

Business Foundation Supporting Value Creation

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Operation of Mutual Company

Overview of a mutual company

Although a life insurance company can be established as either a “mutual company” or a “stock company,” Meiji Yasuda was founded as a mutual company in accordance with Japan’s Insurance Business Act.

A mutual company is an incorporated body in which those* who enroll in its insurance policies also become “mutual members.” These members own the mutual company. Thus, the

mutual company system enables each policyholder to participate in business management and is deemed best suited to a business approach that employs a medium- to long-term perspective and reflects policyholder intentions. As of the end of FY2022, Meiji Yasuda’s mutual members numbered approximately 6.23 million.

* Excluding those who enroll only in policies without dividends

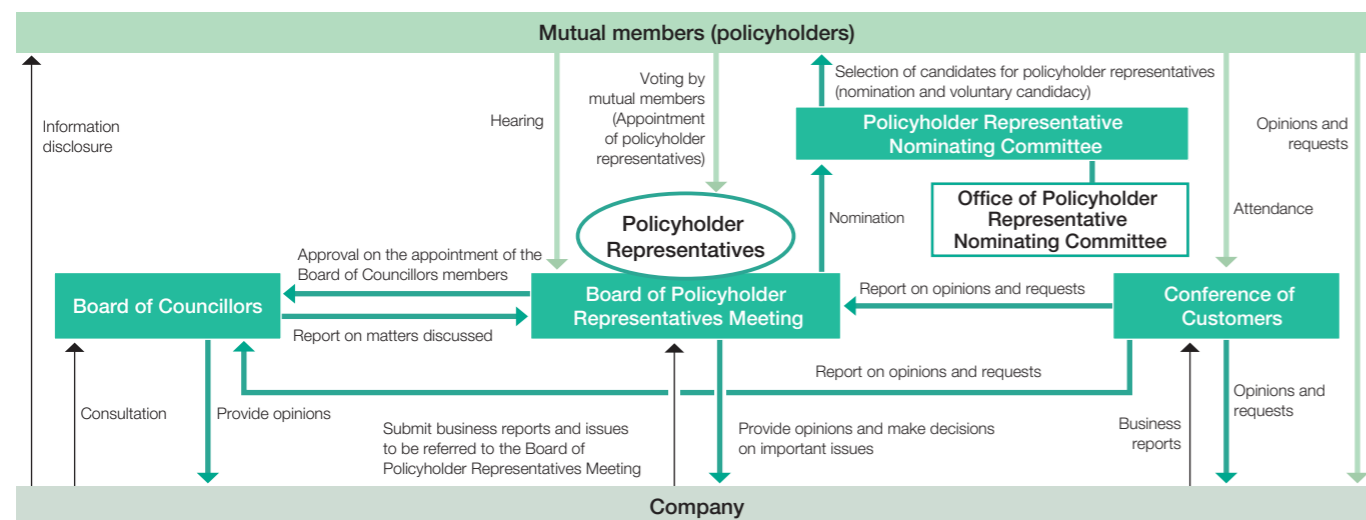
	Mutual company	Stock company
Legal nature	An intermediate corporation founded in accordance with Japan’s Insurance Business Act	A for-profit corporation founded in accordance with Japan’s Company Act
Owners	Mutual members	Shareholders
Decision-making body	General meeting of mutual members or the board of policyholder representatives meeting	General meeting of shareholders
Methods for the payment of dividends	<p>Resolution by the board of policyholder representatives meeting (on behalf of the general meeting of mutual members) approving the appropriation of surplus</p>	<p>Approval from the board of directors to record a provision for policyholder dividend reserves on the statement of income</p> <p>Resolution by the general meeting of shareholders approving the appropriation of surplus</p>

Note: The above diagram shows differences in dividend payment methods and does not intend to illustrate the volume of dividends or advantage/disadvantage arising from such differences.

Framework of the mutual company system

In addition to the Board of Policyholder Representatives Meeting, Meiji Yasuda maintains the Policyholder Representative Nominating Committee and the Board of Councillors, as well as the Conference of Customers to enhance

the operation of its governance system to ensure that policyholders’ opinions and requests are better reflected in the Company’s management.



Board of Policyholder Representatives Meeting

In order to operate the Company in the way that directly reflects every member’s opinion, it is necessary to hold a “General Meeting of Policyholders.” In reality, however, inviting roughly 6.23 million policyholders nationwide to attend a single meeting is simply impossible.

Meiji Yasuda therefore has the Board of Policyholder Representatives Meeting, which consists of representatives

selected from policyholders in accordance with the Insurance Business Act. As the highest decision-making body of the Company, the Board of Policyholder Representatives Meeting reviews reports on financial results and deliberates on the appropriation of surplus and the appointment of directors, before making decisions on these and other important management issues.

The 76th Regular Board of Policyholder Representatives Meeting

The following items were reported to and resolved by the 76th Regular Board of Policyholder Representatives Meeting held on July 4, 2023.

- Reported items
 - Reporting on business and financial results including both the consolidated and non-consolidated balance sheets, statements of income, and statements of changes in net assets for FY2022
 - Reporting on mutual company management
- Items subject to resolution
 - Proposal No. 1: Approval of the appropriation of surplus recorded in FY2022
 - Proposal No. 2: Approval on the appointment of the Board of Councillors members
 - Proposal No. 3: Approval of the election of 11 directors

Results of the 76th Regular Board of Policyholder Representatives Meeting are disclosed on Meiji Yasuda’s corporate website (Japanese only).

https://www.meijiyasuda.co.jp/profile/corporate_info/mutual/#list_01



Minutes of the Board of Policyholder Representatives Meeting

All the mutual members are allowed to review minutes of each Board of Policyholder Representatives Meeting as copies of such minutes are available at Meiji Yasuda’s headquarters, corporate marketing departments, financial institution marketing departments, public sector marketing departments, association marketing departments and regional offices (including 99 regional offices nationwide and six market development departments), while the outline of discussion at the meeting and subsequent Q&A sessions is posted on Meiji Yasuda’s corporate website.

Policyholder Representatives

In line with its Articles of Incorporation, Meiji Yasuda has set the number of policyholder representatives at 222. Of these, 120 representatives are selected from all 47 prefectures throughout Japan. While using a proportional representation system based on the number of policyholders residing in each prefecture, the Company selects a minimum of one representative from every prefecture. An additional 80 representatives are selected irrespective of where they reside. These measures are designed to ensure that representatives reflect the wide-ranging demographic base of our mutual members in terms, for example, of region, occupation and the length of enrollment. Furthermore, the Company appoints 22 representatives from policyholders who voluntarily apply to become candidates. As such, Meiji Yasuda maintains diverse and transparent processes for the selection of its policyholder representatives.

In light of the primary role of policyholder representatives, who attend the Board of Policyholder Representatives Meeting and engage in practical discussions involving question and answer sessions, we believe the size of this body is appropriate to represent all policyholders.

An observer system at the Board of Policyholder Representatives Meeting

With the aim of helping mutual members deepen their understanding of its business management, Meiji Yasuda maintains an observer system through which mutual members are allowed to observe the Board of Policyholder Representatives Meeting from a separate room via a monitor display if written prior application is made in time.

Election of Policyholder Representatives

- Policyholder Representatives elected via nomination by the Policyholder Representative Nominating Committee

Of 222 policyholder representatives (the predetermined number set forth in the Articles of Incorporation), 200 are subject to a reelection process that replaces 100 policyholder representatives every two years. In line with this process, the Policyholder Representative Nominating Committee nominates candidates for policyholder representatives from among a broad range of mutual members in accordance with the Standard for the Selection of Policyholder Representative Candidates (see the subsequent page) that it has established.
- Policyholder Representatives elected via voluntary candidacy

The 22 policyholder representatives are elected from among mutual members who voluntarily apply to become candidates. The Policyholder Representative Nominating Committee accepts applications from such individuals and, if the number of candidates exceeds the number of positions (22), candidates are determined via sortition based on quotas allocated to each regional bloc as described in the subsequent page.

Voting by mutual members

Policyholder representative candidates nominated by the Policyholder Representative Nominating Committee are subject to voting by each mutual member eligible to cast a vote (all mutual members as of July 31 of the year in which such voting takes place). Each candidate is deemed officially elected as a policyholder representative unless the candidate is rejected by 10% or more of eligible voters.

The election of policyholder representatives is thus conducted to reflect the collective will of mutual members properly and to ensure that their composition represents a broad range of mutual members. Accordingly, we believe that our process for electing policyholder representatives is appropriate.

Policyholder Representative Nominating Committee

The Policyholder Representative Nominating Committee consists of members selected from policyholders and appointed by the Board of Policyholder Representatives Meeting. The number of committee members is limited to 10 or less.

In addition, Meiji Yasuda maintains a support team to assist the Policyholder Representative Nominating Committee. With the aim of securing a transparent selection process that is independent of management, the Company consigns supervision of this team to an outside individual who is not an employee of the Company.

Standard for the selection of members of the Policyholder Representative Nominating Committee

- A mutual member (policyholder) of Meiji Yasuda
- Individual with a deep understanding of and concern for the life insurance business and mutual company management, and equipped with adequate knowledge to serve as a member of the Policyholder Representative Nominating Committee
- Individual capable of selecting policyholder representative candidates from a fair and equitable perspective
- Individual capable of attending Policyholder Representative Nominating Committee meetings
- Individual not serving as a policyholder representative, officer or employee of Meiji Yasuda

Standard for the selection of policyholder representative candidates (excerpt)	Overview of a voluntary candidacy system																								
<p>Policy for the selection of policyholder representative candidates Policyholder representative candidates shall be selected in a way that reflects the collective will of mutual members and, to this end, takes into account regions, age, sex, occupation, the length of enrollment period and other factors associated with their attributes so that the overall composition of policyholder representatives, including a portion not subject to reelection, optimally represent a broad range of mutual members.</p> <p>At the same time, each candidate shall be assessed in light of such factors as the status of his/her participation in social and public activities and opinions offered at various opportunities, including the Conference of Customers, to judge whether he/she is capable of offering tangible suggestions toward Meiji Yasuda's business management and contributing to effective discussion at the Board of Policyholder Representatives Meeting. In this way, candidates shall be selected to help optimize the composition of policyholder representatives so that they can supervise management from the following perspectives.</p> <p>(1) Consumer perspective: Supervise management from a consumer or a citizen's perspective (2) Corporate manager perspective: Supervise management from a corporate manager's perspective (3) Specialist perspective: Supervise management from a specialist's perspective</p> <p>Qualification requirements for Policyholder Representatives (1) A mutual member (policyholder) of Meiji Yasuda (2) Individual with an understanding of and concern for the life insurance business, and equipped with adequate knowledge to serve as a representative of mutual members (3) Individual capable of attending the Board of Policyholder Representatives Meeting (4) Individual not serving as a policyholder representative of another company</p>	<p>Qualification requirements for candidates • Individual policyholders who have qualified as a mutual member for an ongoing period of two years or longer as of the end of each application receipt period (excluding those who serve as officers or employees at Meiji Yasuda, its subsidiaries or affiliates)</p> <p>Selection of policyholder representative candidates • If the number of candidates does not exceed the number of positions (22), they all shall be nominated as policyholder representative candidates. • If the number of candidates exceeds the number of positions (22), the candidates shall be grouped by regional bloc and, sortition shall take place for each regional bloc whose number of candidates surpasses quotas (presented in the chart below) to determine policyholder representatives for such bloc. As for regional blocs whose number of candidates is on par with or falls short of quotas, all such candidates shall be nominated as policyholder representative candidates. With regard to regional blocs whose number of candidates falls short of quotas, such shortfalls shall be supplemented by carrying out sortition to elect policyholder representative candidates from among candidates who have not been nominated for other regional blocs.</p> <p>Quotas by regional bloc</p> <table border="1"> <thead> <tr> <th>Regional blocs</th> <th>Prefectures</th> <th>Quotas</th> </tr> </thead> <tbody> <tr> <td>Hokkaido and Tohoku</td> <td>Hokkaido, Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima</td> <td>2</td> </tr> <tr> <td>Kanto</td> <td>Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo and Kanagawa</td> <td>8</td> </tr> <tr> <td>Chubu / Hokuriku</td> <td>Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka and Aichi</td> <td>4</td> </tr> <tr> <td>Kinki</td> <td>Mie, Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama</td> <td>4</td> </tr> <tr> <td>Chugoku / Shikoku</td> <td>Tottori, Shimane, Okayama, Hiroshima, Yamaguchi, Tokushima, Kagawa, Ehime and Kochi</td> <td>2</td> </tr> <tr> <td>Kyushu / Okinawa</td> <td>Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa</td> <td>2</td> </tr> <tr> <td></td> <td>Total</td> <td>22</td> </tr> </tbody> </table>	Regional blocs	Prefectures	Quotas	Hokkaido and Tohoku	Hokkaido, Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima	2	Kanto	Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo and Kanagawa	8	Chubu / Hokuriku	Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka and Aichi	4	Kinki	Mie, Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama	4	Chugoku / Shikoku	Tottori, Shimane, Okayama, Hiroshima, Yamaguchi, Tokushima, Kagawa, Ehime and Kochi	2	Kyushu / Okinawa	Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa	2		Total	22
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Board of Councillors

The Board of Councillors is tasked with providing advice to the Company's management upon its request, as well as deliberating matters that are deemed important management issues, including those arising from policyholders' opinions and requests. In general, the board meets three times a year, and matters discussed at these meetings are reported to the Board of Policyholder Representatives Meeting.

The members of the Board of Councillors are appointed from policyholders or academic experts upon the approval of the Board of Policyholder Representatives Meeting. The number of such members is limited to 20 or less in accordance with the Company's Articles of Incorporation.

Agenda items discussed by the Board of Councillors in FY2022

- Meeting held in June 2022**
- Financial results for FY2021
 - Meiji Yasuda's DX strategy
- Meeting held in November 2022**
- Financial results for the first half of FY2022
 - Meiji Yasuda's initiatives to contribute to the vitalization of regional communities via, for example, the Community Vitalization Project
- Meeting held in February 2023**
- Business outlook for the full-year financial results for FY2022
 - Asset management initiatives undertaken thus far by Meiji Yasuda and its future policies

Conference of Customers

Ahead of other insurers in Japan, in 1973 Meiji Yasuda began holding an annual Conference of Customers on a nationwide basis. These meetings were held at a total of 105 locations, including regional offices across Japan, from January to February 2023, with a total of 2,437 policyholders attending.

The conference provided briefings on the financial results for the first half of the fiscal year (April 1 to September 30, 2022) and Meiji Yasuda's initiatives to contribute to the vitalization of regional communities via, for example, the Community Vitalization Project, along with the status of functions assigned to MY Link Coordinators and administrative service concierges and activities undertaken by these individuals. In addition, we received a total number of 8,186 valuable opinions and requests from attendees.

During the period in which these meetings were held, the Company also created a dedicated section for the Conference of Customers within its corporate website. This section accepted opinions and requests from customers who have difficulties with attending the conference and thereby obtained a broad range of feedback on its business operations.

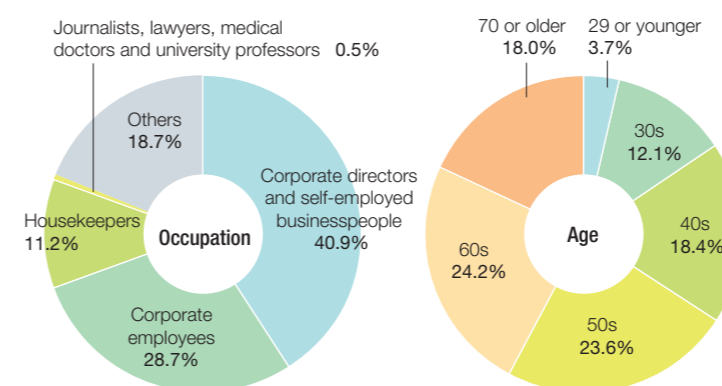
These opinions and requests are reported to the Board of Policyholder Representatives Meeting and the Board of Councillors. In addition, whenever we receive opinions identifying issues in need of improvement, the department in charge of addressing the particular issue considers options and implements improvement measures, while the Customer-Oriented Service Verification Committee, an advisory body to the Management Council, follows up to verify the status of implementation.

Moreover, we select a certain number of policyholder representatives from policyholders who attend the Conference of Customers. These are some of the ways the Board of Policyholder Representatives Meeting and the Conference of Customers complement each other.

