and 8 months
Attendance Record Board of Directors (15/15 meetings), Audit Committee (15/15 meetings), Independent Directors Meeting (3/3 meetings)

1992 Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)
 2014 Joined Anicom Insurance, Inc. Executive Officer
 2018 Director and Executive Officer

2022 Director of ATE Co., LTD Audit & Supervisory Board Member of the Company (current position)
 2023 Director of Value Group Co., Ltd. (current position) Director of Value Agent Co., Ltd. (current position)



Audit
Outside Audit & Supervisory Board Member
Ito Koichi Date of birth December 30, 1969

Term of Office 1 year and 8 months
Attendance Record Board of Directors (14/15 meetings), Audit Committee (14/15 meetings), Independent Directors Meeting (3/3 meetings)

1998 PhD MD, PhD MD Course, Graduate School of Medicine and Faculty of Medicine, The University of Tokyo Research Associate of The Tokyo University of Pharmacy and Life Sciences and Japan Society for the Promotion of Science
 2000 Research Associate of Kurume University
 2001 Researcher of The University of Texas Medical Branch at Galveston

2005 Assistant Professor of the Graduate School of the University of Tokyo
 2008 Associate Professor of the Graduate School of the University of Tokyo
 2015 Project Associate Professor, Graduate School of the University of Tokyo (current position)
 2022 Audit & Supervisory Board Member of the Company (current position)



Audit
Outside Audit & Supervisory Board Member
Aoyama Keiji Date of birth February 2, 1949

Term of Office 9 months
Attendance Record Board of Directors (11/11 meetings), Audit Committee (11/11 meetings), Independent Directors Meeting (3/3 meetings)

1973 Joined National Tax Agency
 1987 Consul of Consulate-General of Japan in Hong Kong
 1998 Director of International Operations Division of National Tax Agency
 2003 Visiting scholar at New York University School of Law
 2004 Deputy Commissioner (International Affairs) of National Tax Agency
 2006 Professor (tax law) at Graduate School of Business Sciences, University of Tsukuba

2009 Project Leader of International Taxation Committee of Keidanren the 21st Century Public Policy Institute (current position)
 2012 Professor (tax law) at Graduate School of Accountancy, WASEDA University
 2019 Tax advisor of Nomura Institute of Estate Planning (current position) Outside Auditor of Genesis Healthcare Co. (current position)
 2020 Visiting professor at Graduate School of Accounting & Finance, Chiba University of Commerce (current position)
 2023 Audit & Supervisory Board Member of the Company (current position)

Executive Officer

Position	Name	Responsibility
Senior Executive Officer	Shingo Noda	Assistant to the President
Managing Executive Officer	Hiroyuki Takahashi	Group General Data Strategy Department
Executive Officer	Hiroataka Kawano	Corporate Planning Department, Finance and Accounting Department
Executive Officer	Makiko Nagai	Compliance Promotion Department
Executive Officer	Katsutoshi Tamura	Corporate Planning Department (Health Innovation Business)

Message from Outside Directors

The Anicom Group appoints highly knowledgeable executives and professionals in a wide range of fields as outside directors for the purpose of discussing management strategies and issues from objective and diverse perspectives.

Four outside directors shared their thoughts on the Anicom Group's management strategies and challenges to improve its corporate value.



Outside Director
Tanaka Eiichi

This past year, we feel that society recognized and appreciated our company's philosophy of bringing joy to the lives of pets and happiness to their owners who share their lives with them. For example, many financial institutions have started selling our insurance products through business partnerships. We have collaborated with other organizations in healthcare research and development, producing, for example, an oral care gel 'CRYSTAL JOY.' This innovative oral care gel uses oxidation control technology (MA-T[®]: Matching Transformation System[®]). We have progressed in various areas, including in making a significant impact on animal welfare. Looking at the numbers and as we come to the close of the final year of our 'Medium-Term Management Plan 2022-2024', we see that we are steadily on track to achieve our aims.

Going forward, we will further strengthen and accelerate the initiatives mentioned above. Additionally, the formulation of the next medium-term management plan will be informed by our vision of a comprehensive program for the monetization of our synergy businesses. The individual elements for this are already coming together within the group, so from Anicom Holdings' perspective, I am excited about the challenge of presenting a bold vision to society, discussing this openly with the group's officers and employees, and of determining how to allocate investments and personnel to achieve these initiatives. I am also excited about creating ways to link insurance and non-insurance businesses, and about developing synergetic connections between individual elements within the Anicom Group.

Lastly, I am committed to making my humble contribution to ensuring that all employees of the group and various stakeholders, who are walking this path with us, can create even happier lives.



Outside Director
David G. Litt

One of President Komori's strengths in leadership is his passion for improving pet health in Japan, which has become a core mission of the Anicom Group. Of course, Anicom Insurance has a strong incentive to make pets healthier because it provides insurance that covers costs related to pet illnesses. Preventive care, such as oral care and gut care through appropriate and diverse diets, greatly contribute to extending pets' lifespans, improving their health, and making them better companions for people. This kind of care should help reduce insurance claims and contribute to the profitability of the insurance business. Anicom Group has many tools to implement strategies which improve pet health. These include a host of veterinarians on staff, animal hospitals, genetic testing services, advanced treatment options, and a large database of pet health information. To this impressive list of health tools the Anicom Group has added oral care products and pet food offerings.

The company's stock price has underperformed the Nikkei and TOPIX in recent years. Nonetheless, I highly value the management team's response to competitive pressures. Despite the many new entrants to the Japanese pet insurance market over the past two years and the disruptions among pet shops and breeders (due to issues related to non-compliance with the Animal Welfare Management Act) the company was able to achieve its major financial targets in the most recent fiscal year. As we formulate the next medium-term management plan, I believe it is necessary to secure the growth of the core insurance business, develop synergy businesses related to improving pet health, and balance capital management to reward shareholders.



Outside Director
Shoyama Katsuo

With your support, Anicom has been the market leader in the pet insurance industry for many years. Understanding this, we must still grow and strive to be a company that can contribute to shareholders, customers, and all other stakeholders, as well as society as a whole. To achieve this, enhancing corporate value itself becomes the most critical issue. Anicom's basic philosophy is to support the lifelong health of pets, who are members of our customers' families. We are engaged in various operations to accomplish this. These efforts include offering pet insurance and services for animal hospitals, supplying various pet health tests (genetic, gut microbiota, etc.), contributing to the development of advanced medical care, providing matching services between breeders and customers, and making available various other services via the internet. We have set concrete goals in our 'Medium-Term Management Plan 2022-2024,' and the current year, 2024, is the final year of this plan. In the next medium-term management plan, we will formulate a vision for even greater growth and deliver results that meet your expectations.

As an outside director, my responsibility is to ensure that Anicom's philosophy and strategies are on the right track, that the tactics for realizing them are being correctly and properly executed, to evaluate the outcomes, and to determine what the next steps should be. This is of particular importance in an environment where the pace of change is accelerating and the needs and wants of customers are also rapidly changing. It is crucial to see the current situation accurately. With this in mind, I will monitor Anicom Group and its activities to ensure we are heading in the right direction and to know whether our organization is structured to respond quickly and appropriately to the demands of stakeholders and society, and if necessary, I will provide support and help to make adjustments. Please look forward to the next stage of the Anicom Group.



Outside Director
Takemi Hiromitsu

Sustaining returns above the cost of capital while accurately understanding and reflecting market expectations in our business; these two elements together determine the level of stock valuation. Unfortunately, we cannot say that we are currently receiving high evaluations. In formulating the next medium-term management plan, it seems necessary to enhance dialogue with the market to understand the evaluation criteria.

We have already attempted various synergy creation businesses, and from the perspective of our intention to provide infrastructure for the pet industry, the need for further business diversification is increasing. On the other hand, this difficult situation with stock valuation is closely related to the concept of a conglomerate discount. We have not yet clearly seen the effect of 1+1>2 in terms of the profitability of each business. This includes the insurance business, which is the main pillar of revenue, while also taking in to account the capital cost of each business. When formulating the next management plan, it seems necessary to set KPIs that promote dialogue with the market, such as the synergy effect on market share expansion in the pet insurance market (and withdrawal criteria). Fortunately, with the addition of breeding businesses to the synergy creation business group in relation to the upstream part of the pet industry value chain, it seems that we can, in dialogue with the market, more proactively clarify the overall value chain we envision, which includes insurance that 'makes pets healthier upon entry.'

Leadership succession planning can never be done too early, though it can be done too late. It is believed by many that AI will have an impact on the entire industrial world comparable to or greater than that of the steam engine, which triggered the industrial revolution. Successors in leadership will be required to manage business under such a paradigm shift. Therefore, the qualities and knowledge required will differ significantly from those in the past. Darwin said, 'It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change.' Therefore, it seems crucial to make the candidates for succession aware that the flexibility they feel they possess may only be based on their experiences and knowledge within a rigid environment (especially in regulated industries), where smooth operations within that scope have been seen as flexibility. It is also predictable that a single individual may find it challenging to respond to the three phases of the shift: leading up to, during, and after the shift. Therefore, as in baseball, securing flexibility in the form of a starter, middle reliever, and closer should be considered during the development process.