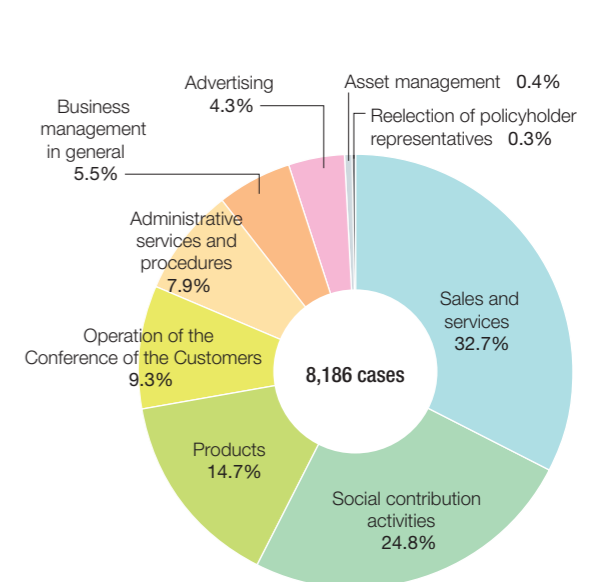
To notify our members of the application procedures to attend the upcoming Conference of Customers during FY2023, we will display posters at regional offices and other business bases, as well as making this information available via our website, prior to holding the conference. Related information is also available to policyholders upon inquiry at the nearest Meiji Yasuda regional office or agency office.

Conference of Customers in FY2022

Composition of attendees (2,437)



Breakdown of opinions, requests and inquiries (8,186 cases in total) by topic



Representative examples of opinions and requests accepted at the Conference of Customers and measures undertaken by Meiji Yasuda in response

Please explain Meiji Yasuda's policies for initiatives to contribute to the creation of a sustainable society.

In line with its management philosophy, "Peace of mind, forever," Meiji Yasuda has contributed to the creation of a sustainable society through a diverse range of initiatives, including the "Wellness for All Project," which aims to prolong healthy life expectancy, and the "Community Vitalization Project," which aims to vitalize regional communities. In addition, we are endeavoring to protect the environment and combat climate change via, for example, the reduction of CO₂ emissions, with the aim of achieving carbon neutrality in FY2050.

More specifically, we have proactively engaged in dialogue with domestic investees and promoted ESG investment and financing as part of efforts to protect the environment and combat climate change as an institutional investor. At the same time, as a business operator, we have implemented initiatives to achieve the carbon neutrality target mentioned above in line with our roadmap (transition plan) while striving to curb environmental burden through the phased introduction of renewable energy, a shift to paperless operations, a gradual switchover from plastic-based file folders to paper folders and other measures.

Moreover, in April 2022, we included "financial inclusion" and "sound development of children and the passing on of traditional performing arts and techniques" into the conventional list of priority issues (materiality) to be tackled by Meiji Yasuda via sustainability management. Accordingly, we are stepping up initiatives to address these two priority issues.

With regard to "financial inclusion," we promote initiatives to update our procedures to resolve inconvenience felt by customers with diverse attributes, such as elderly customers, people with disabilities, members of the LGBTQ community and foreign nationals, under the banner of "Easy Access to Insurance for Everyone." By doing so, we strive to increase the sophistication of various systems and services.

As for the sound development of children, we intend to push ahead further with initiatives to instill robust financial literacy via on-demand lectures focused on financial and insurance education, so that they can enjoy abundant lives in the coming era of centenarians.

In addition, we are endeavoring to foster sustainability awareness among employees while proactively utilizing external insights through, for example, participation in international initiatives in the sustainability field and collaboration with SDG Impact Japan Inc. (SIJ), our capital and business alliance partner. Furthermore, we will continue to enhance the content of relevant information disclosure even as we uphold domestic laws and regulations as well as international standards associated with sustainability.

I would like Meiji Yasuda to practice business management focused on securing financial soundness in light of the unclear operating environment due to progressing inflation, interest rate hikes and other factors.

To realize Meiji Yasuda's management philosophy, "Peace of mind, forever," we are focused on improving our economic value through the enhancement of the financial and profit base so that the Company can maintain stable business operations regardless of future changes in the business environment.

To that end, we utilize an ERM* framework as a basis for our financial and capital management in the course of formulating and implementing business plans. Simultaneously, we pursue risk-taking endeavors in a way that gives due consideration to striking a balance between maintaining financial soundness for the Group and securing growth potential and profitability. This is how we aim to secure both stable profit and improvement in corporate value, which together enable us to deliver a stable stream of policyholder dividends.

More specifically, in line with its Basic Policy of Group ERM, we are employing ESR, an economic-value based indicator that shows the Company's financial soundness in terms of whether it has secured sufficient capital relative to its total amount of risk, in the course of management decision making. We have also announced "Management Policy Aligned with the Level of Financial Soundness" to clarify our concepts regarding the alignment of risk-taking endeavors and returning dividends to policyholders based on the ESR level.

Moreover, in FY2021, we established the ERM Operational Meeting to ensure the effectiveness of ERM-based business management and secure our ability to appropriately respond to progressing inflation, interest rate hikes and other changes in the financial environment. In this way, we have developed a robust structure for assessing the outlook for the financial environment and ESR so that we both deliberate and implement risk control measures accordingly. We have thus endeavored to maintain our financial soundness even amid the volatile operating environment.

In summary, Meiji Yasuda not only maintains a robust solvency margin ratio in accordance with the current regulations but also has developed a framework for securing financial soundness via the use of ESR to ensure its ability to execute the steady payment of insurance claims and benefits, even when the economic environment deteriorates radically.

With the aim of maintaining Group ESR at a steady level, we aim to enhance our financial base via, for example, the stable accumulation of internal reserves. We pursue these endeavors in a balanced manner along with the execution of growth strategies and the payout of policyholder dividends. Moreover, we will maintain proper risk control from both the aspects of assets and liabilities.

Looking ahead, we will strive to enhance our financial soundness while pursuing both the steady payment of insurance claims and benefits as well as the stable payout of policyholder dividends.

* Enterprise Risk Management (ERM): A business management method aimed at quantitatively controlling risk, return, and capital for the entire corporation on an economic value basis via the formulation of basic policies for risk aversion. ERM also defines the types of risks a corporation is willing to take. Through these activities, ERM aims to maximize corporate value.

Opinions and inquiries:

Opinions and inquiries regarding mutual company management, including the operation of the Board of Policyholder Representatives Meeting, are accepted via the following contact.

Corporate Governance Development Group, Corporate Affairs, Corporate Planning Department, Meiji Yasuda Life Insurance Company

1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-0005, Japan

Management Structure

Meiji Yasuda has adopted the "Company with Nominating Committee, etc." system to strengthen its corporate governance and increase transparency. The Board of Directors consists of 11 elected directors, including six outside directors who make up the majority. The Company also maintains Nominating, Audit, and Compensation committees, with the majority of each

committee comprised of outside directors. Moreover, a director who holds no concurrent executive officer position serves as Chairman of the Board, ensuring clear institutional separation between management supervision and executive functions. In these ways, the Company secures a management structure capable of ensuring solid oversight.

Board of Directors

The Board of Directors reaches decisions on important management issues while supervising business execution undertaken by directors and executive officers.

Number of meetings held:	16	Average attendance:	98.7%
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Nominating Committee

The Nominating Committee determines proposals related to the election and dismissal of directors. These proposals are submitted to the Board of Policyholder Representatives Meeting.

Number of meetings held:	8	Average attendance:	100.0%
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Audit Committee

The Audit Committee audits the business execution of directors and executive officers, and prepares audit reports. It also submits recommendations to the Board of Policyholder Representatives Meeting on the election and dismissal of accounting auditors.

Number of meetings held:	15	Average attendance:	97.2%
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Compensation Committee

The Compensation Committee formulates the overall policy on remuneration for those in key positions, such as directors and executive officers, and thereby determines the content of remuneration for such individuals.

Number of meetings held:	6	Average attendance:	96.6%
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Outside Directors Council

The Outside Directors Council is attended by outside directors as well as the Chairman of the Board, along with President, to exchange opinions regarding important management matters, such as the medium- to long-term direction of the Company's business operations.

Number of meetings held:	7	Average attendance:	96.3%
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Holding Board of Directors meetings

In FY2022, the Board of Directors met on 16 occasions, striving to exercise its supervisory function over management via active discussion between Board members.

Holding Nominating Committee meetings

In FY2022, the Nominating Committee met on eight occasions and properly selected director candidates in accordance with rules that it has established regarding the selection of director candidates along with Guidelines for the Selection of Outside Director Candidates formulated in reference to the Corporate Governance Code. Through this process, the Nominating Committee conducted the preliminary selection of candidates from a broad range of individuals and finalized its nominations only after taking sufficient time to intensively discuss the candidates.

Holding Audit Committee meetings

In FY2022, the Audit Committee met on 15 occasions and received periodic reports from the Internal Audit Department and accounting auditors while exchanging opinions with President and Representative Executive Officer and other senior management who, as needed, were requested to attend the meetings. Members of the committee also engaged in dialogue with other managerial personnel on a regular basis with regard to information gleaned via the attendance of a full-time committee member at key management meetings and the review of important documents. In these ways, the committee audited the status of business execution undertaken by directors and executive officers, as well as the development of the Company's internal control system.

Holding Compensation Committee meetings

In FY2022, the Compensation Committee met on six occasions and determined matters concerning remuneration, including the content of remuneration for individual directors and executive officers, giving due consideration to the Company's operating results and each recipient's contributions to business performance. This was done properly in accordance with its policies for determining the content of remuneration for individual directors and executive officers, as well as in-house rules regarding director remuneration and executive officer remuneration.

Assembling the Outside Directors Council

In FY2022, the Outside Directors Council was assembled on seven occasions to exchange opinions regarding such matters as CEO succession plans, the evaluation of the Board of Directors' effectiveness, proposals on the selection of executive officer and operating officer candidates to be discussed by the Board of Directors, operating results of overseas insurance subsidiaries and the direction of business planning.

Initiatives to Enhance Our Governance Structure

Our initiatives to strengthen corporate governance

Meiji Yasuda operates as a mutual company in which policyholders* act as mutual members and, therefore, is striving to better reflect policyholders' intentions in its operations. Moreover, the Company has worked to strengthen corporate governance and enhance management transparency by, for example, selecting some policyholder representatives from voluntary candidates and shifting to the "Company with Nominating Committee, etc." system.

Although Japan's Corporate Governance Code, enacted for domestically listed companies, does not legally apply to mutual companies, Meiji Yasuda recognizes that the code comprises important principles for realizing effective corporate governance. In line with the spirit of the Corporate Governance Code,

Meiji Yasuda is voluntarily incorporating steps to ensure responsiveness to principles stipulated in the code.

Meiji Yasuda also established and announced its Corporate Governance Policy, which set forth its fundamental concepts and basic policies on this matter, with the aim of developing a more sophisticated corporate governance structure through such initiatives as facilitating proactive information disclosure and stepping up dialogue with policyholders.

The Company constantly discloses and updates the status of its corporate governance structure and its initiatives aimed at strengthening this structure through a "Corporate Governance Report" posted on its corporate website.

* Excluding those who enroll only in policies without dividends

Fundamental concepts

Guided by its management philosophy, "Peace of mind, forever," Meiji Yasuda practices the following fundamental concepts in our effort to strengthen the Company's corporate governance structure.

- We recognize that providing customers with lifelong protection is a life insurers' essential mission. More specifically, in light of the unique characteristics of life insurance policies whose duration may extend to the ultra-long term, we believe that establishing a sophisticated corporate governance structure, capable of better supporting our mutual company system, is of primary importance to ensure the payment of insurance claims and benefits, as well as to help our customers enjoy peace of mind and affluent lives.

- We recognize that our relationships with various stakeholders, including customers, employees and local communities, are indispensable to achieving sustainable corporate growth. We therefore strive to build appropriate and robust relationships with each stakeholder.
- We regularly review this policy to promote our initiatives to strengthen corporate governance. By doing so, we improve our corporate governance structure, maintain the soundness of our operations and secure the ability to make prompt decisions aimed at realizing sustainable growth in business operations as well as persistently enhancing corporate value.

Please also visit the following link to see our Corporate Governance Policy posted on Meiji Yasuda's corporate website.
<https://www.meijiyasuda.co.jp/english/governance/governance.pdf>



History of Meiji Yasuda's initiatives to upgrade the corporate governance structure

2006	<ul style="list-style-type: none"> • Initiate the selection of voluntary candidates for policyholder representatives • Ensure that outside directors form the majority of the Board • Adopt the "Company with Committees"* system <p><small>*The "Company with Nominating Committee, etc." system from May 2015</small></p>
2015	<ul style="list-style-type: none"> • Formulate the Corporate Governance Policy • Establish the Outside Directors Council
2019	<ul style="list-style-type: none"> • Enhance our business management structure for the Group (appoint Group Chief Officers and establish Group Management Headquarters Council)
2021	<ul style="list-style-type: none"> • Secure even clearer separation between management supervision and business execution functions by appointing a non-executive director as Chairman of the Board

Reasons for adopting the current corporate governance system

With the aim of incorporating outside perspectives in its overall corporate management, the Company has adopted the "Company with Committees" system (currently known as the "Company with Nominating Committee, etc." system) since July 2006. This move was intended to put greater emphasis on customer protection in its decision-making process and enhance corporate governance and management transparency. Maintaining clear and systematic separation between management supervision

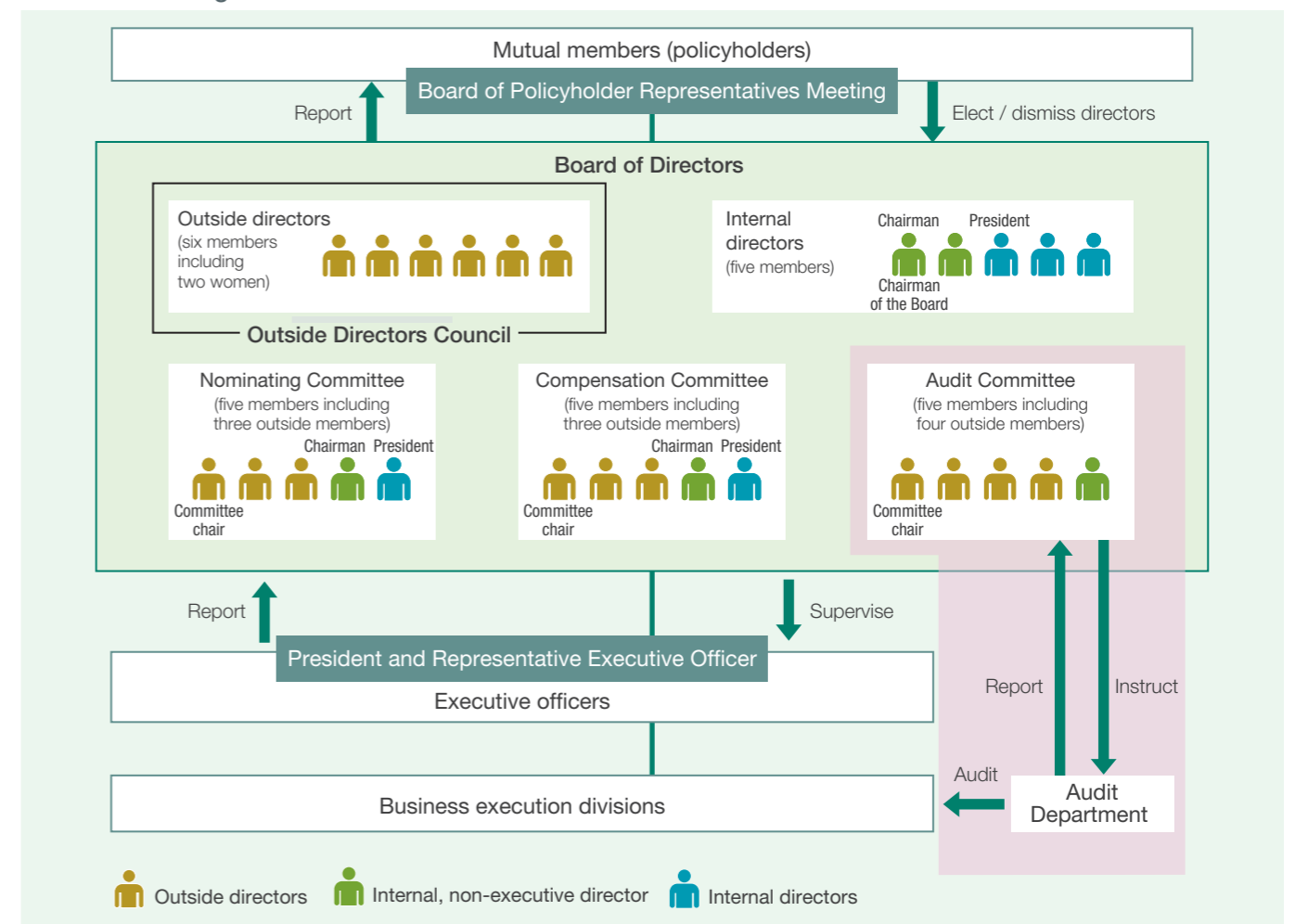
and business execution functions, the Company has secured a robust management supervision by ensuring that the majority of its board members consists of outside directors (six out of 11 directors). The Company also gives due consideration to ensuring these directors represent diverse backgrounds. With an eye to securing the effectiveness and consistency of management supervision by outside directors, the Company limits their term of service to a maximum of eight years.