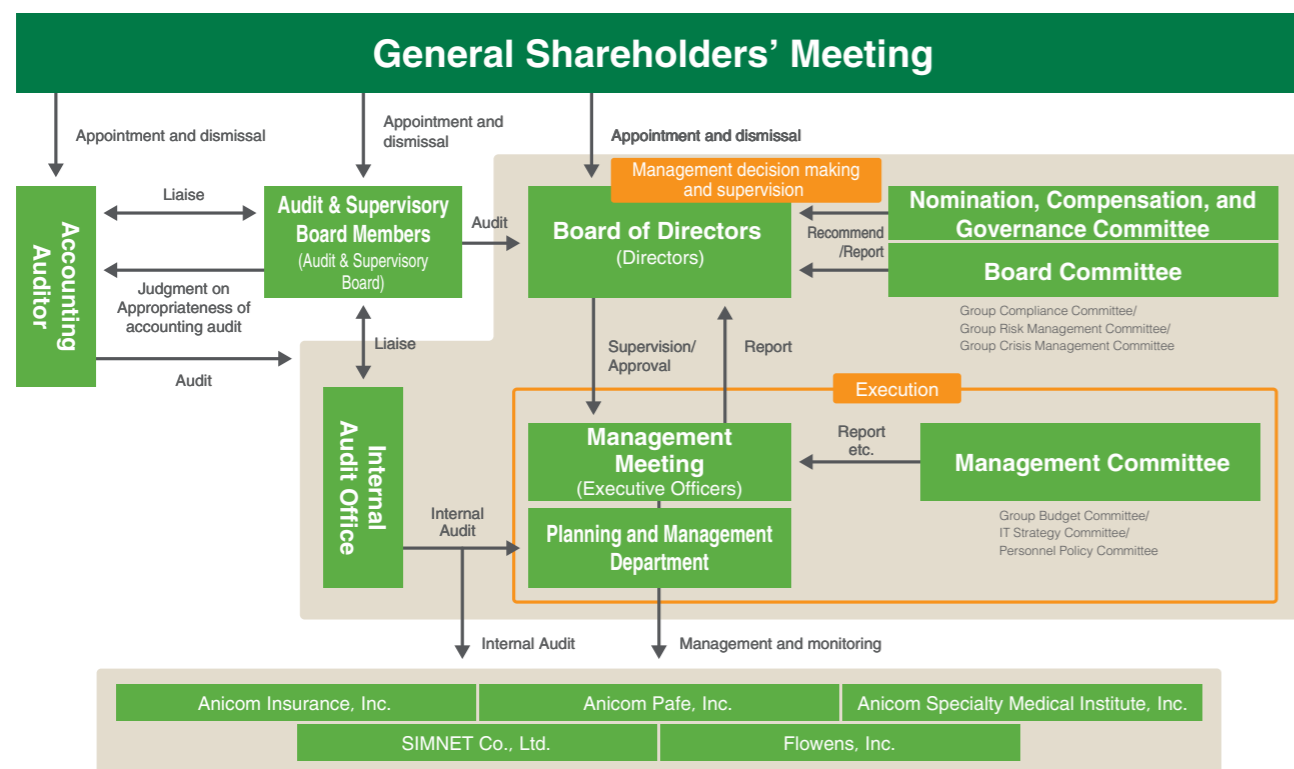
Corporate Governance

Basic Stance on Corporate Governance

The Anicom Group's management philosophy includes "spreading thankfulness" around the world. We "spread thankfulness" through mutual respect for the unique characteristics of each life, and by cooperating in the division of labor." Doing this we will fulfill our duties and commitments to all stakeholders, and fulfill our social mission. In concert with this we also seek to constantly enhance the corporate value of the Group as a whole. To steadily realize these goals, the Anicom Group has formulated the Group Corporate Governance Basic Policy, and is working to maintain and strengthen a sound and highly transparent Group corporate governance system.

1. Reasons for Adoption of Corporate Governance Structure and Overview

Our Company's corporate governance structure is as follows.



(1) Reasons for Adopting a Corporate Governance Structure

We have appointed a Board of Corporate Auditors. The Board of Directors works closely with the Board of Corporate Auditors to make final decisions on important matters, and to strengthen the supervisory function of management. We have, also established a highly transparent governance system in which the majority of the Board of Directors and the Board of Corporate Auditors are outside directors and outside corporate auditors. Furthermore, we have introduced an executive officer system to clearly separate the management decision-making and supervisory functions from the business execution functions, thereby strengthening the Board of Directors' check-and-balance and supervisory functions from a governance perspective. In addition to this, and in order to enhance the independence, objectivity, and accountability of the Board of Directors, a "Nominating, Compensation, and Governance Committee" has been established as an advisory body, separate from the Board of Directors. The majority of the members of the "Nominating, Compensation and Governance Committee" are outside directors.

(2) Outline of Corporate Governance Structure

① Board of Directors

The Company's Board of Directors consists of six members: two internal directors (Mr. Nobuaki Komori and Ms. Yumiko Momose) and four external directors (Mr. Eiichi Tanaka, Mr. Katsuo Shoyama, Mr. David G. Litt and Mr. Hiromitsu Takemi). The Board is chaired by Representative Director Nobuaki Komori. The Company's Articles of Incorporation stipulate that the Company shall have no more than 10 Directors.

The Board of Directors of our Company places importance on maintaining and improving the trust in the Group, makes important decisions regarding the execution of business, and supervises the business of executive officers. As a holding company, the

Company's Board of Directors has functions such as deciding the Group's mid-to long-term strategies and various basic policies, and each director strives to ensure that the Board of Directors fully fulfills these responsibilities and functions. In addition, Anicom Insurance, Inc., the core company of the Anicom Group, has also adopted an executive officer system, whereby each executive officer carries out his or her duties as determined by the Board of Directors. Furthermore, in accordance with the Basic Policy for Management Control of Group Companies, the Board of Directors deliberates important management matters of subsidiaries, and supervises subsidiaries by requesting reports as necessary. The Group Management Committee meets regularly to discuss agenda items related to the execution of group-wide operations with directors and executive officers of our group companies. The Company's Board of Directors makes decisions on important management matters, giving full consideration to the deliberations and recommendations of the Committee.

② Board of Corporate Auditors

The Board of Corporate Auditors of the Company consists of five members: two Corporate Auditors (Mr. Kazuo Suda (full-time) and Mr. Makoto Hanaoka) and three Outside Corporate Auditors (Mr. Koichiro Iwamoto, Mr. Koichi Ito and Mr. Keiji Aoyama). The Board of Corporate Auditors receives reports on important matters related to audits, discussing and resolving them in accordance with the Regulations of the Board of Corporate Auditors. This is done according to the auditing standards and audit plans formulated by the Board of Corporate Auditors. Each Corporate Auditor attends meetings of the Board of Directors and other important meetings to audit the status of operations and assets, receives reports from the accounting auditors and the internal audit division, and otherwise works closely with one another to supervise the execution of operations by the directors.

③ Nominating, Compensation and Governance Committee

Our Company has established the Nomination, Compensation and Governance Committee as an advisory committee to the Board of Directors, consisting of seven members: five outside directors and two inside directors of the Company and Anicom Insurance, Inc. The Committee is responsible for the appointment and dismissal of directors and corporate auditors of the Company and Anicom Insurance, Inc. The Committee also has the responsibility to set the requirements for the appointment of directors, auditors and executive officers of the Company and Anicom Insurance, Inc., and to decide the compensation system for directors and executive officers of the Company and Anicom Insurance, Inc., The compensation levels of directors of the Company and Anicom Insurance, Inc., as well as the development and implementation status of various policies and measures related to corporate governance are also the duty of the Committee.

2. Other Matters Related to Corporate Governance

Our Company has established the Basic Policy for "Internal Control System," which is based on a resolution of the Board of Directors, for the development of a system to ensure the appropriateness of operations (hereinafter referred to as "Internal Control System"). In addition, the Company stipulates in its various group policies basic matters concerning management control of our group companies, group compliance, risk management, internal audits, and other matters.

3. Matters Relating to Resolutions of the General Meeting of Shareholders

(1) Requirements for the Election of Directors

The Company's Articles of Incorporation stipulate that resolutions for the election of directors shall be adopted by a majority of the voting rights of shareholders present at a meeting, where shareholders holding one-third or more of the total voting rights of shareholders, who are entitled to exercise their voting rights, are present.

(2) Requirements for Special Resolution of General Meeting of Shareholders

The Company's Articles of Incorporation stipulate that the requirements for special resolutions of the General Meeting of Shareholders specified in Article 309, Paragraph 2 of the Companies Act require that shareholders holding one-third or more of the voting rights of shareholders, who are entitled to exercise their voting rights be present at the meeting, and that two-thirds or more of the voting rights of the shareholders so present shall be used for the resolution. The Articles of Incorporation also stipulate that resolutions for the election of directors shall be adopted by a majority of the voting rights of shareholders present at the meeting where shareholders holding one-third or more of the voting rights of shareholders, who are entitled to exercise their voting rights, are present, and that no cumulative voting shall be used. The purpose of these provisions is to ensure the smooth operation of the General Meeting of Shareholders by relaxing the quorum.

(3) Matters That May Be Resolved by the Board of Directors

Among Matters to Be Resolved at the General Meeting of Shareholders Pursuant to Article 165, Paragraph 2 of the Companies Act, the Company's Articles of Incorporation stipulate that the Company may acquire treasury stock by resolution of the Board of Directors in order to enable flexible capital policies in response to future changes in the business environment. The Articles of Incorporation also stipulate that by resolution of the Board of Directors in accordance with the provisions of Article 454, Paragraph 5 of the Companies Act, the Company may pay interim dividends with September 30 of each year as the date of record. This is to enable the Company to return profits to shareholders with flexibility.

Effectiveness of the Board of Directors

Evaluation of Board of Directors' Effectiveness

We periodically conduct self-evaluation and analysis of the effectiveness of the Board of Directors with the aim of improving its functioning and enhancing corporate value. As a method of this self-assessment and analysis, a questionnaire is sent to the members of the Board of Directors and the Nominating, Compensation, and Governance Committee, and the Committee analyzes, evaluates, and discusses the results based on the responses. The results of the effectiveness evaluation based on this analysis, evaluation, and discussion are reported to the Board of Directors for deliberation. The most recent evaluation was conducted in May 2023, and a summary of the results of that effectiveness evaluation is as follows.

The Company evaluates that the effectiveness of the Board of Directors is ensured, given that the majority of the Board of Directors consists of independent outside directors, and that outside directors actively make comments and engage in free, vigorous, and in-depth discussions and exchanges of opinions. On the other hand, there was a shared recognition that there are issues to be addressed to further improve the functions of the Board of Directors, such as the need to manage the agenda with more awareness of the deliberation time for each agenda item, including the speaker's speaking time, and to further strengthen the diversity of the Board of Directors in terms of expertise and gender.

In the future, the Company's Board of Directors will take into consideration this effectiveness evaluation and, by continuously evaluating its effectiveness, respond promptly to the issues recognized therein after thorough consideration, conduct self-evaluation and analysis on a regular basis, and continue to make efforts to further enhance the functions of the Board of Directors. We will continue to make efforts to further enhance the functions of the Board of Directors.

Expertise and Experience of Outside Directors and Outside Auditors (Skills Matrix)

		Corporate Management	Financial Affairs/ Accounting/ Finance	Human Resource Management	Risk Management	Legal Affairs/ Compliance	R&D/ Life Science	Internationalism
Director	Tanaka Eiichi	●		●	●			
	Shoyama Katsuo	●		●	●			
	David G. Litt	●			●	●		●
	Takemi Hiromitsu	●	●	●				
Audit & Supervisory Board Member	Iwamoto Koichiro				●	●		
	Ito Koichi						●	●
	Aoyama Keiji		●			●		●

Selection Policy for Candidates, Directors and Corporate Auditors

To discuss the Group's management strategy and management issues from an objective and multifaceted perspective, we select managers who have a high level of knowledge in a wide range of fields. The "Group Corporate Governance Basic Policy" stipulates the policies for the appointment of directors and auditors as follows.

(Requirements for Appointment of Directors)

- Directors of the Company and Anicom Insurance, Inc. shall be persons who have a good understanding of the business conditions of the Company, have extensive knowledge necessary for corporate management, and have sufficient judgment to make decisions on important business matters of the Company as members of the Board of Directors.
- In addition to satisfying the requirements stipulated in the preceding paragraph, outside directors of the Company and Anicom Insurance, Inc. shall have a high degree of insight and a wealth of experience in areas such as corporate management, finance, finance and accounting, law, internal control including legal compliance, technological innovation, HRM (human resource management), and, in principle, meet the independence criteria stipulated in Article 14.
- In addition to satisfying the requirements stipulated in Paragraph 1, directors who are engaged in the executive management of Anicom Insurance, Inc. shall be those who have "knowledge and experience that enable them to execute business management of an insurance company accurately, fairly and efficiently" and have "sufficient social credibility" as defined in Article 8-2 of the Japanese Insurance Business Law.

(Requirements for Appointment of Corporate Auditors)

- The corporate auditors of the Company and Anicom Insurance, Inc. shall be persons who can contribute to the establishment of a high-quality corporate governance system that will ensure the sound and sustainable growth of the Company and respond to social trust by conducting high-quality audits, taking into consideration their abilities as corporate auditors, past performance and experience.
- In addition to satisfying the requirements stipulated in the preceding paragraph, the outside auditors of the Company and Anicom Insurance, Inc. shall have a high degree of insight and abundant experience in the fields of corporate management, finance, finance and accounting, law, internal control including legal compliance, technological innovation and HRM (Human Resource Management), and in principle satisfy the criteria for determining independence stipulated in Article 14.
- In addition to meeting the requirements stipulated in the preceding two paragraphs, the corporate auditors of Anicom Insurance, Inc. shall be those who have "knowledge and experience that enable them to execute business management of an insurance company accurately, fairly and efficiently" and have "sufficient social credibility" as defined in Article 8-2 of the Japanese Insurance Business Law.