Enhancing the effectiveness of corporate governance by consolidating internal audit functions under supervision by the Audit Committee

The Company has placed the Audit Department directly under the Audit Committee whose majority membership is accounted for by outside directors, with the aim of ensuring that the department is totally independent from management. Reflecting this move, the Audit Committee is positioned to directly provide

the Audit Department with instructions, including those associated with the determination of audit themes. In this way, the Company has ensured that the Audit Committee's operation is highly effective.

Business management structure














Skill set requirements for Meiji Yasuda directors

At Meiji Yasuda, directors are expected to be capable of handling the business management of an insurance company and supervising the execution of duties by executive officers and directors in an accurate, fair and efficient manner. Therefore, directors are asked to have robust knowledge and experience in these undertakings.

Meiji Yasuda expects its directors to be collectively equipped with knowledge and experience in nine specified skill sets: “Business strategy,” “Monetary/economy,” “Finance/accounting/

actuarial,” “Legal/compliance/risk management,” “HR/labor management/human resource development,” “Sales/market development,” “Product/service R&D,” “IT” and “International.” The Company holds that these skill sets form the basis of management decision making in its life insurance business.

The following chart indicates the distribution of skill sets possessed by directors.

Name	Title	Skill/experience									Reasons for appointment	
		Business strategy	Monetary/economy	Finance/accounting/actuarial	Legal/compliance/risk management	HR/labor management/human resource development	Sales/market development	Product/service R&D	IT	International		
 Akio Negishi	Chairman of the Board Member of Nominating and Compensation committees	●	●	●	●	●	●	●	●			Mr. Akio Negishi has gained experience at the Company's Individual Insurance Marketing Division as well as Corporate Planning and Marketing Planning & Research departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2013, he was appointed as Director, President and Representative Executive Officer, assuming a leading role in the Company's management. In 2021, he stepped aside from the above position to assume the post of Chairman of the Board and has since continued to strive to upgrade the Company's corporate governance structure. Mr. Negishi has been appointed as a director because it is expected that he will contribute to the strengthening of the Board of Directors' decision-making and supervisory functions effectively.
 Hideki Nagashima	Director, President, Representative Executive Officer and Group CEO Member of Nominating and Compensation committees	●			●	●	●	●		●		Mr. Hideki Nagashima has gained experience at the Company's Individual Insurance Marketing Division as well as Corporate Planning and Human Resources departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2021, he was appointed as Director, President and Representative Executive Officer and has since assumed a leading role in the Company's management. Mr. Nagashima has been appointed as a director because it is expected that he will contribute to the strengthening of the Board of Directors' decision-making and supervisory functions effectively.
 Shinya Makino	Director, Deputy President, Representative Executive Officer	●		●		●	●	●	●			Mr. Shinya Makino has gained experience at the Company's Individual Insurance Marketing Division as well as Sales Personnel and Product Development departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2020, he was appointed as Director, Deputy President and Executive Officer and, in 2021, appointed as Director, Deputy President and Representative Executive Officer, assuming a leading role in the Company's management. Mr. Makino has been appointed as a director because it is expected that he will contribute to the strengthening of the Board of Directors' decision-making and supervisory functions effectively.
 Masao Aratani	Director, Deputy President, Representative Executive Officer Executive Officer, the Investment Division	●	●	●							●	Mr. Masao Aratani has gained experience at the Company's Investment Division as well as the Government Relations Department. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2019, he was appointed as Director, Deputy President and Executive Officer and, in 2022, appointed as Director, Deputy President and Representative Executive Officer, assuming a leading role in the Company's management. Mr. Aratani has been appointed as a director because it is expected that he will contribute to the strengthening of the Board of Directors' decision-making and supervisory functions effectively.
 Takashi Kikugawa	Director Audit Committee	●	●	●	●			●				Mr. Takashi Kikugawa has gained experience at the Company's Individual Insurance Marketing Division as well as the Compliance Control Department and served as the Executive Officer in charge of the Investment Division. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2021, he was appointed as a full-time member of the Audit Committee, which constitutes an integral part of supervisory functions afforded by directors, and has since audited duties carried out by executive officers. Mr. Kikugawa has been appointed as a director because it is expected that he will contribute to the strengthening of the Board of Directors' supervisory functions effectively.
 Masaki Akita	Lead Outside Director Audit Committee Compensation Committee (Chair)	●						●	●	●		Mr. Masaki Akita has experience in various important positions, including as chairman of Matsuya Co., Ltd. Accordingly, he possesses the knowledge and experience in corporate management necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. Since 2017, Mr. Akita has served the Company as an outside director. Mr. Akita has been appointed as an outside director because it is expected that he will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Director's decision-making and supervisory functions effectively.
 Tatsuo Uemura	Outside Director Audit Committee (Chair) Compensation Committee	●			●							Mr. Tatsuo Uemura possesses wide-ranging knowledge and experience as a university professor emeritus researching corporate law and other legal matters, and as an outside director of listed companies. Accordingly, he possesses the knowledge and experience as a legal expert necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. Mr. Uemura participated in corporate management as an outside director and outside auditor. Since 2020, Mr. Uemura has served as an outside director of the Company. He has been appointed as an outside director because it is expected that he will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Director's decision-making and supervisory functions effectively.
 Noriaki Horikiri	Outside Director Nominating Committee (Chair)	●				●	●	●			●	Mr. Noriaki Horikiri has experience in various important positions, including serving as chairman of Kikkoman Corporation. Accordingly, he possesses the knowledge and experience in corporate management necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. Since 2021, Mr. Horikiri has served as an outside director of the Company. Mr. Horikiri has been appointed as an outside director because it is expected that he will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Director's decision-making and supervisory functions effectively.
 Yuri Sasaki	Outside Director Nominating Committee Audit Committee	●	●								●	Ms. Yuri Sasaki possesses a wide range of knowledge and experience as a university professor researching international finance and an outside director of listed companies. She possesses experience as an expert in international finance necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. Ms. Sasaki participated in corporate management as an outside director and outside auditor. Since 2022, Ms. Sasaki has served as an outside director of the Company. Ms. Sasaki has been appointed as an outside director because it is expected that she will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Director's decision-making and supervisory functions effectively.
 Teruhisa Ueda	Outside Director Nominating Committee	●						●	●	●	●	Mr. Teruhisa Ueda has experience in various important positions, including as chairman of SHIMADZU CORPORATION. Accordingly, he possesses the knowledge and experience in corporate management necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. He has been appointed as an outside director because it is expected that he will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Directors' decision-making and supervisory functions effectively.
 Kumiko Yoshii	Outside Director Audit Committee Compensation Committee	●		●	●						●	Ms. Kumiko Yoshii possesses a wide range of knowledge and experience as Certified Public Accountant and Partner (Lawyer) of TMI Associates. Accordingly, she possesses the knowledge and experience as an expert in finance, accounting and legal affairs necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of duties by its directors and executive officers. Ms. Yoshii participated in corporate management as an outside director and outside auditor. She has been appointed as an outside director because it is expected that she will supervise business execution by the Company's executive officers and other personnel from an independent standpoint and thus strengthen the Board of Directors' decision-making and supervisory functions effectively.

Note: In June 2023, Meiji Yasuda established the “IT and Digital Committee” within the Board of Directors in order to strengthen the latter's supervision over business execution in the IT and digital field. Looking ahead, the Company plans to invite external human resources equipped with specialist expertise and experience in this field and thus initiate the operation of this committee in the second half of FY2023.

Roles outside directors are expected to fulfill

At Meiji Yasuda, outside directors are expected to fulfill the following three roles in the course of their deliberations at the Board of Directors.

(1) Supervise the appropriateness of business execution from objective and multifaceted standpoints

(2) Advise the Board of Directors employing their own expertise to facilitate the Company's sustainable growth and the long-lasting enhancement of its corporate value

(3) Ensure that opinions of stakeholders, such as policyholders, are appropriately reflected in deliberations of the Board of Directors by bringing an independent stance to bear on management

Procedures for and policies on the selection of directors, executive officers and operating officers

Selection procedures

Directors are appointed by the Board of Policyholder Representatives Meeting based on a selection proposal prepared by the Nominating Committee in accordance with the Company's Fundamental Concepts on the Selection of Director Candidates.

Executive officers and operating officers are appointed by the Board of Directors based on the Company's Fundamental Concepts on the Selection of Executive Officers and Operating Officers.

Selection policies

Fundamental concepts on the selection of director candidates

- (1) Director candidates must be capable of contributing to the Company's sustainable growth and medium- to long-term improvement in corporate value and be equipped with ability to appropriately fulfill their roles and responsibilities as Board members.
- (2) Director candidates must be selected in accordance with standards stipulated by the Company's Rules on the Selection of Director Candidates from among those who have knowledge and experience necessary to conduct their duties as directors in an accurate, fair and efficient manner. In addition, these candidates must have sufficient social credibility.

- (3) To secure the independence of outside directors, candidates for such positions must undergo the confirmation of their status in relation to the Company's Standards for Securing the Independence of Outside Directors.

Fundamental concepts on the selection of executive officers and operating officers

- (1) The selection of executive officers and operating officers must be focused on ensuring the steady implementation of business plans over the medium to long term and, to this end, give due consideration to such perspectives as refreshing senior management membership to secure ongoing business development and maintain organizational vitality.
- (2) Executive officers and operating officers must be selected from among those deemed to have sufficient knowledge and experience to support the accurate, fair and efficient execution of their duties with regard to the Company's business management based on the assessment of their track record and experience in corporate management as well as evaluations by in-house and external individuals. In addition, candidates for these positions must have sufficient social credibility.

Effectiveness Evaluation of the Board of Directors

The Company evaluates the effectiveness of the Board of Directors and Nominating, Audit and Compensation Committees ("Effectiveness Evaluation") based on a self-evaluation conducted once a year utilizing evaluations submitted by each director independently.

In the course of this Effectiveness Evaluation, each director identifies issues based on his/her evaluation of the effectiveness of the board and the committees ("Preliminary Evaluation").

These issues are then addressed by the Board of Directors via open exchange of opinions and constructive discussion involving all directors, with particular emphasis placed on determining the direction of measures to make improvements.

In FY2023, such Effectiveness Evaluation was conducted to cover the period from July 2022 to June 2023 in line with the process outlined below.

April 2023	The Board of Directors reviewed its initiatives undertaken to address major issues identified in the course of Effectiveness Evaluation conducted in the previous fiscal year. The Board of Directors also determined methods to be used in the upcoming round of Effectiveness Evaluation, including items featured in questionnaires to be distributed to each director for self-evaluation.
April 2023	All directors completed self-evaluation by filling in questionnaires.
May 2023	Based on results of questionnaires, the secretariat conducted interviews with outside directors to clearly identify issues to be addressed and countermeasures to be taken.
June 2023	The Outside Directors Council was held to exchange opinions regarding the direction of the Effectiveness Evaluation.
June 2023	The Board of Directors reached resolution on finalized results of the Effectiveness Evaluation.

An overview of results of the Effectiveness Evaluation undertaken for the Board of Directors, Nominating Committee, Audit Committee and Compensation Committee is presented on the subsequent pages.

Board of Directors

1. Response to major issues identified via Effectiveness Evaluation in the previous year

The Board of Directors has addressed issues identified in the course of Effectiveness Evaluation (covering the period from July 2021 to June 2022) that was conducted in FY2022. Details are described below.

Major issues identified	Responses
<ul style="list-style-type: none"> • To further enhance the Board of Directors' supervisory functions, the content of meeting materials needs to be focused on clearly presenting management issues and risk recognition to help the Board of Directors engage in in-depth discussion. Also, from the perspective of securing sufficient time for deliberation, the operation of the Board of Directors should be further upgraded by, for example, reviewing and balancing time allocated to and the content of onsite and prior explanation. 	<ul style="list-style-type: none"> • The Board of Directors received a report on the review undertaken by a third-party organization regarding the effectiveness of its operations. Based on results of this review, the Outside Directors Council held discussions. Drawing on conclusions reached by the council, the Board of Directors updated its mode of discussions (the content of meeting materials and the provision of prior and onsite explanation). • With regard to initiatives to improve the content of Board of Directors meeting materials, the executive summary of agenda items was reviewed and simplified, placing emphasis on featuring clearer descriptions of issues to be addressed and the recognition of risks. Moreover, information deserving particular attention was included in the form of graphs. • As for the provision of prior and onsite explanation, the content of prior explanation given to outside directors was updated to include detailed briefings on purposes and background of each agenda item as well as technical terms, etc., with the aim of facilitating robust understanding of agenda items. To secure sufficient time for Board room discussions, it was also decided to simplify the content of onsite explanation, with emphasis on reconfirming the summary of each agenda item. In these ways, the Board of Directors reviewed and balanced the time allocation, as well as the content, of both prior and onsite explanation, thereby increasing the sophistication of its operations.
<ul style="list-style-type: none"> • Initiatives to enhance the understanding of the Company's business operations among directors should be further upgraded by reorganizing information necessary to enable them to properly fulfill their supervisory functions, including reference information associated with the insurance industry and the Company's business operations, and by making such information easily accessible to them. It is also necessary to give directors opportunities to engage in unofficial communications with executive officers while resuming tours in which they visit sales frontlines. 	<ul style="list-style-type: none"> • Outside directors were given an environment in which they can access a well-organized archive that encompasses Meiji Yasuda's business overview and other information necessary to understand its operations through their PCs. Furthermore, glossaries of industry-specific and other technical terms were created and provided to outside directors. Also, the Board of Directors enhanced the content of information given to outside directors regarding important management matters in addition to providing onsite explanation of agenda items. • Outside directors were given a growing number of opportunities to interact with executive officers, operating officers and other personnel via, for example, attending lunch meetings and other gatherings after the close of Board of Directors meetings. In addition, similar lunch meetings were held after the close of the Board of Policyholder Representatives Meeting and the Board of Councillors meeting to enhance opportunities for directors to exchange opinions with policyholder representatives and members of the Board of Councillors. • To confirm the status of sales and other business activities in the aftermath of a transition to the MY Link Coordinator (sales personnel) system, outside directors resumed tours of sales frontlines (regional offices and agency offices). As they were in the previous fiscal year, outside directors were also given opportunities to attend the Conference of Customers, which has been held at regional offices nationwide to directly hear opinions voiced by policyholders.
<ul style="list-style-type: none"> • It is necessary to allocate more time to discussions regarding important management matters, including the impact of digital transformation on the Company's business operations, initiatives aimed at contributing to a sustainable society and responses to an increasingly uncertain and evolving external environment. 	<ul style="list-style-type: none"> • With regard to digital transformation (DX), the Board of Directors engaged in discussions regarding the Company's stance to DX and issues associated with it while holding training sessions for officers, with external specialists who have been responsible for promoting DX at business corporations serving as lecturers. • As for sustainability management, the Board of Directors also deliberated on how to combat the climate change problem and promote ESG investment and financing, etc., as part of initiatives to embody the Meiji Yasuda Philosophy and practice the Group Sustainability Policy. At the same time, the Board members exchanged opinions among them regarding such topics as initiatives to be undertaken in each region to help create a sustainable society. • In addition, the Board of Directors enhanced the content of discussions regarding strategic initiatives aimed at strengthening the overseas insurance business. Meanwhile, the Outside Directors Council promoted deliberations focused on upgrading the Company's mode of corporate governance by, for example, organizing measures to be undertaken by directors responsible for management supervision in times of emergency and discussing the establishment of a framework under which they utilize insights offered by external specialists. The council also engaged in the exchange of opinions among members with regard to the direction of the next Medium-Term Business Plan and otherwise addressed a growing range of important management matters.

2. Evaluation items addressed in Effectiveness Evaluation

- The composition and operation of the Board of Directors, a system for supporting outside directors
- The enhancement of the content of its discussion and the status of its functional effectiveness

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

Based upon results of the Preliminary Evaluation submitted by each director and the exchange of their opinions with regard to such results, the Effectiveness Evaluation concluded that the governance provided by the Board of Directors functions effectively and is at a high level including the accomplishments listed below.

- The Board of Directors updated the content of meeting materials, as well as prior and onsite explanation, by drawing on results of the review undertaken by a third-party organization regarding its operations and conclusions reached by the Outside Directors Council. As a result, the Board of Directors' mode of discussions was upgraded.
- Outside directors were enabled to understand Meiji Yasuda's operations in greater depth by, for example, engaging in

unofficial communications outside Board of Directors meetings on a growing number of occasions and taking part in the resumed tour of sales frontlines.

- The operation of the Board of Directors was thus deemed highly effective, with all directors engaging in in-depth discussions regarding important management matters in the context of how to embody the philosophy and being on the same page regarding issues to be tackled. These management matters included the direction of the next Medium-Term Business Plan and initiatives to upgrade the Company's mode of corporate governance (e.g., organizing measures to be undertaken by directors responsible for management supervision in times of emergency and discussing the establishment of a framework under which they utilize insights offered by external specialists).

(2) Issues identified

The Effectiveness Evaluation confirmed that continuous efforts should be made to address various issues, especially those listed below to further enhance its effectiveness.