Criteria for Independence of Outside Directors

In accordance with the requirements and standards set forth by financial instrument exchanges, the "Group Corporate Governance Basic Policy" stipulates the following criteria for determining the independence of outside directors and outside corporate auditors. The Company's outside directors and outside corporate auditors shall be judged to be independent of the Company if none of the following applies to them

- A person who is an executive of the Company or its subsidiary
- A person who has been a business executor of the Company or its subsidiary for the past 10 years
- A person whose main business partner is the Company or Anicom Insurance, Inc. (a person whose business with the Company or Anicom Insurance, Inc. accounts for 2% or more of its consolidated net sales in the most recent fiscal year) or a person who executes the business of the Company or Anicom Insurance, Inc.
- A person who is a major business partner of the Company or Anicom Insurance, Inc. (a person whose amount of transactions with the Company or Anicom Insurance, Inc. in the most recent fiscal year is 2% or more of the consolidated ordinary income of the Company) or a person who executes the business of the Company or Anicom Insurance, Inc.
- A financial institution or other major creditor on which the Company or Anicom Insurance, Inc. relies indispensably and to the extent that there is no alternative, or a person who executes the business of such a creditor
- A corporation, partnership or other organization that has received donations from the Company or Anicom Insurance, Inc. and the amount of such donations in the most recent fiscal year exceeds a certain amount (10 million yen or 2% of the total income of such organization in the most recent fiscal year, whichever is higher) A person who executes the business of a corporation, partnership, or other organization whose amount of such donation in the most recent fiscal year exceeds a certain amount (10 million yen or 2% of the total income of such organization in the most recent fiscal year, whichever is higher)
- A person who is a spouse or a relative within the third degree of kinship of a director, corporate auditor or executive officer of the Company or its subsidiary
- Consultants, accountants, lawyers, and other professionals who receive remuneration from the Company or Anicom Insurance, Inc. other than remuneration as directors, and the amount of such remuneration in the most recent fiscal year is a certain amount (10 million yen or 2% of the gross income of the corporation, partnership, or other organization to which such professional belongs in the most recent fiscal year, whichever is higher.)
- A person who holds 10% or more of the voting rights of all shareholders of the Company or a person who executes the business of such a person as of the end of the most recent fiscal year.

Succession Plan

In June 2022, the Company's Board of Directors deliberated and formulated a succession plan for the President and Representative Director, following deliberations by the Nomination, Compensation, and Governance Committee. The succession plan stipulates the drafting of a roadmap, the "ideal image of the Company's President" and evaluation criteria, the selection of successor candidates and the formulation and implementation of a plan for their development, and the methods of discernment and decision-making leading up to the decision on successors, and has been in operation since fiscal 2022.

Establishing internal control systems

With respect to the development of systems necessary to ensure the appropriateness of business operations of a stock company as stipulated in the Companies Act and the Ordinance for Enforcement of the Companies Act, the Company has adopted the following basic policy on internal control systems. Decisions related to this effort were made at a meeting of the Board of Directors. We are working, therefore, to ensure the appropriateness of business operations, and to enhance corporate value by developing internal control systems throughout the Anicom Group. Our efforts to accomplish this include managing group companies, confirming compliance, overseeing risk management and ensuring the effectiveness of audits by the Board of Corporate Auditors.

Basic Policy on Internal Control Systems

1. Systems to Ensure Proper Business Operations by the Anicom Group

- (1) Based on the Anicom Group Management Philosophy, the Company shall, as the holding company that supervises the business operations of the Anicom Group, establish a basic policy concerning the business management of Group companies, and shall establish and maintain a system for the business management of Group companies by establishing a system for reporting to the Board of Directors.
 - 1) The Company shall manage the businesses of Group companies that it manages directly (hereinafter, "Subsidiaries, etc.") through measures such as the conclusion of business management agreements with these Subsidiaries, etc.
 - 2) The Company shall present to Subsidiaries, etc. the Group's management strategies and the various basic policies, etc. of the Group that form the foundation of Group management.
 - 3) Subsidiaries, etc. shall obtain the Company's prior approval for the establishment of important matters such as business strategies and business plans.
 - 4) Subsidiaries, etc. shall report to the Company on matters such as initiatives based on the various basic policies, etc. of the Group and the status of implementation of their business plans.
- (2) The Company shall establish a basic policy on the internal controls associated with the financial reporting of the Group and shall establish and maintain the systems necessary to ensure the appropriateness and reliability of financial reporting.
- (3) The Company shall establish a basic policy on information disclosure by the Group and shall establish and maintain systems to ensure the timely and appropriate disclosure of information on corporate activities.
- (4) The Company shall establish a basic policy on the management of internal transactions and other dealings within the Group and shall establish and maintain systems to manage such dealings.

2. Systems to Ensure that the Execution of Duties Complies with Laws, Regulations, and the Articles of Incorporation

- (1) The Company shall establish a basic policy on compliance within the Group and shall establish and maintain compliance systems.
 - 1) The Company shall establish a department to supervise compliance.
 - 2) The Company shall establish the Group Code of Ethics, and shall thoroughly spread awareness among the Group's officers and employees of compliance as the highest priority in all situations of business activity, in accordance with this code of ethics.
 - 3) The Company shall establish the Group Compliance Manual, implement training for officers and employees concerning the laws, regulations, internal rules, and other standards with which they are expected to comply, and endeavor to thoroughly spread awareness of compliance.
 - 4) The Company shall establish a compliance program each fiscal year and shall endeavor to enhance the framework for compliance through the implementation of this program. Moreover, the Group Compliance Committee shall, at its regular meetings, check the Company's response to possible compliance breaches and scandals and the appropriateness of the Company's policies, etc. based on consultation with external legal counsel.
 - 5) The Company shall establish reporting rules for cases where compliance with laws, regulations, internal rules, etc. has been violated. The Company shall also establish internal and external hotlines (internal whistleblowing system) apart from the usual reporting routes, and make all of the Group's officers and employees aware of how to use them.
- (2) The Company shall establish basic policies for the Group on matters such as customer protection, and establish and maintain systems to ensure a customer-oriented approach and customer protection.
- (3) The Company shall establish a basic policy on the management of information security within the Group and shall establish and maintain systems to manage information security.
- (4) The Company shall establish a basic policy on the Group's response to antisocial forces, etc. Moreover, in addition to establishing and maintaining systems to respond to antisocial forces, etc. the Company shall cooperate with legal counsel, the police, and others to sever all relationships with antisocial forces, etc. and refuse unreasonable demands, and shall take a firm and resolute stance against antisocial forces, etc. as an organization.
- (5) The Company shall establish an internal auditing department independent from the departments to be audited, establish a basic policy on internal auditing within the Group, and establish and maintain an effective internal auditing system for the Company and Group companies.

3. Risk Management Systems

- (1) The Company shall establish a basic policy on risk management within the Group and shall establish and maintain systems to manage risk.
 - 1) The Company shall establish a department to supervise risk management.
 - 2) The Group Risk Management Committee shall, at its regular meetings, examine the progress and effectiveness of the establishment and maintenance of the risk management framework, and shall report important matters to the Board of Directors.
 - 3) Risks shall be classified into risk categories for risk management purposes. A process shall be established for the identification, assessment, control, the formulation of emergency response plans, monitoring, and reporting.
 - 4) The Company shall ensure that each of Subsidiaries, etc. engages in risk management that is appropriate for its business type, risk characteristics, and other factors.
- (2) The Company shall establish a policy on integrated risk management within the Group for the purpose of enhancing corporate value in a sustained and stable manner while ensuring management soundness, thus contributing to protecting the interests of insurance policyholders and other stakeholders.
- (3) The Company shall establish a basic policy on crisis management within the Group and shall establish and maintain systems to manage crises.

4. Systems to Ensure the Efficient Execution of Duties

- (1) The Company shall formulate medium-term management plans and fiscal year plans (including numerical targets) for the Group.
- (2) The Company shall establish rules on authority to achieve the efficient execution of business through the division of duties and the designation of chains of command, and build an appropriate organizational structure to achieve business goals.
- (3) The Company shall establish the Management Meeting Regulations and set up the Management Meeting composed of Directors and others to discuss and report on important management matters.
- (4) The Company shall establish the Nomination, Compensation, and Governance Committee as an advisory body to the Board of Directors. The committee shall deliberate on the following matters and report back to the Board of Directors.
 - 1) Election and dismissal of Directors and Audit & Supervisory Board Members of the Company and Anicom Insurance, Inc.
 - 2) Requirement for the election of Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and Anicom Insurance, Inc.
 - 3) Evaluation of the performance of the Directors of the Company and Anicom Insurance, Inc.
 - 4) Compensation structure for the Directors and Executive Officers of the Company and Anicom Insurance, Inc.
 - 5) Compensation levels for the Directors of the Company and Anicom Insurance, Inc.
 - 6) Status of establishment and implementation of policies, measures, etc. concerning corporate governance
- (5) The Company shall establish a basic policy on the Group's human resources and endeavor to enhance productivity and corporate value by improving employees' work satisfaction and their sense of being rewarded and ensuring thoroughly transparent and fair human resources management.
- (6) In addition to (1) to (5) above, the Company shall establish and maintain systems to ensure that duties are executed efficiently at the Company and Group companies.

5. Systems for the Preservation and Management of Information Associated with the Execution of Duties by Directors and Executive Officers

The Company shall establish rules on the preservation of documents and other information. Important documents, etc. that include information on the execution of duties by Directors and Executive Officers, such as the minutes of important meetings and other information, shall be appropriately preserved and managed in accordance with the provisions of these rules.

6. Personnel to Support Audit & Supervisory Board Members in Their Duties

- (1) The Company shall establish the Audit & Supervisory Board Members Secretariat under the direct control of the Audit & Supervisory Board Members to assist Audit & Supervisory Board Members in their auditing duties. The Company shall assign to the Audit & Supervisory Board Members Secretariat dedicated personnel with the necessary knowledge and capacity to assist in auditing duties, as requested by Audit & Supervisory Board Members.
- (2) Personnel assigned to the Audit & Supervisory Board Members Secretariat shall engage in the duties ordered by Audit & Supervisory Board Members and the support duties necessary for the implementation of audits, and shall have the authority to gather the necessary information.
- (3) The consent of the standing Audit & Supervisory Board Member shall be obtained for the performance evaluation, changes, and disciplinary actions of these personnel.

7. Systems for Reporting to Audit & Supervisory Board Members

- (1) Officers and employees shall report regularly to the Audit & Supervisory Board Members regarding the status of matters such as management, finance, compliance, risk management, and internal auditing. Officers and employees shall also immediately report to Audit & Supervisory Board Members upon the discovery of any serious violation of laws, regulations, or internal rules, or any fact that may cause significant damage to the Company related to the execution of duties at the Company or Group companies.
- (2) The Company shall establish and maintain systems for officers and employees of Group companies, or persons who have received reports from officers and employees of Group companies, to report to the Company's Audit & Supervisory Board Members upon the discovery of any serious violation of laws, regulations, or internal rules, or any fact that may cause significant damage to the Company related to the execution of duties at the Company or Group companies.
- (3) The Company shall establish and maintain the necessary systems to ensure that any person who makes a report to an Audit & Supervisory Board Member at the Company or Group companies as in (1) or (2) above is not treated unfavorably because they made such report.
- (4) Officers and employees shall report regularly to Audit & Supervisory Board Members on the operational status of the hotline (internal whistleblowing system) and the matters reported or consulted upon.

8. Other Systems to Ensure Effective Audits by Audit & Supervisory Board Members

- (1) In addition to attending meetings of the Board of Directors, Audit & Supervisory Board Members shall be able to attend and express opinions at the Management Meeting and other important meetings or committee meetings.
- (2) Audit & Supervisory Board Members shall be able to view the minutes of important meetings, important approval documents, and other documents decided by Directors and Executive Officers, at any time.
- (3) Audit & Supervisory Board Members shall coordinate closely with the Audit and Supervisory Board Members of subsidiary companies, including actively engaging in communication and information exchange with them, to enhance audit efficiency.
- (4) Audit & Supervisory Board Members shall hold regular meetings of the Management Council with the Representative Director to share information and exchange opinions.
- (5) Officers and employees shall provide briefings on matters relating to the execution of duties whenever requested by Audit & Supervisory Board Members.
- (6) The internal auditing department shall strengthen coordination with the Audit & Supervisory Board Members through cooperation with audits, etc.
- (7) The Company shall pay all expenses and other outlays associated with the execution of duties by Audit & Supervisory Board Members, except where the Company has proved that the outlays are unnecessary for the execution of duties by Audit & Supervisory Board Members.