- The operation of the Board of Directors should be further upgraded by, for example, utilizing external specialists in the IT and digital field to further enhance its supervisory functions.
- The system for supporting outside directors needs to be further enhanced via, for example, the clarification of points up for discussions by the Board of Directors regarding agenda

items deserving particularly intensive deliberations, the invigoration of the Outside Directors Council meetings to facilitate exchange of opinions and the upgrading of tours and other initiatives aimed at helping outside directors understand Meiji Yasuda's operations.

- It is necessary to allocate more time to discussions regarding important management matters, including ideals for DX at Meiji Yasuda, the development of the MY Link Coordinator (sales personnel) system and the execution of overseas business strategies and brand strategies.

Nominating Committee

1. Response to major issues identified via Effectiveness Evaluation in the previous year

The Nominating Committee has addressed issues identified in the course of Effectiveness Evaluation (covering the period from July 2021 to June 2022) that was conducted in FY2022. Details are described below.

Major issues identified	Responses
• The need to formulate and update guidelines for selecting director candidates	• Formulated and updated guidelines for selecting director candidates after the exchange of opinions at the Nominating Committee and other bodies, with the aim of providing principles for the selection of directors
• The need to enhance opportunities to confirm information with regard to candidates and ensure the early commencement of the screening of such candidates with an eye to appointing competent individuals in the future	• Made it a rule to ensure that the list of the pool of candidates is always updated when the Committee deliberates proposals on the selection of director candidates, with all committee members sharing up-to-date information on such candidates • Based on the updated pool of candidates, the Committee commenced discussions earlier on the next set of director candidates, as well as the subsequent group of director candidates
• The need to clearly define fundamental concepts on the selection of candidates and enhance the content of information used for comparisons between candidates	• Clarified requirements and skills expected of the next set of director candidates and determined the best candidates through the identification and relative comparison of individuals equipped with such requirements and skills

2. Evaluation items addressed in Effectiveness Evaluation

- The composition and operation of the Committee, a system for supporting outside directors and the overall effectiveness of the Committee

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

Based upon results of the Preliminary Evaluation submitted by each committee member and the exchange of their opinions with regard to such results, the Effectiveness Evaluation concluded that the Committee maintains a high level of effectiveness in terms of governance functions it provides as a body tasked with selecting director candidates in light of such findings as those listed below.

- Pooling information with regard to outside director candidates has been updated in a timely manner, while the secretariat enhanced the content of information it provides to the Committee regarding changes in the external environment and trends among other companies related to the appointment of directors.

- The Committee upgraded its process for selecting director candidates by, for example, making it easier to visualize the status of the process and commencing such process at an earlier timing.

(2) Issues identified

The Effectiveness Evaluation confirmed that the Nominating Committee continuously endeavors to address various issues, including those listed below, to further enhance its effectiveness.

- The need to effectively implement the process for selecting director candidates in conformity with selection guidelines that have been formulated and updated
- The need to continuously discuss the selection of female director candidates while giving due consideration to changes in the external environment and other factors

Audit Committee

1. Response to major issues identified via Effectiveness Evaluation in the previous year

The Audit Committee has addressed issues identified in the course of Effectiveness Evaluation (covering the period from April 2021 to March 2022) that was conducted in FY2022. Details are described in the chart on the upper corner of facing page.

Major issues identified	Responses
• The need to maintain and enhance the positive effect of an organizational structure in which the internal audit functions remain under the Committee's direct supervision	• Enhanced the content of reports examined by the Committee in connection with internal audits in line with organizational revisions executed in FY2020 to place the internal audit functions under its direct supervision. These reports encompassed the content of audit items, audit results, the evaluation of the quality of internal audits and initiatives aimed at assessing the maturity of internal audits. • Expanded time allocated for question and answer sessions in which internal auditors bring direct reporting to the Committee with regard to the content of audit items, audit results, audit methods, etc.
• The need to enhance the content of information available to the Committee to enable it to engage in meaningful deliberations	• Identified timely topics for discussions by, for example, receiving information from accounting auditors regarding the recent trend toward the enhancement of ESG information disclosure • Provided the Committee with reports on new topics outside the conventional scope of agenda items discussed at ordinary committee meetings, updating it about the "status of three sales divisions (Individual Insurance Marketing Division, Public Marketing Division and Corporate Marketing Division)" and the "status of brand strategies."

2. Evaluation items addressed in Effectiveness Evaluation

- The audit environment, operational audits, accounting audits, methods and other matters associated with auditing, the preparation of audit reports, measures being implemented to assess the maturity of internal audits

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

Based upon results of the Preliminary Evaluation submitted by each committee member and the exchange of their opinions with regard to such results, the Effectiveness Evaluation confirmed that the Committee has properly fulfilled its duties in accordance with in-house rules for the Audit Committee and those for audits undertaken by the Committee because the overall effectiveness of the Committee was improved in light of the maintenance and improvement of the positive effect arising from its direct supervision over the Company's internal audit functions as well as the expansion of opportunities available to it to obtain information supporting meaningful deliberations.

(2) Issues identified

The Effectiveness Evaluation also confirmed that the Audit Committee continuously endeavors to address various issues, including those listed below, to further enhance its effectiveness.

- The need to expand opportunities available to committee members to engage in the exchange of opinions and obtain information in order to promote meaningful deliberations
- The need to upgrade the Committee's operation in terms of examining reports and obtaining information

Compensation Committee

1. Response to major issues identified via Effectiveness Evaluation in the previous year

The Compensation Committee has addressed issues identified in the course of Effectiveness Evaluation (covering the period from July 2021 to June 2022) that was conducted in FY2022. Details are described below.

Major issues identified	Responses
• The need to enhance the content of onsite explanations provided in the course of determining the level of remuneration with regard to the evaluation of each recipient	• Enhanced the content of onsite explanation provided at Compensation Committee meetings aimed at determining the level of remuneration with, for example, the President, who is a committee member, delivering supplementary explanation on the evaluation of individual officers
• The need to discuss the upgrading of relevant information disclosure through surveys and research of information disclosure of external corporations	• Conducted research into best practices of information disclosure regarding officer remuneration via securities reports and integrated reports issued by listed companies in accordance with the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc. • Engaged in ongoing discussions regarding how to upgrade the Company's mode of information disclosure, with an eye to introducing necessary measures in conjunction with the implementation of the next Medium-Term Business Plan in light of the possible review of the current compensation system over the course of said plan
• The need to make it easier to check information sources that provide a basis for the verification of the appropriateness of the level of remuneration and visualize the process for such verification	• Enhanced methods used for verifying results of monitoring over the level of remuneration by, for example, obtaining information disclosed by other companies regarding remuneration via securities reports or other sources, in addition to leveraging results of external verification by a third-party organization

2. Evaluation items addressed in Effectiveness Evaluation

- The composition and operation of the Committee, a system for supporting outside directors and the overall effectiveness of the Committee

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

Based upon results of the Preliminary Evaluation submitted by each committee member and the exchange of their opinions with regard to such results, the Effectiveness Evaluation confirmed that the Committee maintains a high level of effectiveness in terms of governance functions it provides as a body tasked with determining compensation in light of such findings as those listed below.

- Confirmed the appropriateness of the level of remuneration paid under the new compensation system for directors and officers by utilizing an external survey organization
- Engaged in discussions to increase flexibility in the compensation structure during emergencies, with reference to the practices of external corporations

(2) Issues identified

The Effectiveness Evaluation confirmed that the Compensation Committee continuously endeavors to address various issues, including those listed below, to further enhance its effectiveness.

- The need to upgrade methods used for verifying and monitoring the level of remuneration as well as conduct the timely and appropriate review of such remuneration
- The need to discuss the upgrading of relevant information disclosure through surveys and research of information disclosure of external corporations

Status of the Audit Committee's activities

1. Organization and staffing

In accordance with relevant laws and the Company's Articles of Incorporation, the Audit Committee consists of five individuals, including four outside directors acting as committee members and one internal director acting as a full-time committee member. Each committee member is specialized in legal affairs, corporate management, finance, economics or accounting. Therefore, the committee is positioned to employ the considerable expertise contributed by its members especially in the field of finance and accounting.

2. Meeting frequency and attendance

In FY2022, the Audit Committee met on 15 occasions in line with a general rule of holding face-to-face meetings monthly, with sufficient measures being in place to prevent infection with COVID-19. Attendance by each committee member is as described below.

	Name	Number of meetings	Number attended
Outside director	Teruo Kise	15	15
Outside director	Miyako Suda	4	4
Outside director	Keiko Kitamura*	12	11
Outside director	Tatsuo Uemura	15	14
Outside director	Yuri Sasaki	11	11
Internal director	Takashi Kikugawa	15	15

* Retired on January 31, 2023

3. Main agenda items discussed by the committee

The Audit Committee conducts audits in line with its audit policies and plans. The audit plans are prepared to specify priority audit items in light of (1) law revisions, regulatory trends and other external factors, (2) executive team members' recognition of important risks, and (3) conclusions reached at Audit Committee sessions. Priority audit items in FY2022 were (1) the status of initiatives to strengthen the Company's structure for managing insurance solicitation, (2) the status of initiatives to upgrade its IT governance structure and (3) the status of initiatives to adapt to new norms during / after the COVID-19 pandemic.

4. Status of committee activities

(1) With internal audit functions offered by the Audit Department placed under its direct supervision, the Audit Committee

strove to enhance the content of information obtained via direct reporting from individuals responsible for internal auditing. Reports from these individuals included those regarding internal audit plans, the content of audit items, audit results, the evaluation of the quality of internal audits, the status of efforts to upgrade the structure to provide audit insights to the audited departments, and the audit methodologies used. The Audit Committee provided the department with instruction on auditing as necessary. In these and other ways, the Audit Committee endeavored to maintain and improve the positive effect arising from its direct supervision over the Company's internal audit functions.

(2) The Committee held sessions, both periodically and as necessary, to receive reporting and exchange opinions on such topics as the development and operational status of the Group's internal control systems and the progress of the Medium-Term Business Plan. Attendees who provided such reports and contributed their opinions at these sessions included executive officers who supervise departments in charge of internal control (the Compliance Control Department, Risk Management Control Department, Customer-Oriented Service Department, Profit Management & Actuarial Department, and Corporate Planning Department) as well as top management members responsible for Group management in addition to the President and Representative Executive Officer.

(3) The Committee also acted in close, ongoing collaboration with the accounting auditors, receiving reports both periodically and as necessary, and otherwise exchanging opinions with regard to audit plans prepared by the accounting auditors, the content of audit items, audit results (including those associated with the status of internal control for ensuring proper financial reporting) and other matters related to the execution of their duties. Furthermore, the Committee strove to clarify its accountability on the selection of accounting auditors, to this end introducing additional evaluation items used in the interim evaluation of accounting auditors and otherwise making its evaluation processes even more robust. In addition, the Committee engaged in deliberations with KPMG AZSA LLC (from which accounting auditors are dispatched) to select candidates for key audit matters (KAMs) and received reporting from this firm with regard to the status of its audit activities while requesting explanation as necessary.

among other sought-after competencies. In light of these factors, the Company annually selects candidates by taking into account their job accomplishments, career records and age as well as results of objective assessments conducted by an external consulting firm.

By doing so, the Company identifies a pair of CEO candidates in separate age groups so these individuals can take over leadership one after another for two generations going forward along with securing a pool of human resources in preparation for unexpected incidents. The Outside Directors Council confirms the status of each candidate in the training process while preparing a list of the final candidates it has selected for submission to the Board of Directors at an appropriate time.

The remuneration system for directors and executive officers*

The Company's Compensation Committee passed a resolution approving policies on the determination of individual remuneration for directors and executive officers. Based on these policies, the committee formulated rules on the determination of such remuneration. In accordance with these rules, the committee decided the amount of individual remuneration for directors and executive officers based on the Company's operating

results and individual achievements. Said policies are as described below.

* The amount of remuneration presented above is disclosed in accordance with guidelines for the preparation of Securities Reports regarding matters stipulated by Article 24, Paragraph 1 of the Financial Instruments and Exchange Act. This is based on precaution No. 57-b issued under the Cabinet Office Ordinance to provide guidance for form No. 2 with regard to the disclosure of corporate status (Ministry of Finance's 1973 Ordinance No. 5), which provides a basis for companies to treat disclosure in the same manner as specified by precaution No. 38 issued to provide guidance for form No. 3 under said ordinance.

- (1) **Basic policy:**
The amount of remuneration for directors and executive officers shall be set at an appropriate level based on the duties carried out by each recipient, giving due consideration to the operating environment surrounding the Company and its business performance.
- (2) **Remuneration for directors:**
Remuneration for directors consists only of fixed compensation whose amount is determined by each individual director's duties, including such assignments as chairing a committee.
- (3) **Remuneration for executive officers:**
With the aim of ensuring the Company's sustainable growth and the medium- to long-term enhancement of corporate value, remuneration for executive officers consists of basic compensation, performance-linked compensation and other compensation.
(i) Basic compensation shall be fixed compensation determined in light of the recipient's position and duties.
(ii) Performance-linked compensation shall consist of a portion linked with the Company's single-year operating results and a portion linked with the evaluation of individual achievements during the most recent fiscal year as well as medium- to long-term performance-linked compensation linked with operating results for the period of the previous Medium-Term Business Plan. This compensation shall be determined within certain limits based on the recipient's position and duties, with consideration given to the Company's operating results as well as individual contribution to corporate performance.

Remuneration system

Type	Linkage with performance	Directors		Executive officers		Notes
		Internal	Outside	Ratio to overall amount		
Basic compensation	Fixed	○	○	○	—	Based on positions and duties
Performance-linked compensation	Linked with the Company's operating results	—	—	○	38.2% – 53.0% (Results of FY2022 payments)	Reflecting the Company's single-year operating results
	Linked with individual achievements	—	—	○		Reflecting individual achievements during the most recent fiscal year
	Linked with the Company's medium- to long-term operating results	—	—	○		Reflecting operating results for the period of the previous Medium-Term Business Plan
Other compensation	Fixed	○	—	○	—	Benefit package

Main performance evaluation indicators used in the determination of compensation linked with the Company's operating results and the ratio of achievement

The corporate performance coefficient used in the calculation of compensation linked with the Company's operating results is determined based on quantitative assessments using the weighted average ratio of achievements relative to evaluation indicators in addition to qualitative assessments. Said compensation is thus calculated by multiplying the standard compensation amount that has been set based on the recipients' respective positions by corporate performance coefficient, etc.

Main performance evaluation indicators	Ratio of achievement
<ul style="list-style-type: none"> ■ Base profit of the Group ■ Annualized premiums from business in force (protection-type products) ■ Group life insurance in force ■ The number of customers 	103.7% (Quantitative assessments for FY2021 results to be reflected in FY2022 compensation)

Note: Indicators listed above represent main examples and do not comprise all the indicators considered.

The verification and monitoring of the level of remuneration (PDCA cycle)

The determination of compensation paid to directors and executive officers for FY2022 involved the following processes. First, the overall level of compensation was set in reference with results of comparative assessments of compensation paid by external companies that handle similar businesses and maintain similar size operations. Then, the amount of performance-linked compensation was determined by giving consideration to such factors as the Company's operating results for the previous fiscal year, contribution by each executive officer and the status of progress in the Medium-Term Business Plan.

Furthermore, prior to finalizing the content of compensation, objective data offered by an external specialist firm was examined, while the Compensation Committee, whose majority membership is accounted for by outside directors, discussed the subject under the leadership of the committee chair, who is also an independent outside director.

Accordingly, Meiji Yasuda considers such compensation to be appropriate and in conformity with the Company's policies on the determination of remuneration.

Breakdown of compensation paid to directors and executive officers

(Millions of yen)

Item	Number of recipients	Total amount	Compensation		
			Basic compensation	Performance-linked compensation	Other
Directors (excluding outside directors)	2	160	155	—	4
Outside directors	7	108	108	—	—
Executive officers	18	1,159	622	526	10
Total	27	1,428	886	526	14

Note: Remuneration for directors concurrently serving as executive officers is included in remuneration for executive officers. The figures include one director who retired at the closure of the 75th Regular Board of Policyholder Representatives Meeting held on July 5, 2022 as well as one director who resigned on January 31, 2023.

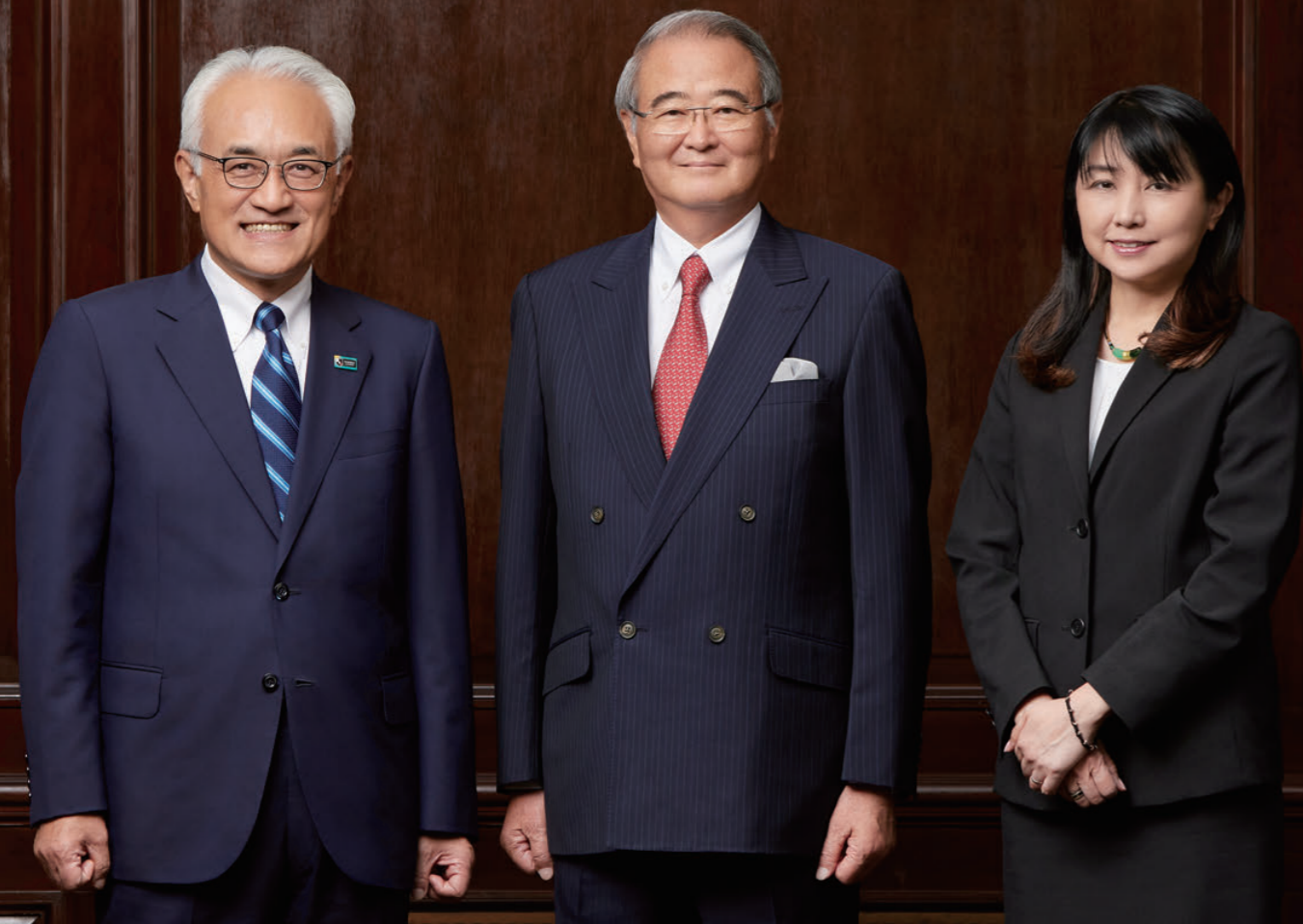
Total amount of remuneration paid to individual recipients

(Millions of yen)

Name	Position	Total amount	Compensation		
			Basic compensation	Performance-linked compensation	Other
Akio Negishi	Chairman of the Board	119	115	—	4
Hideki Nagashima	Director, President, Representative Executive Officer	146	74	67	4

Note: Recipients named above only include recipients whose remuneration amounts to 100 million yen or more in total.

Roundtable Discussion with Chairman of the Board and Outside Directors



Akio Negishi Chairman of the Board

1981 Joined Meiji Life Insurance Company
 2004 General Manager, Shiga Regional Office, Meiji Yasuda Life Insurance Company
 2005 General Manager, Corporate Planning Department
 2007 General Manager, Marketing Planning & Research Department
 2009 Executive Officer, General Manager, Marketing Planning & Research Department
 2011 Executive Officer
 2012 Managing Executive Officer
 2013 Director, President, Representative Executive Officer
 2019 Director, President, Representative Executive Officer, Group CEO
 2021 Chairman of the Board

Noriaki Horikiri Outside Director

1974 Joined Kikkoman Shoyu Co., Ltd. (current Kikkoman Corporation)
 2003 Corporate Officer, Kikkoman Corporation
 2006 Executive Corporate Officer
 2008 Director, Executive Corporate Officer
 2011 Representative Director, Senior Executive Corporate Officer
 2013 President and CEO
 2021 Representative Director, Chairman of the Board and CEO
 Director, Meiji Yasuda Life Insurance Company
 2023 Representative Director and Chairman of the Board, Kikkoman Corporation (incumbent)

Yuri Sasaki Outside Director

1998 Associate Professor, Faculty of Commerce, Takachiho University of Commerce (current Takachiho University)
 2001 Associate Professor, Faculty of Economics, Meiji Gakuin University
 2006 Visiting Scholar, University of Washington
 2007 Professor, Faculty of Economics, Meiji Gakuin University (incumbent)
 2015 Visiting Scholar, University of Washington
 2020 Dean, Faculty of Economics, Meiji Gakuin University
 2022 Director, Meiji Yasuda Life Insurance Company

In light of its mission as a life insurer, which delivers lifelong protection to customers, and characteristics of life insurance policies whose duration extends to the ultra-long term, Meiji Yasuda considers upgrading its corporate governance as a mutual company to be a management issue of the utmost importance.

Under the “Company with Nominating Committee, etc.” system, Meiji Yasuda’s Board of Directors is charged with determining the fundamental management policies as well as with supervising the execution of duties by directors and executive officers. Our Board of Directors aims to serve as a “monitoring board” and, to this end, strives to secure clear separation between the functions of management supervision and business execution by, for example, delegating authority regarding most business operations to executive officers. In sum, the Board of Directors prioritizes supervising the execution of business by executive officers.

In the following roundtable, Mr. Noriaki Horikiri and Ms. Yuri Sasaki, both of whom serve as outside directors at Meiji Yasuda, and Mr. Akio Negishi, Chairman of the Board, exchange opinions on initiatives undertaken by the Company to upgrade its corporate governance.

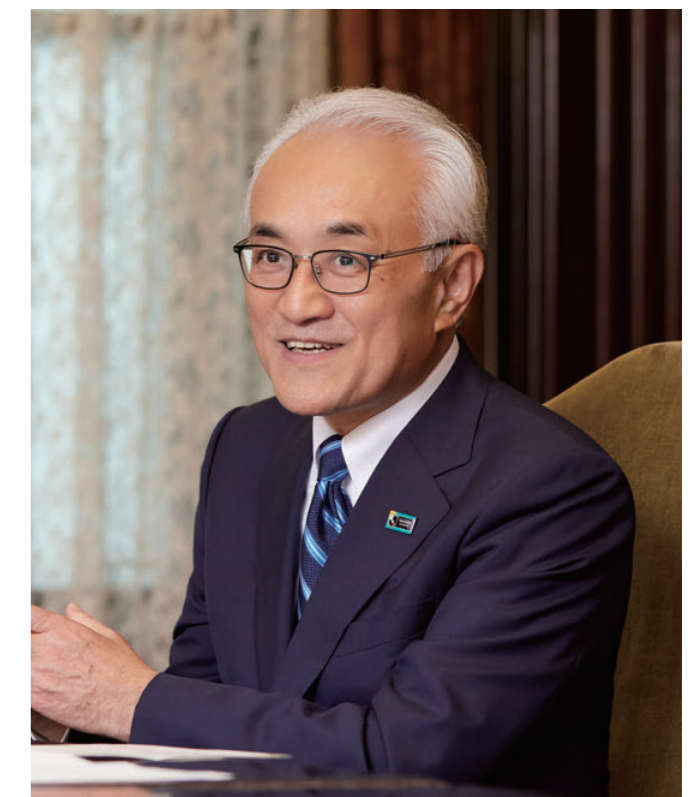
Strengthening supervisory functions of the Board of Directors to increase the sophistication of corporate governance

Negishi In July 2006, Meiji Yasuda transitioned to the “Company with Committees” system (currently known as the “Company with Nominating Committee, etc.” system). While this move has enabled Meiji Yasuda to secure institutional separation between management supervision and executive functions, the number of outside directors was increased to account for the majority of the Board of Directors so that it can exercise even more robust supervision over management. Although I was appointed as Chairman of the Board in 2021, I refrained from assuming any concurrent position as an executive officer to better delineate the separation between the Board’s supervision and executive functions.

As a person responsible for supervision, I have striven to enhance the effectiveness of the Board of Directors’ operations while taking the lead in upgrading corporate governance. Despite Meiji Yasuda’s being a mutual company, we have incorporated supervisory functions that satisfy stringent requirements applied to listed companies. Moreover, we have engaged in proactive information disclosure and focused on securing high transparency to enable external stakeholders to take a good look at the status of the Company.

In FY2022, we also strengthened countermeasures against emergencies, namely, the occurrence of misconduct. Specifically, the Board of Directors has identified and deliberated on relevant matters requiring close examination, including roles required of Board members tasked with supervision, while implementing drills assuming the occurrence of such emergencies. In addition, we have developed rules governing how we handle emergencies through, for example, the launch of an investigation committee. In

sum, we have endeavored to augment supervisory functions afforded by the Board of Directors and increase the sophistication of Meiji Yasuda’s corporate governance.



Q Mr. Horikiri and Ms. Sasaki, could you share your thoughts on the operation of Meiji Yasuda's Board of Directors?

Horikiri It has been two years since I became an outside director at Meiji Yasuda. At the beginning, I was somewhat perplexed due to differences between Meiji Yasuda, a mutual company handling insurance business, and other corporations I had belonged to, in terms of corporate framework and types of operations. However, I was given detailed briefings on agenda items prior to each Board of Directors meeting. Furthermore, a support structure is in place to provide supplementary explanations on unfamiliar technical terms. These measures help me get fully prepared to take part in Board of Directors meetings, despite my external standpoint. Accordingly, all outside directors are enabled to engage in vigorous discussions and exchange of opinions based upon a correct understanding of what is truly essential.

As discussed by Chairman Negishi, Meiji Yasuda is striving to secure governance systems in conformity with standards required of listed companies. However, I feel that the level of the Company's governance already exceeds such standards.

Sasaki Although I am in the first year of my term as an outside director, I had been involved in the Company's Policyholder Representative Nominating Committee for about eight years. I have also undergone diverse training programs



before assuming the office of outside director and was able to get fully ready.

As Director Horikiri touched on earlier, the content of prior briefings provided to outside directors is quite extensive. Thus, these briefings enable us to smoothly join discussions at each Board of Directors meeting. Moreover, these briefings sometimes entail in-depth discussions between presenters and attendees. This helps me to organize topics and points up for discussion at the upcoming meeting. Furthermore, the Board of Directors works diligently to deliberate specific points and identify issues, instead of focusing on mere formality, when engaging in Effectiveness Evaluation and other activities involving prescribed procedures. Overall, I feel discussions by Meiji Yasuda's Board of Directors are detailed and meticulous.

Negishi In addition to providing prior explanation to outside directors, I strive, as Chairman, to enable them to gain a deeper understanding of Meiji Yasuda's operations by helping them maintain robust communications with executive officers and other individuals. For example, I host unofficial meetings and other events to facilitate interaction after the close of Board of Directors meetings. Moreover, we provide opportunities for outside directors to directly interact with policyholder representatives and members of the Board of Councillors.

As part of these measures to facilitate communications, we resumed annual tours of sales front lines. More specifically, we now pay visits to Meiji Yasuda's regional offices and agency offices and hold town hall meetings to directly exchange opinions with employees at these offices. Also, we ask outside directors to attend the Conference of Customers. Through these activities, we provide them with meticulous support to help them secure in-depth understanding of Meiji Yasuda's status and its business operations.

Horikiri I, too, believe that taking a good look at and learning about sales front lines is a matter of extreme importance. Meiji Yasuda provides wide-ranging opportunities for outside directors to do so.

In addition to visiting regional offices and agency offices, we attend officer training programs and the Board of Councillors. Along with taking part in monthly Board of Directors meetings, we are given numerous opportunities to study the environment surrounding the Company on diverse fronts. Input I gain from these activities is quite insightful.

Having taken a look at various frontline operations myself, I was able to gain understanding of how the Company's front line employees strive to embody the "Meiji Yasuda Philosophy," as President Nagashima has repeatedly stated, and implement Two Major Projects and Four Major Reforms in line with the Medium-Term Business Plan.

Sasaki When I visited Meiji Yasuda's regional office for the first time and entered the General Manager's office, I saw posters describing various initiatives undertaken in local communities were hanging on the wall. Taking a look at these displays, I was convinced that each regional office is deeply rooted in the surrounding community. I also had a face-to-face conversation with the General Manager to hear about the status of community-focused initiatives undertaken by the regional office and was impressed by his passion. As I have been hoping to learn about the actual status of Two Major Projects and the *Kizuna* Campaign, as well as aspirations of MY Link Coordinators, my visit to the regional office and close interaction with front line employees provided me with quite a meaningful experience. Moreover, attending the Conference of Customers was yet another impressive experience as all participants were enabled to voice their opinions and requests despite the event taking place as a remote meeting due to concerns over COVID-19 infection.

In addition, I was able to see MY Link Coordinators and administrative service concierges, who are tasked with sales activities and administrative services, respectively, work in close collaboration at the front lines. This convinced me of the thoroughness of internal control and compliance at Meiji Yasuda. I commended this collaboration at a Board of Directors meeting. In sum, the "Meiji Yasuda Philosophy" seems to have been disseminated among and embraced by front line employees through interactive relationships, instead of one-way communication from top management.



Q Please describe discussions undertaken by the Board of Directors in FY2022 with actual examples of agenda items.

Negishi The expansion of overseas businesses has been a subject of intensive discussions. Due to the aging society and ever-lower birthrate, ongoing decline in Japan's population is inevitable. We therefore need to supplement our domestic operations by expanding operations overseas to secure greater profit and seize opportunities in growing markets overseas. This will be one of our growth drivers going forward.

While we are looking to gain footholds in United States, Asia and Europe, we believe that seizing opportunities arising from the growth of the U.S. market will help us gain a medium-term increase in profit.

Horikiri The Board of Directors is always conscious of putting the "Meiji Yasuda Philosophy" into practice in the course of addressing various agenda items. The topics discussed in FY2022 included operating results of StanCorp Financial Group, Inc. (StanCorp), a U.S.-based subsidiary, and initiatives

undertaken by StanCorp, as well as Meiji Yasuda's business strategies in the United States. Among these topics, two business acquisition deals, which were set to be undertaken by StanCorp, have been considered to bear particular importance and thus vigorously deliberated to determine the judgment of Meiji Yasuda's Board of Directors as a body tasked with supervision.

Generally speaking, I believe that the Board of Directors should dedicate its meeting time to discuss medium- to long-term strategies. In this light, overseas strategies bear importance over the medium to long term. I therefore expect that the Board of Directors will discuss these strategies more in-depth going forward by addressing such subjects as StanCorp's future direction and its positioning in the U.S. market, based on steady outcomes made thus far by this subsidiary in North America. In Asia, on the other hand, Meiji Yasuda decided to withdraw from a life insurer in Indonesia. However, I think an experience of this

kind could be a valuable asset of the Company. Looking ahead, we would like to engage in unfettered discussions regarding how to navigate Meiji Yasuda in order to earn success by drawing on lessons learned from diverse experience.

Negishi As mentioned by Director Horikiri, the Board of Directors needs to engage in in-depth discussions regarding how to strengthen Meiji Yasuda's operations in the United States as well as what strategies and tactics it should execute in Asia, a market region in which Meiji Yasuda expects to achieve growth in the future, while conducting a general assessment of the Company's overseas endeavors, including a withdrawal from an Indonesian life insurer.

In the United States, each insurer is equipped with distinctive uniqueness and competing against one another in segmented business fields. Among them, StanCorp is ranked within the best 10 insurers in the field of group life insurance and disability income insurance. For Meiji Yasuda, helping StanCorp secure even higher ranking will be a matter of strategic importance going forward. The recent M&A deals, which involved bolt-on acquisitions, have proven a major success, enabling the Company to build an even broader network encompassing many parts of the United States.

In addition, many of Meiji Yasuda's Group companies in Asia and Europe are, just like StanCorp, equipped with potential to contribute to consolidated operating results. Drawing on take-aways from these acquisition deals, we will pursue strategic corporate growth.

Negishi In FY2022, we also faced an important challenge of tackling changes in the financial environment while seeing such incidents as the collapse of some U.S.- and Switzerland-based banks. For Meiji Yasuda to respond to these changes in the financial environment, it is important to accurately assess its risk resilience and financial soundness. More specifically, we implement scenario analysis based on results of interest rate risk, liquidity risk and credit risk assessments, with the aim of determining action to be taken by the Company in line with the evolving situation.

Over the past year, we have seen quite radical changes in the financial environment. However, Meiji Yasuda has maintained a structure mandating meticulous monitoring on a quarterly basis. Based on this structure, we have finely tuned the timing of asset management measures while operating a PDCA cycle. Thanks to these efforts, Meiji Yasuda has performed robustly, standing out among its peers in the industry.

Sasaki The role of outside directors, in my opinion, is to examine agenda items from an independent standpoint and bring their observations to discussions. As I have a certain level of knowledge in the field of finance, I personally strive to fully leverage my expertise when I voice questions and opinions addressing matters in this field. Over the past year, the Board of Directors has striven to ensure that outside directors are quickly given updates whenever a rapid change affecting financial and other external environments occurs. Furthermore, I have felt that the Board of Directors has been capable of robustly overseeing whether executives address changes in the environment in a flexible manner. Although Meiji Yasuda was confronted by a challenging asset management environment in FY2022, due mainly to deterioration in unrealized gains/losses on bonds and rises in hedging costs on the back of interest rate hikes at home and abroad, the Company has nevertheless secured robust return via flexible investment action based on an Asset Liability Management (ALM) approach. I believe that these efforts can be highly appreciated.

In Japan, the overall amount of funds invested in overseas outlets has grown significantly larger over the past two decades. Accordingly, institutional investors, including Meiji Yasuda, have become, year by year, more prone than before to be influenced by fluctuations in foreign exchange rates and overseas market conditions. As the impact of these fluctuations requires

particular caution, I have striven to ask questions and engage in in-depth discussions on diverse aspects of these matters.

Negishi For Japanese insurers, seizing opportunities arising from the expansion of overseas asset management markets is becoming as important as pursuing M&A of insurers overseas, serving as key growth driver and a major profit contributor. Accordingly, we are strongly focused on risk management for these endeavors. In particular, since foreign exchange rates shifted radically toward the depreciation of the yen in 2022, what approach we take to hedging costs and hedging positions has been a matter of extreme importance. Addressing these and other important management issues, including overseas business strategies and response to changes in the financial environment, over the course of FY2022 the Board of Directors has been able to maintain in-depth, vigorous discussions in line with its overarching aim of embodying the "Meiji Yasuda Philosophy." In the course of discussion, we place particular emphasis on ensuring that the rationale supporting our initiatives can be explained to outside directors. We shouldn't do anything that cannot be explained. The right decision deserving approval must always be explainable. In this regard, I feel that outside directors are committed to rigorously examining each agenda item. I am thankful for their dedication.



Q Lastly, as Chairman of the Board, in what ways do you aim to navigate the Board of Directors' discussions in FY2023?

Negishi First and foremost, I am keenly conscious of successfully closing the final year of the three-year Medium-Term Business Plan. Prior to launching this Medium-Term Business Plan, Meiji Yasuda has formulated "MY Mutual Way 2030," a 10-year plan. In this way, we have clarified our goal for 2030 and ensured that this goal is shared among all officers and employees, who, in turn, pull together to achieve it. The current Medium-Term Business Plan is aimed at realizing a "phase change," namely, moving the Company toward the interim stage. The Four Major Reforms and Two Major Projects are initiatives to that end. Although we thus aim to complete the Medium-Term Business Plan in FY2023, we will also encounter various issues upon the verification of progress made thus far in realizing the phase change. Based on this verification, we will formulate the next Medium-Term Business Plan that will be launched at the beginning of FY2024. However, our goal will remain unchanged. Looking ahead, we will strive to achieve yet another phase change and contribute to the realization of a sustainable and hopeful society by completing the

redevelopment of our systems, infrastructure and other business functions via Four Major Reforms and ensuring that our initiatives under Two Major Projects focused on supporting health improvement and vitalizing regional communities take root.

For Meiji Yasuda to move forward toward its goal, the Company should not only push ahead with various initiatives but also be equipped with a function to apply a brake, whenever necessary, upon giving due consideration to foreseeable risks. The latter is, I believe, an important function afforded by the Board of Directors. Today, Meiji Yasuda is called upon to take diverse risks into account, develop a structure capable of handling any types of risks, upgrade its mode of corporate governance and ensure that its governance systems are fully functional. As Chairman of the Board, I will work in collaboration with outside directors and do my utmost to upgrade the Company's governance structure, so that we can live up to the expectations of our stakeholders.

Directors, Executive Officers and Operating Officers

Directors (As of July 4, 2023)



Chairman of the Board
Akio Negishi



Director, President and Group CEO
Hideki Nagashima*



Director, Deputy President
Shinya Makino*



Director, Deputy President
Masao Aratani*



Director
Takashi Kikugawa



Director
Masaki Akita**
Chairman of the Board, Matsuya Co., Ltd.



Director
Tatsuo Uemura**
Professor Emeritus, Waseda University



Director
Noriaki Horikiri**
Chairman, Kikkoman Corporation



Director
Yuri Sasaki**
Professor, Faculty of Economics,
Meiji Gakuin University



Director
Teruhisa Ueda**
Chairman of the Board,
SHIMADZU CORPORATION



Director
Kumiko Yoshii**
Partner, TMI Associates

* Representative Executive Officer
** Outside Director

Executive Officers (As of July 4, 2023)

Executive Officers	Hideki Nagashima	Director, President, Representative Executive Officer and Group Chief Executive Officer
	Shinya Makino	Director, Deputy President, Representative Executive Officer, Digital Transformation (DX) and Healthcare Development
	Masao Aratani	Director, Deputy President, Representative Executive Officer, Investment Division
Senior Managing Executive Officers	Tadashi Onishi	Deputy President; Executive Officer Responsible for "Wellness for All Project" and "Community Vitalization Project"; Chief Executive, Corporate Marketing Division
	Atsushi Nakamura	
	Shinji Nakatani	Chief Executive, Public Marketing Division
	Koichi Nagao	
	Yasushi Ueda	Group Chief Risk Officer
Managing Executive Officers	Toshiyuki Sumiyoshi	
	Kenji Fukui	Group Chief Actuary
	Shinji Makino	
	Nobuyuki Aoto	
	Yoshiichi Asano	
	Daisaku Shintaku	
	Nobuhiro Nakamura	Chief Executive, Individual Insurance Marketing Division
	Takeo Ueda	Group Chief Compliance Officer
Yoshimasa Osaki		

Operating Officers (As of July 4, 2023)

Managing Operating Officers	Shiro Kishimoto	Chief General Manager, Kanagawa Marketing Headquarters
	Kenji Soejima	Chief General Manager, Tokyo Marketing Headquarters
	Kenichi Arai	General Manager, Agency Department
Operating Officers	Shinji Misawa	Chief General Manager, Fukuoka Marketing Headquarters
	Tsuyoshi Yasuda	Chief General Manager, Saitama Marketing Headquarters
	Takeshi Kanayama	Chief General Manager, Nagoya Marketing Headquarters
	Yasuhiro Nagata	General Manager, Digital Strategy Department
	Yutaka Taguchi	Responsible for the matters relevant to StanCorp
	Takashi Moriguchi	General Manager, Corporate Market Development Department
	Hiromasa Okada	Chief General Manager, Chiba Marketing Headquarters
	Yoshiaki Kanazawa	General Manager, Customer Service Planning & Administration Department
	Keiko Katayama	General Manager, Human Resources Department
	Toshiya Watanabe	General Manager, Corporate Planning Department
	Naoshi Osugi	Chief General Manager, Osaka Marketing Headquarters
	Yasuo Wakiyama	General Manager, Public Market Development Department
	Mitsunobu Sato	General Manager, Product Development Department
Hiroaki Maeda	General Manager, Information Systems Department	
Shinya Yamakawa	General Manager, Market Planning & Research Department	

Development and enhancement of the internal control system

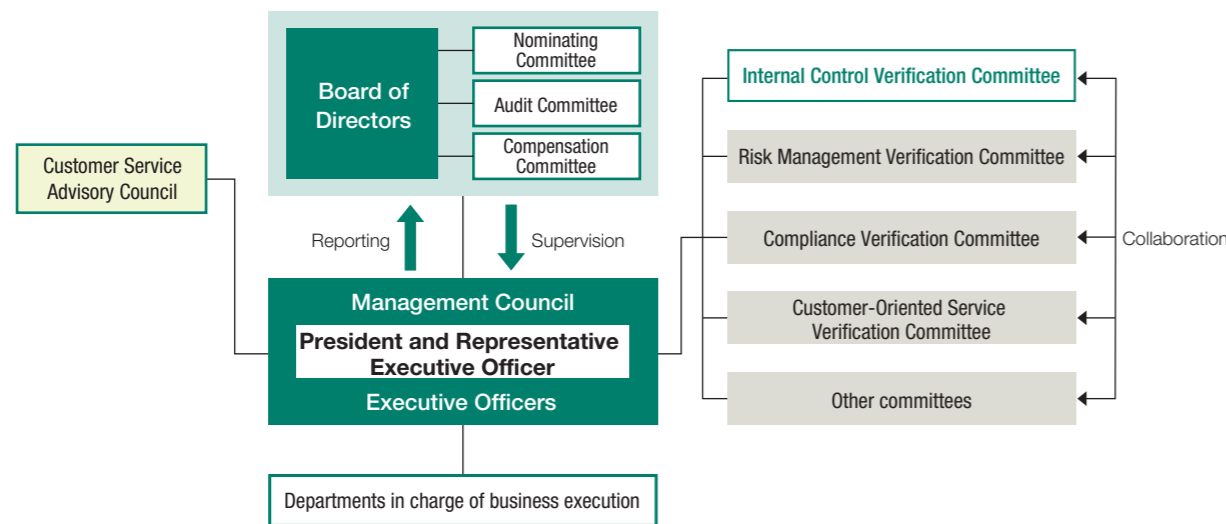
Meiji Yasuda established the Basic Policy of Group Internal Controls that guides its initiatives to develop and maintain sophisticated internal controls. Moreover, the Company set up the Internal Control Verification Committee, an advisory body to the Management Council with the aim of deliberating various matters related to internal controls from across-the-board perspectives.

Although it operates as a mutual company, Meiji Yasuda voluntarily adopts the reporting framework of internal control over financial reporting, which is mandatory for all domestically listed companies, and has established systems to maintain related in-house rules, thereby enhancing the reliability of its financial reporting. At the close of its full-year financial results, the Company evaluates the status of its internal controls to confirm whether or not significant problems requiring disclosure were

identified. Based on this evaluation, the Company prepares internal control reports. These reports are audited by our accounting auditors, who then issue an internal control auditing report.

To develop a robust internal control structure, designated personnel, such as internal control managers, have been assigned throughout the organization. These personnel spearhead the internal control self-assessments performed by each business unit and, by checking operations for the appropriateness of internal controls, they confirm whether legal requirements are met and business risk is managed. We have also developed system platforms that enable us to quickly verify assessment results and give instructions accordingly with the aim of executing rigorous follow-up measures after self-assessments. Thus, we strive to continuously ensure the appropriateness of our business operations through self-assessments.

► The Internal Control Verification Committee's relationships with other important bodies



Basic Policy of Group Internal Controls

In accordance with the revision of the Insurance Business Act following the enforcement of the Company Act in May 2006, the Company's Basic Policy of Group Internal Controls is defined as a matter that should be resolved at its Board of Directors meeting. Within this policy, Meiji Yasuda has established basic policies governing such matters as its Audit Committee structure, as well as systems for compliance, risk management and internal audits to ensure the appropriateness of groupwide business operations.

Internal audit structure

Basic approach

Meiji Yasuda has positioned internal auditing as an important process in which auditors evaluate the status of the audited department's activities from a fair and objective standpoint, providing advice and/or recommendations with the aim of helping the department achieve its targets. To secure the effectiveness of internal audits, the Company established the Basic Policy of Group Internal Audit. In line with this policy, the Audit Department has been put in place, operating under the direct supervision of the Audit Committee. With the aim of ensuring that its audit function is strictly independent from business execution functions, the Company requires a resolution by the Audit Committee for any change in the aforementioned policy or the formulation of internal audit plans while also requiring all internal audit results to be reported to the committee.

Moreover, the Audit Committee is positioned to directly instruct the Audit Department, which is tasked with monitoring functions as a component of the internal control system.

Initiatives to reinforce our internal audit structure

In anticipation of the strengthening of international supervisory regulations, Meiji Yasuda aims to enhance its across-the-board audit functions encompassing the entire Group. To this end, we have developed and upgraded our internal audit structure so that auditors, who take a risk-based, forward-looking approach, can proactively provide audited departments with audit findings in a way that helps them improve organizational performance and operational quality.

To ensure that internal audits are carried out in an efficient and effective manner, internal audit plans are formulated based on plans drafted by the Audit Committee and risk assessments conducted by the Audit Department, with the scope of audits encompassing all business units and activities of Meiji Yasuda and its domestic Group companies. Specifically, we perform a risk-based audit covering such themes as the status of key risks specified by the Company and the progress of the Medium-Term Business Plan. Such risk-based audits are conducted in an effective and efficient manner, mainly in the course of the

theme-based audit applied to the entire organization including the Group companies.

In addition, these audits involve off-site monitoring in which meeting materials and other documents are examined in a timely and appropriate manner, with monitoring results being reflected in the risk assessment process. The results of internal audits and the status of recommended improvement measures are swiftly reported to the Audit Committee, Board of Directors, President, Management Council and other bodies. Meiji Yasuda gives instructions and advice to the internal audit department of the main domestic Group companies, and also cooperates with its overseas Group insurance companies as necessary, with the aim of strengthening the internal auditing systems of the entire Group.

Initiatives to maintain and enhance the quality of internal audits

To maintain and enhance specialist knowledge and skills possessed by internal auditors, we established programs to nurture our human resources, including an in-house educational program, and are regularly providing training sessions. In doing so, we are striving to nurture expert human resources who can be accredited under the Certified Internal Auditor (CIA) scheme sponsored by The Institute of Internal Auditors (IIA), an international association of internal auditing professionals. Moreover, we utilize accounting auditors and other outside experts to conduct audits in certain fields that require highly specialized expertise.

Also, we have striven to constantly enhance the quality of internal auditing, to this end carrying out the periodic evaluation of audit quality. In FY2018, we appointed dedicated staff in charge of assessing the quality of the internal audit results from the viewpoints of fairness, validity and appropriateness. Our internal audits for the same fiscal year were assessed by a third-party audit firm, which evaluated the quality of our audit results based on the International Standards for the Professional Practice of Internal Auditing set forth by the IIA. These assessments concluded that our audits deserve a "Generally Conforms" rating, which represents the highest degree of conformity to the standards.

External recognition

Meiji Yasuda was chosen to receive the Chairman's Award at the 52nd National Conference for Promotion of Internal Auditing sponsored by The Institute of Internal Auditors-Japan (FY2018).

Our position on ERM and risk management

Meiji Yasuda recognizes the importance of ensuring sound management and faithfully fulfilling contractual obligations over the long term to achieve its goal of providing customers with services that live up to the management philosophy “Peace of mind, forever.” In line with this recognition, the Company views risk management as one of the most crucial elements of business management, with ERM, which aims to comprehensively control risk in a way consistent with management strategies, positioned as a key method. Accordingly, the Board of

Directors, Management Council and other bodies set ERM and risk management policies and rules.

Enterprise risk management (ERM)

A business management method aimed at quantitatively controlling risk, return, and capital for the entire corporation on an economic value basis via the formulation of basic policies for risk aversion. ERM also defines the types of risks a corporation is willing to take. Through these activities, ERM aims to maximize corporate value.

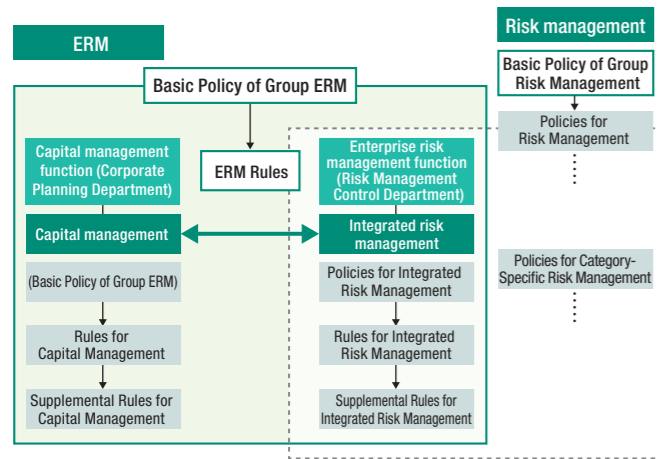
ERM structure

Meiji Yasuda has determined that its ERM structure must serve two functions: capital management and integrated risk management. In line with this determination, the Company has charged its Corporate Planning Department with the former function while assigning the latter function to the Risk Management Control Department, which is in charge of integrated risk management. These two bodies are expected to realize synergies in the practice of ERM while mutually providing checks and balances.

We have also established the “ERM Operational Meeting,” a body tasked with deliberating important matters related to ERM. In these ways, we have secured a robust structure for assessing the outlook for the financial environment and ESR so that we deliberate and implement risk control measures accordingly.

Moreover, we announced the “Management Policy Aligned with the Level of Financial Soundness,” which represents our concepts regarding the alignment of risk-taking endeavors and returning dividends to policyholders based on the ESR level.

ERM and risk management policies and rules



The ERM framework in operation

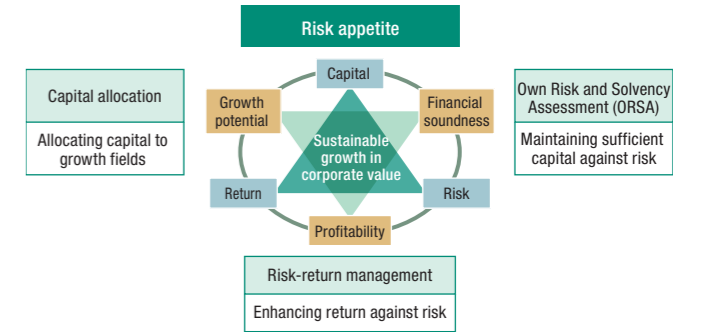
Meiji Yasuda has utilized an ERM framework in the formulation and implementation of business plans. These endeavors aim at securing stable profit and enhancing corporate value while striking a balance between growth potential and profitability in a way that ensures financial soundness and the Company’s ability to deliver the stable payout of policyholder dividends.

More specifically, to ensure sustainable growth in corporate value and based upon its unique risk appetite, which clarifies

the types and levels of acceptable risk, the Company engages in capital allocation, risk-return management and Own Risk and Solvency Assessment (ORSA) in an integrated manner.

Our Group ESR stood at 207% as of the end of FY2022, indicative of a sufficient level of financial soundness. This was due to the effect of the Company’s efforts to curb domestic interest rate risks and other risk control measures, as well as the external financing of capital.

In the three-year program launched in FY2021, we continuously utilize our ERM framework by focusing on pursuing risk-taking in line with the level of ESR and practicing our policy for the payout of policyholder dividends. At the same time, we will strive to enhance the effectiveness of our ERM-based business management in preparation for the introduction of economic value-based capital regulations scheduled for 2025.



Risk appetite

At Meiji Yasuda, risk appetite designates the types and levels of risk the Company is willing to take. It clarifies the Company’s targets for risk and returns, which, in turn, are utilized to direct its decision making and manage its business activities.

The Company’s Risk Appetite Policy is set forth in its Basic Policy of Group ERM and serves as a key element supporting business plan formulation and operations management. In

addition, the Company has defined Group risk appetite, which is commonly applied to the Company and its important subsidiaries.

The Company has specified its risk tolerance in written rules. These rules include established criteria that must be met upon assuming risk. They are also used to determine quantitative limits on the risk that can be taken, helping us maintain appropriate control over risk-taking.

Outline of Meiji Yasuda’s risk appetite

- Based on its management philosophy, the Company aims to provide its customers with services that live up to the management philosophy “Peace of mind, forever” and, to this end, engages in risk-taking in the pursuit of its domestic life insurance business, asset management, and other Group businesses as long as its financial soundness is maintained at high levels.
- To achieve an industry-leading level of financial soundness, the Company will align its policies for risk-taking and the payment of policyholder dividends with the level of its ESR, striking a balance between growth potential and profitability in a way that ensures financial soundness. By doing so, the Company will earn stable profit while achieving sustainable improvement in its corporate value over the medium to long term. Moreover, these endeavors are expected to help us secure our ability to deliver the stable payment of policyholder dividends.

- In the domestic life insurance business, the Company aims to diversify insurance underwriting risk. At the same time, the Company proactively underwrites certain types including medical and nursing care insurance.
- In asset management, the Company focuses on controlling interest rate risk, with due consideration given to the impact of interest rates on its liabilities. The Company also disperses its asset management risk while diversifying its asset management methodologies. In these ways, the Company engages in risk-taking, with the aim of securing the greatest profitability possible within its risk tolerance.
- In other Group businesses, the Company engages in risk-taking aimed at securing potential for sustainable future growth while avoiding the concentration of risk in the domestic life insurance business.

Positioning of the ERM Operational Meeting



Economic solvency ratio (ESR)

An economic-value based indicator that shows whether Meiji Yasuda has secured sufficient capital in contrast with its total amount of risk. Adopting a 99.5% confidence level, the figure assumes an investment environment based on the Company’s internal model.

$$ESR = \frac{\text{capital}}{\text{total amount of risk}}$$

Capital allocation management

Since its risk-taking approach is designed to secure both financial soundness and growth potential, Meiji Yasuda allocates economic capital in line with the maximum amount of risk that can be taken in each business category and risk type. In general, organizations in each business category and important subsidiaries engage in risk-taking within the scope of allocated capital.

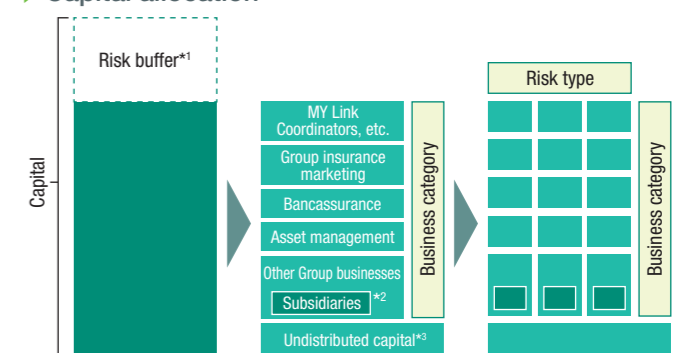
Risk-return management

In line with its aim of securing profitability corresponding to risk, Meiji Yasuda employs a risk-adjusted return index, a profitability indicator that takes risk into account. The Company utilizes this indicator in the course of business planning, product development and asset management.

Own Risk and Solvency Assessment (ORSA)

ORSA provides a comprehensive verification of an insurer’s risk-taking strategies by evaluating the sufficiency of its capital through comparisons of present and future risk and capital. To analyze internal and external conditions, Meiji Yasuda undertakes an ORSA whenever formulating or revising business plans, with the sufficiency of its capital being evaluated via such methods as stress tests based on foreseeable medium-term risk scenarios over three to five years.

Capital allocation



*1 Retaining adequate capital to ensure financial soundness capable of withstanding changes in external factors

*2 Directly allocate capital to important subsidiaries

*3 Capital retained by management in order to ensure financial soundness and in preparation for risk-taking through new investment, M&A and other future undertakings

Utilizing ERM in Group management

From a perspective of managing Group operations, we have established a structure for maintaining robust governance of Group operations in both qualitative and quantitative aspects by ensuring that Group risk appetite is shared by Meiji Yasuda and Group companies and by optimally allocating capital to important subsidiaries.



In addition to securing financial soundness, we will promote the appropriate assessment and control of risks to improve our corporate value.

Yasushi Ueda

Managing Executive Officer

Group Chief Risk Officer (CRO), Executive Officer in Charge of the Risk Management Control Department

Basic approach to risk management

In line with the management philosophy, “Peace of mind, forever,” we have established the Basic Policy of Group Risk Management and have striven to ensure that our risk management process remains effective across all aspects from risk recognition, assessment and monitoring to control. Specifically, we have worked to comprehensively assess and recognize

various risks arising from the execution of Group company operations while swiftly implementing necessary risk countermeasures. By doing so, we have maintained financial soundness in addition to raising the corporate value of the Meiji Yasuda Life Group as a whole.

Review of risk management activities in FY2022

In FY2022, the economic and financial environment remained extremely uncertain due primarily to the prolonged fallout from the COVID-19 pandemic, steep inflation and interest rate hikes in major countries. However, we have endeavored to maintain and secure financial soundness and the appropriateness of operations through the proper assessment and control of risks.

In particular, we have constantly stepped up technological measures to detect, monitor and otherwise counter cyberattacks in light of the growing level of cybersecurity risks on

a global basis. We have also strengthened countermeasures against phishing websites and ransomware attacks.

Furthermore, with an eye to securing conformity with economic value-based solvency regulations, which will come into effect in FY2025, we have striven to update our model for the in-house calculation of ESR while developing structures for the separation of ESR measurement and verification. In addition, we have promoted surveys and research focused on determining risks arising from climate change and the loss of biodiversity.

Future initiatives

Although the external environment is expected to remain highly volatile under the influence of financial markets and other external conditions, we will continue striving to maintain and secure the appropriateness of risk management activities across the Group.

At the same time, we recognize novel types of risks that emerge from technological innovation, including the advance of

generative AI, and changes in the business environment.

Accordingly, we will take a forward-looking approach to the assessment and control of such risks. In addition to securing financial soundness, we will thus endeavor to further improve our corporate value.

Top risks and key risks

Based on the magnitude of a given risk and the probability of its materialization, the Company periodically examines various risks, including latent risks, to define key risks in light of their importance. Among these key risks, those that are particularly deemed to warrant extra attention from management during the fiscal year are identified as top risks and treated as such in the Company’s risk management activities.

Our responses to these top risks are stipulated as priority measures, which constitute key components of the annual

business plan. Moreover, we monitor the status of our response to such risks, with the aim of ensuring robust risk control through the preemptive implementation of necessary countermeasures and securing our ability to take flexible action whenever a top risk materializes.

The following table lists the top risks that we have identified and are responding to during FY2023 (as of May 2023).

Top risks	Corresponding key risks
Drastic changes in the economic and financial environment	<ul style="list-style-type: none"> Changes in customer awareness and behavior as well as the insurance market environment Drastic deterioration in the asset management environment Materialization of geopolitical risks
Insufficiency of measures to achieve the elimination of compliance violations	<ul style="list-style-type: none"> The occurrence of compliance violations and other incidents involving improprieties
Changes in customer awareness and behavior, the acceleration of the digital shift across society, etc.	<ul style="list-style-type: none"> Changes in customer awareness and behavior as well as the insurance market environment Advancement of ICT and DX Damage arising from cyberattacks and other cybercrimes Innovation in medical technologies

Ranking of key risks identified for FY2023 (based on risk magnitude and response urgency)

H [High]	M [Medium]	L [Low]
<ul style="list-style-type: none"> Changes in customer awareness and behavior as well as the insurance market environment Drastic deterioration in the asset management environment [G] Failure to secure a quantitatively and qualitatively sufficient pool of human resources The occurrence of compliance violations and other incidents involving improprieties Advancement of ICT and DX [G] 	<ul style="list-style-type: none"> Damage arising from cyberattacks and other cybercrimes [G] Insufficiency of measures in the overseas insurance business Materialization of geopolitical risks 	<ul style="list-style-type: none"> The growing public call for sustainability management [G] Innovation in medical technologies Insufficiency of response to legal regulations aimed at strengthening the protection of consumers Insufficiency of measures to ensure employee safety Insufficiency of measures to eliminate relations with antisocial forces and prevent money laundering The occurrence of a major natural disaster or a pandemic [G]

[G] Meiji Yasuda’s key risks that are also considered Group key risks

Risk management structure

The department in charge of overall risk management (Risk Management Control Department) develops and promotes the overall risk management system, integrating our risk management structure. It monitors and supervises the overall status of risk management while also providing expert advice to departments in charge of category-specific risk control and departments in charge of risk management, both of which are established to handle category-specific risk. Moreover, the Risk Management Verification Committee serves as an advisory body for the Management Council, with the aim of ensuring regular monitoring and appropriate control of all manner of risks.

To enhance the effectiveness of our risk management, the Audit Department undertakes audits, while the Audit Committee carries out inspections and the audit firm undertakes external audits. These audits examine the appropriateness and efficacy of risk management functions, as well as the risk management system.

Integrated risk management

In addition to maintaining an integrated risk management framework to handle all category-specific risks, Meiji Yasuda pays close attention to the risk associated with its entire operations. More specifically, the Company performs risk management

employing a PDCA cycle, in which it undertakes the quantitative and qualitative evaluation of risk, including potential risks that may significantly impact its business operations, while monitoring and controlling for such risk. The Company also employs Own Risk and Solvency Assessment (ORSA), a process for verifying the appropriateness of its risk-taking strategies, as a core methodology to promote integrated risk management.

Furthermore, the Company has established the Basic Policy of Group Risk Management and developed an overarching framework for assessing and managing risks associated with the entire Group. Under this framework, the Company takes a groupwide, integrated approach in key risk management, as well as the quantitative measurement of risks related to Group operations.

The status of these risk management activities is periodically reported to the Risk Management Verification Committee, Management Council and Board of Directors.

ALM risk management

Risk management employing an Asset Liability Management (ALM) approach has two basic roles. It helps Meiji Yasuda perform asset management attuned to the probable cash flows of liabilities, based on the characteristic of insurance claims and benefits under insurance policies. Moreover, ALM can be utilized to better reflect the current asset management environment in the Company's product development and sales strategies.

Accordingly, the Company has positioned ALM as an important management method and is endeavoring to appropriately control asset-liability mismatches.

Key risk management

Meiji Yasuda identifies key risks that can cause significant loss to the Company, taking into account the impact of these events on its business operations based on their magnitude and probabilities. These risks include changes in customer awareness and

behavior as well as the insurance market environment, along with drastic deterioration in the asset management environment. To identify such risks, the Company utilizes heat maps to assess changes in the external environment, paying attention to a broad range of risk factors from those that originate in the business environment to climate change risk. The Company also takes a comprehensive approach to identify key risks by combining both top-down and bottom-up methodologies. For example, the Company conducts top management interviews and brainstorming to assess their understanding of key risks while also acquiring insights offered by staff in charge of category-specific risk control to employ a frontline perspective on how to manage category-specific risk.

Having thus identified key risks, the Company is closely monitoring indicators suggesting the occurrence of the aforementioned events and periodically reports the findings to management. Moreover, the Company is implementing preemptive countermeasures as necessary and working to maintain a robust risk management process aimed at ensuring flexible response in the event a key risk materializes.

Stress tests

Meiji Yasuda conducts stress tests to simulate conditions that exceed normal forecasts and cannot be assessed with VaR* (a method based on maximum foreseeable loss), such as drastic economic deterioration and major disasters including earthquakes. Through stress tests, the Company performs multivariate analysis on such factors as the assumed impact on assets and liabilities, as well as the level of increase in insurance payments.

Test results are utilized to verify the appropriateness of the Company's risk-taking strategies and discuss measures for strengthening the financial foundation.

* A method for measuring specific portfolio risk based on the maximum foreseeable loss that can be incurred in a certain period of time with a certain probability. Utilizing statistical analysis, VaR boasts advantages in accurately and uniformly assessing the value of risk associated with each asset type.

Category-specific risk management

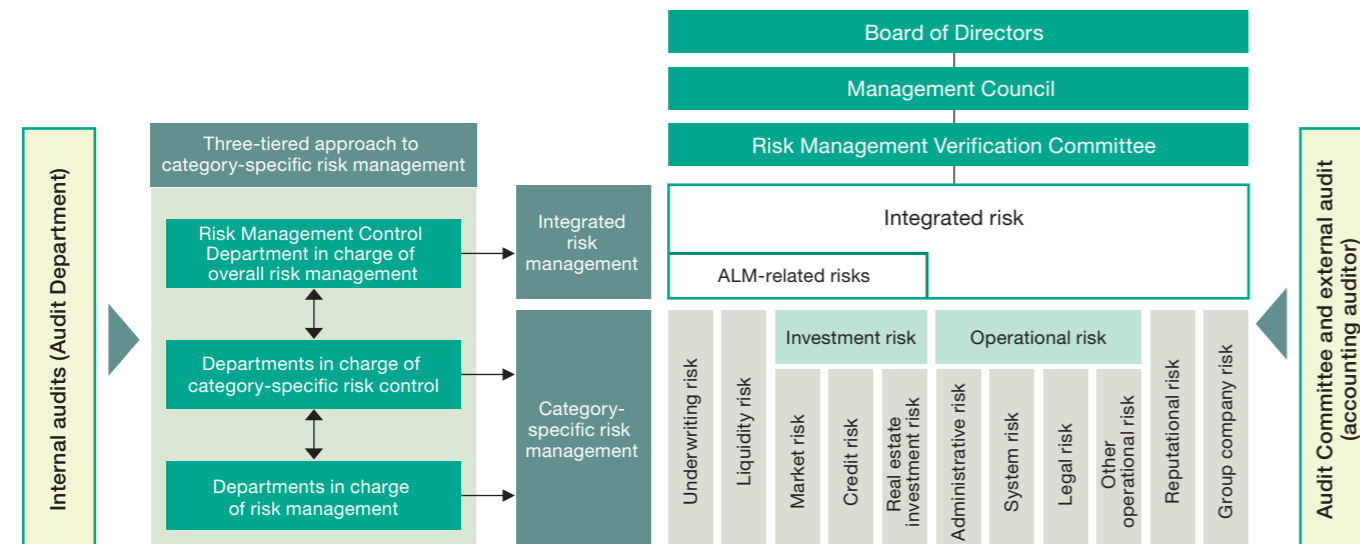
Meiji Yasuda categorizes and manages risks based on their causative factors and characteristics. The Company is striving to ensure that newly emerging risk is rapidly identified by giving due consideration to the uniqueness of risk in each category.

Moreover, as risks are identified, the incidents are quantitatively and qualitatively evaluated so that appropriate risk control measures can be implemented as necessary.

► **Definitions of category-specific risk**

Category-specific risk		Risk definition
Underwriting risk		Risk that may cause Meiji Yasuda to sustain losses when economic trends, the incidence of insured events or other factors fluctuate contrary to the expectations of the Company upon pricing insurance premiums
Liquidity risk		Risk that may cause Meiji Yasuda to sustain losses if it is forced to divest assets at significantly lower prices than usual to meet urgent funding requirements due to a deterioration in cash flows
Investment risk	Market risk	Risk that may cause Meiji Yasuda to sustain losses due to changes in various market-related risk factors, such as interest rates, foreign exchange rates and securities prices, which will, in turn, lead to fluctuations in the value of its assets (including off-balance sheet assets) and liabilities or otherwise alter the yield from its assets
	Credit risk	Risk that may cause Meiji Yasuda to sustain losses due to a decline in or disappearance of the value of its assets (including off-balance sheet assets) in step with the financial deterioration of borrowers the Company granted credit
	Real estate investment risk	Risk that may cause Meiji Yasuda to sustain losses when the yield from its real estate is reduced by changes in rents, or the overall value of its real estate deteriorates due to fluctuations in market conditions
Operational risk		Risk that may cause Meiji Yasuda or its customers to sustain losses due mainly to personnel, process or system functions in the course of operations or the impact of external factors
Administrative risk		Risk that may cause Meiji Yasuda or its customers to sustain losses when its officers, employees or personnel commissioned by the Company to solicit insurance fail to maintain accuracy in administrative procedures or engaged in impropriety or fraudulent behaviors in the course of such procedures
System risk		Risk that may cause Meiji Yasuda or its customers to sustain losses due to system failure, malfunction, or other system-related flaws, as well as the unauthorized use of its computers
Legal risk		Risk that may cause Meiji Yasuda to sustain losses due to business decisions made by its business units when such decisions result in (1) the violation of laws or regulations that exposes the Company to legal liability or (2) the signing of an agreement that is significantly detrimental to the Company's own interest
Other operational risk		Any other risk (excepting administrative, system and legal risk) that may cause Meiji Yasuda or its customers to sustain losses due mainly to personnel, process or system functions in the course of operations or the impact of external factors
Reputational risk		Risk that may cause Meiji Yasuda to sustain losses when a negative impression of the Company or the life insurance industry as a whole, including concerns about credit worthiness, spreads among policyholders or the general public via press coverage, internet communications or other media and negatively impacts the Company's operating results
Group company risk		Risk that may cause the Meiji Yasuda Life Group or its customers to sustain losses due to incidents at Group companies

► **Risk management structure**



Countermeasures to major disasters, etc.

We aim to secure our responsiveness to the emergence of an incident that would materially impact the Company's business operations or a situation in which such an incident is highly likely to emerge. Having defined these circumstances as a "crisis," we have formulated the Basic Policy of Group Crisis Management, Basic Rules of Crisis Management and related bylaws for crisis management to ensure that prompt action can be taken at the time of a crisis incident.

As part of these efforts, we have actively maintained business continuity plans (BCPs)* since April 2014, aiming to secure our ability to continue the timely and steady payment of insurance claims and benefits to customers even at times of emergencies and thereby fulfill our public and social responsibilities as a life insurer.

These BCPs assume the disruption of functions provided by Meiji Yasuda's headquarters in Tokyo, the suspension of the Company's main system and other incidents involving grave and serious damage.

In accordance with BCPs, we also carry out various drills on a periodic basis and verify their effectiveness. Moreover, we strive to draw on findings gleaned in the course of such verification to review, upgrade and otherwise improve our BCPs via the operation of a PDCA cycle.

* BCPs refer to action plans created in preparation for the emergence of a major disaster, terror attack, system disruption or other serious incident in order to secure businesses' ability to minimize the period and scope of operational suspension and to achieve early resumption.



We will not only comply with laws, regulations and in-house rules, but also upgrade our compliance structure in line with our aim of upholding social ethics and living up to the rational expectations of our customers.

Takeo Ueda
 Managing Executive Officer
 Group Chief Compliance Officer (Group CCO),
 Executive Officer in Charge of the Compliance Control Department

Basic approach to compliance

Meiji Yasuda defines compliance as “acting with fairness and integrity, not only by complying with laws and in-house rules, but also through the exercise of common sense.” Based on this definition, everyone at Meiji Yasuda is expected to proactively apply “Our Conduct Principles.” Specifically, they are called upon to think for themselves about whether their actions put

people first and are consistent with a spirit of fairness. We recognize that every officer and employee of the Group must practice compliance to realize “A long-respected life insurance company that cares about people first” in line with our corporate vision. With this in mind, we are implementing the following initiatives to promote compliance.

Review of compliance activities in FY2022

As part of ongoing initiatives to promote compliance, we have implemented training programs that involve group discussions to address topics related to “Our Conduct Principles” while providing compliance education that delivers an appropriate combination of programs focused on rule-based and principle-based compliance.

As we aim to thoroughly implement measures to live up to rational expectations of customers in the course of delivering proposals on and soliciting enrollment in our insurance

products, we have formulated “Management Guidelines on Propriety” in April 2023 after holding discussions at the Customer Service Advisory Council to incorporate input from external specialists.

Moreover, we have promoted various initiatives to prevent improprieties and step up monitoring over insurance solicitation while increasing the sophistication of our structure for ensuring financial crime countermeasures and severing relationships with antisocial forces.

Future initiatives

Our initiatives to upgrade the compliance structure are unending. The Life Insurance Association of Japan has compiled and announced “Viewpoints regarding the Further Upgrading of Compliance and Risk Management Structures for Distribution Channel of Agency” to encourage each life insurer to continue to sincerely accommodate customer needs and fulfill their social

missions. Aware of this, we will strive to further enhance the effectiveness of initiatives undertaken thus far, in addition to tirelessly endeavoring to increase the sophistication of our Company-wide compliance structure encompassing the distribution channel of agency. In this way, we will become a “long-respected life insurance company.”

Compliance-related policies and rules

In line with the Basic Policy of Group Internal Controls, we established the Basic Policy of Group Compliance, which stipulates fundamental matters for promoting compliance throughout the Meiji Yasuda Life Group. Having clarified that the utmost priority should be placed on compliance in all aspects of our operations, this basic policy not only mandates compliance with all applicable laws and regulations at home and abroad, as well as with international standards and in-house rules, but also asks all Meiji Yasuda Life Group members to maintain fair and sincere conduct in conformity with social norms. Furthermore, this basic policy defines that compliance must be promoted in a way that lives up to customer trust via the provision of optimal products and high-quality services. In April 2023, we also

formulated the “Management Guidelines on Propriety” to thoroughly implement measures to live up to rational expectations of customers in the course of delivering proposals on and soliciting enrollment in our insurance products.

Moreover, we have in place various compliance-related policies and rules. We also issue “Compliance Manuals” that specify laws, regulations and in-house rules that must be observed in the course of day-to-day business conduct to ensure that every officer and employee is well-versed in these matters. The content of important policies, rules and manuals with regard to compliance is determined by the Management Council or the Board of Directors.

Compliance structure

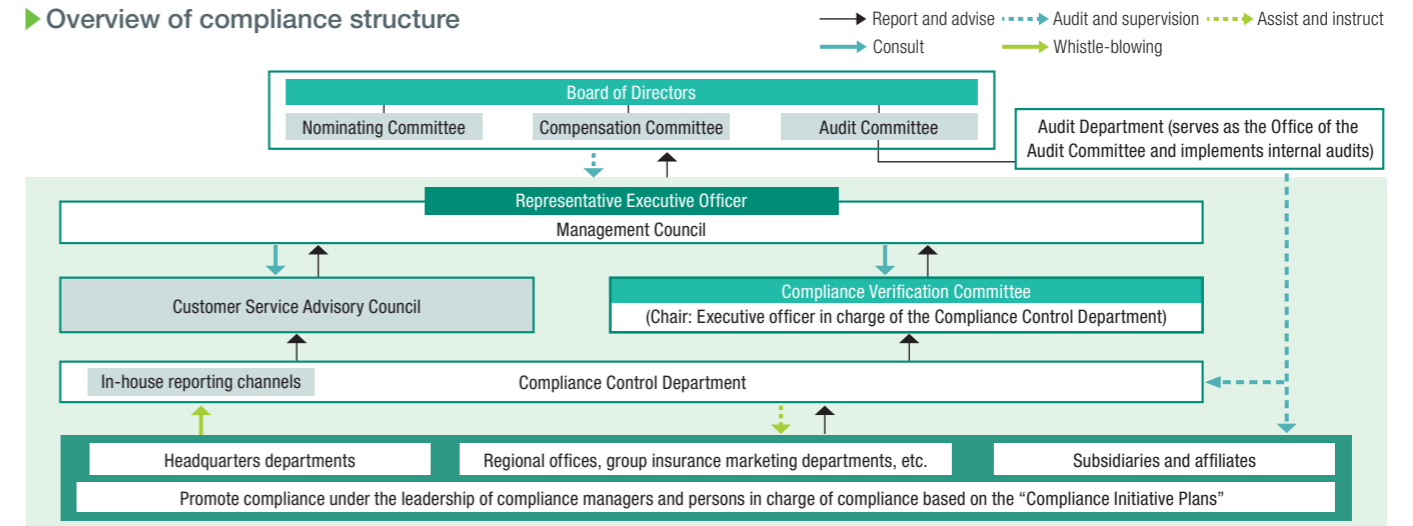
Meiji Yasuda has put the Compliance Control Department in place to carry out integrated management of compliance issues throughout the Meiji Yasuda Life Group. In addition to spearheading the development and updating of the Group’s compliance structure, this department maintains cooperation with compliance managers and persons in charge of compliance at each business section to provide compliance education, implement preemptive measures and deal with compliance issues when improprieties are identified.

Furthermore, we have in place a “Corporate Ethics Hotline” that provides those uncovering impropriety with a direct whistleblowing channel to external specialists. We also maintain in-house reporting channels that include a “Compliance Hotline” and “Human Rights Hotline.” In addition, to handle work

environment issues, we maintain dedicated in-house counseling desks for MY Link Coordinators, Meiji Yasuda Relationship Associates (MYRA), back office employees and agency managers.

The Compliance Verification Committee is charged with the planning of compliance systems throughout the Meiji Yasuda Life Group while providing guidance to departments charged with business execution. Moreover, the Customer Service Advisory Council is in place, with external specialists serving as some of the council members. This council deliberates such important matters as the development and improvement of compliance systems aimed at supporting a customer-oriented business approach, thereby serving as an advisory body on these matters.

Overview of compliance structure



Initiatives to promote robust compliance

To robustly promote compliance, each business unit at Meiji Yasuda is aware of its compliance risk ownership and is striving to effectively maintain compliance under the leadership of compliance managers and other personnel in charge of the autonomous and continuous operation of a PDCA cycle. In this way, the Company is working to achieve its ideal in terms of compliance. Specifically, we aim to accomplish priority initiatives under the annual business plan and meet our targets based on the evaluation indicators. To this end, we have identified priority compliance fields for each organizational category, such as regional offices and group insurance marketing departments, in light of their risk status. We are thus promoting “Compliance Initiative Plans” in which each business unit is responsible for the formulation and execution of concrete measures aimed at ensuring compliance. In line with these “Compliance Initiative Plans,” we have also set objective evaluation indicators, which we use to evaluate

Promoting countermeasures against money laundering, financing of terrorism and other financial crimes / Our response to antisocial forces

Meiji Yasuda aims to become a company that is trusted by every customer as well as society as a whole. Therefore, Meiji Yasuda recognizes that for the Company to fulfill its responsibility as a corporate citizen, an essential management task is severing ties with antisocial forces and implementing robust countermeasures against such financial crimes as money laundering and the financing of terrorism.

In line with this recognition, our Basic Policy of Group Compliance identifies countermeasures against antisocial forces and financial crimes as one of our priority compliance issues. Under the leadership of the executive officer in charge of the Compliance Control Department, a key body tasked with handling these issues, we are striving to ensure that appropriate countermeasures are in place. At the same time, representatives from all relevant departments attend the Compliance Verification Committee to periodically confirm the status of these countermeasures.

Promoting countermeasures against money laundering, financing of terrorism and other financial crimes

We are striving to upgrade our management structure in accordance with In-house Rules Governing Countermeasures Against and Responses to Money Laundering and the Financing of Terrorism while referring to the Financial Services Agency’s Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism and other inputs published by supervisory authorities.

In addition, we have established “Basic Policy of Group Managing Conflicts of Interest.” These policies are intended to

Information management

Meiji Yasuda established its “Protection of Personal Information Policy” and has disclosed these policies through such media as its corporate website. In line with the aforementioned policies, the Company strives to develop a robust information

compliance status at year-end. Moreover, progress at each business unit is being reported to the Management Council and the Board of Directors in a periodic manner.

Also, the Compliance Control Department is charged with the periodic monitoring of progress in the “Compliance Initiative Plans.” The department also provides necessary assistance to ensure that each business unit is able to firmly operate its PDCA cycle.

We also implement mandatory compliance education for all officers and employees. Specifically, we conduct training sessions involving group discussions focused on corporate ethics based on “Our Conduct Principles,” and otherwise provide educational programs employing an optimal combination of rule-based and principle-based approaches.

Furthermore, we utilize in-house newsletters, intranet and other outlets in an effort to constantly update officers and employees on the latest compliance issues.

ensure the appropriate management of transactions that may give rise to a conflict of interest between the Company and its customers, between customers, or between customers and third parties. In these ways, we are engaged in systematic efforts to protect customer interests from being unjustly harmed.

Furthermore, we have developed in-house rules and structures aimed at preventing bribes (both accepting and offering), insider trading and other financial crimes.

Our response to antisocial forces

We have appointed managers and staff in charge of responding to antisocial forces at each business unit, thereby maintaining a robust organizational structure to prevent these forces from exploiting the Company. As part of measures aimed at severing relationships with antisocial forces, in April 2012 we incorporated new articles, regarding the exclusion of organized crime syndicates, into policy provisions. We also engage in ongoing efforts to sign contracts incorporating similar articles with all business counterparties, aiming to prevent any involvement of antisocial forces in our transactions.

In addition, we have been developing a centralized database to manage antisocial force information while encouraging employees to undergo training sessions hosted by prefectural police departments to enhance employee skills to prevent undue requests. Moreover, we are striving to facilitate collaboration with police, lawyers and other external specialists in addition to holding in-house study sessions and conducting online education to provide necessary training and guidance.

management system, ensuring that information is protected on every stage of its lifecycle, from acquisition to disposal of information, while strictly controlling the handling of its information by subcontractors.

Meiji Yasuda’s Protection of Personal Information Policy is disclosed on the Company’s corporate website (Japanese only).
<https://www.meijiyasuda.co.jp/privacypolicy/>



Developing a solid IT governance structure

Striving to become “A long-respected life insurance company that cares about people first,” Meiji Yasuda proactively works to develop various business processes, including those supported by Information Technology (IT). To this end, we actively maintain a solid IT governance structure, with the Management Council and other important bodies engaging in the formulation of relevant rules and the Board of Directors receiving reports as necessary to exercise supervision on these matters.

To constantly provide high-quality products and services tailored to customer needs, we prioritize development projects for our IT systems based on their consistency with management strategies and the assessments of their efficiency in terms of return on investment (ROI). At the same time, we manage such development projects with an eye to realizing the optimal combination of system resources while implementing thoroughgoing measures to mitigate system risks, thereby building a business process of superior quality.

FY2022, we invested around 30 billion yen in IT system development projects, especially those aimed at acquiring competitive advantages in and promoting expansion into growth fields.

Specifically, we developed IT systems associated with the introduction of “second line,” a separate product development system, which operates on the public cloud independent from our existing policy management systems. We have also upgraded functions offered by “MY Hoken Page” and “MY Hoken App,” both of which are no-physical-contact service platforms. In these and other ways, we have striven to boost our product development capabilities while enhancing customer convenience. In addition, the Company aims to optimize the management of overall system assets and counter rising system operation costs. To this end, the Company is regularly reviewing and reorganizing service menu and systems in an effort to divest underutilized and inefficient system assets.

IT investments by purpose		Proportion
Business-related investment	Investment aimed at supporting management strategies and expanding existing system functions	70%
	Of this, investment aimed at acquiring competitive advantages in and promoting expansion into growth fields	60%
System-related investment	Investment aimed at developing a functional system infrastructure from a perspective of ensuring business continuity	30%

Initiatives to protect our customers’ policies

As we are entrusted with the handling of customer information, we implement robust measures to prevent information leakage, ensuring that “Meister Plus” tablet terminals, “MY Phones” company-furnished smartphones and payment terminals used by sales personnel (e.g. MY Link Coordinators) retain no customer information, restricting the use of electronic recording media and executing the encryption of data transmitted to external entities via networks. In particular, “Meister Plus” tablet terminals and “MY Phones” are also equipped with biometric authentication systems to ensure solid information security.

Moreover, our Information