Promoting Compliance

The Company has established the Group Compliance Basic Policy, which specifies the basic concepts of compliance and the roles of the Company and its group companies. In addition, the Company's Board of Directors deliberates and decides on important compliance-related matters in order to further ensure compliance at Group companies.

Anicom Group Basic Policy on Compliance

1. Compliance with Laws, Regulations, and Rules
 We shall obey laws, regulations, and internal rules, engage in fair and free competition, and undertake honest and appropriate corporate activities.

- (1) Compliance
 Compliance refers to obeying laws, regulations, internal rules, etc. and undertaking honest and appropriate corporate activities. It is only by correctly understanding and strictly obeying all rules related to corporate activities that we can undertake appropriate corporate activities.
- (2) Fair and free competition
 We shall comply with the Insurance Business Act, the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, and other relevant laws and regulations in the execution of business. We shall never engage in collusion, cartels, or other acts that impede fair and free competition; nor shall we ever use our bargaining power to unjustly coerce a counterparty to accept unfavorable conditions.
- (3) Preventing conflicts of interest
 We shall manage transactions that risk unjustly damaging the interests of customers or other Group companies as "transactions with potential conflicts of interest" in accordance with the relevant laws and regulations. We shall never tolerate actions intended to achieve one's own benefits or that of third parties in conflict with the rightful interests of the Company.
- (4) Protecting intellectual property rights
 We shall pay adequate attention to avoiding any violation of intellectual property rights such as copyrights, patents, or trademarks.
- (5) Workplace environments
 We shall comply with laws, regulations, and other rules related to labor and employment, and endeavor to maintain safe and healthy workplace environments.

2. Relationships with Society and Politics
 We shall maintain appropriate relationships with society and politics.

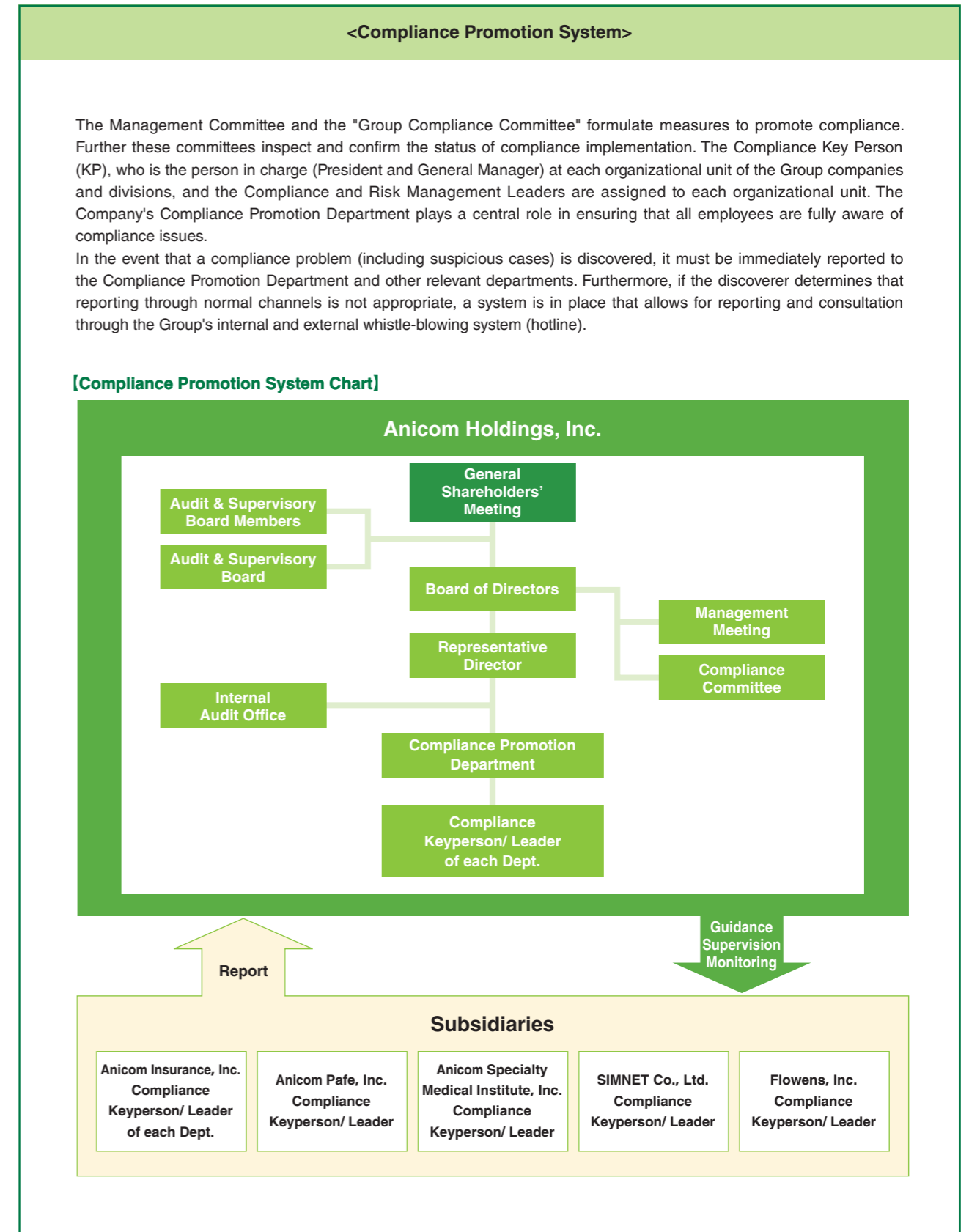
- (1) Attitude to antisocial forces
 We shall maintain a firm attitude to antisocial forces such as crime syndicates and corporate racketeers, and shall not submit to their pressure.
- (2) Attitude to suspicious transactions
 We regard the implementation of money laundering and terrorism financing countermeasures as a key management issue. We recognize and understand the importance of these countermeasures, and we shall engage in building a framework for internal control.
- (3) Political activities and political funding
 We shall firmly maintain a fair attitude regarding elections, political activities, political funding, etc., in compliance with the relevant laws, regulations, and other rules.
- (4) Bribery, business entertainment, gifts, loans, etc.
 We shall never use our business position to engage in bribery, the exchange of money or goods, or other actions to gain unfair benefits; nor shall we provide or accept socially inappropriate business entertainment or gifts. As officers or employees, we shall not engage in lending or borrowing money with trading partners or other business associates or with other officers or employees.

3. Appropriate and Highly Transparent Management
 We shall strive for appropriate business operations, engage in timely and appropriate information disclosure, and endeavor to ensure highly transparent management.

- (1) Timely and appropriate information disclosure
 We believe that the timely and appropriate disclosure of various forms of management information is crucial. This is also true from the perspective of enhancing customer trust. We shall endeavor to actively disclose various information, including information submitted to regulatory authorities, to facilitate reasonable decision-making by shareholders, investors, customers, and others.
- (2) Accurate information preparation and management
 We shall prepare accurate records of management information and strictly manage these records to enable timely and appropriate information disclosure. We shall also cooperate honestly and sincerely with internal and external audits and investigations.
- (3) Handling of confidential information
 We shall strictly manage the various types of confidential information in accordance with internal rules and never disclose such information to, or use such information with, anyone except the persons concerned.

4. Respecting Human Rights
 We shall respect the basic human rights of customers, Group officers and employees, and all other people.

- (1) Prohibition of discrimination
 We shall mutually respect diverse values, individuality, and privacy, and shall never tolerate discrimination or human rights violations for any reason, such as gender, age, occupation, nationality, race, sexual orientation, disability, ideology, beliefs, religion, social status, or family background.
- (2) Prohibition of harassment
 We shall not tolerate any form of harassment, such as sexual harassment or abuse of authority.
- (3) Handling of personal information
 We shall obey the relevant laws and regulations, as well as the privacy policies established by each Group company, to avoid any violation of personal privacy. We shall exercise due caution in the management of customer information and other personal information, and shall never use this information for any purpose not necessary for business operations.



Group Risk Management System

We have established a basic policy for group risk management, with which we strive to foresee and control risks that may affect the management of the Group. We constantly prepare response initiatives assuming environmental changes, and provide services even in the event of unforeseen circumstances. We are striving to build a risk management system to maintain the quality of our products and services, and to ensure business continuity.

■ Promotion of ERM

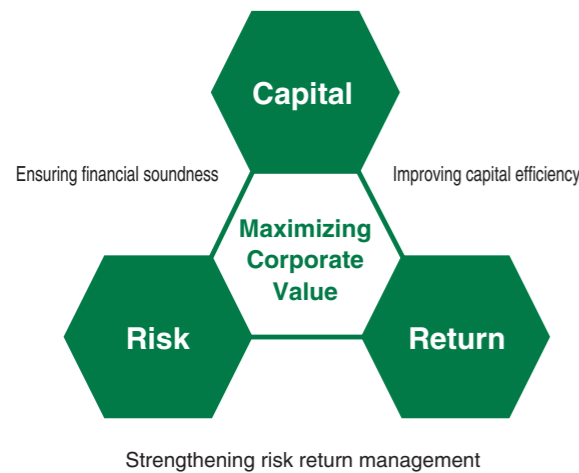
At our company the Corporate Planning and Risk Management Departments, under the leadership of the Board of directors, are leading efforts to promote ERM (Enterprise Risk Management). The Board of Directors has established an ERM framework in the Group Risk Management Basic Policy, which is communicated to all Group companies, and specific arrangements are stipulated in the Group ERM Regulations. In addition, the Group Risk Selection Policy sets targets for soundness and profitability, and serves as the foundation for the mid-term management plan.

The Group Risk Management Committee (consisting mainly of full-time directors and executive officers of the Company and Anicom Insurance, Inc.) discusses both the status of the Group's risk management with regards to its individual companies, and also the status of comprehensively evaluated risks. The Group Risk Management Committee reports regularly to the Board of Directors.

(1) Risk Profile

In order to correctly recognize our group's risk exposure, we have created a risk profile based on a comprehensive identification of risks, including potentially significant emerging risks. We regularly create risk profiles of this kind. Additionally, the Risk Management Department monitors the overall risk situation and verifies the comprehensiveness of the risk profile, including the contagion risk within the Group.

[Concepts of risk, return, and capital]



(2) Solvency Assessment by Internal Model

Using our track record as a basis, we have created an internal model to measure such things as risk, capital adequacy, and to evaluate our company's solvency. We are working to improve our model based on the analysis of various risks.

(3) Stress Testing

The Risk Management Department periodically conducts stress tests, which include running hypothetical scenarios, reverse stress tests, and sensitivity tests in order to predict and manage risks that are difficult to identify through methods (1) and (2). This is important as these risks, should they occur, could have a serious impact on the Group's management. The Company analyzes the impact on the Company's capital adequacy and other factors. In the event that a serious impact is anticipated, we are prepared to promptly consider and implement countermeasures.

(4) Risk Selection Policy and Capital Allocation

The Corporate Planning Department formulates the Group's mid-term management plan based on the Group Risk Selection Policy. The Corporate Planning Department also allocates capital, and sets risk limits for each subsidiary, with the aim of ensuring management stability, and periodically monitors compliance with the limits (limit management). In the event of a potential violation of the limits, the Company is prepared to promptly consider and implement countermeasures such as risk reduction, reallocation, and capital reinforcement.

■ Efforts Toward a New Solvency System

The Financial Services Agency is the main actor considering the introduction of a new solvency system starting in FY2025. Under current solvency regulations, there is no category for "pet insurance" and it is classified as "other." "Pet insurance" will be added under the new system.

We believe that this will result in an assessment more in line with our actual situation. In addition, we will conduct a risk and solvency self-assessment (ORSA: Own Risk and Solvency Assessment).

We are also promoting ORSA (Own Risk and Solvency Assessment) and working to improve our internal model.

[Risk Management System]

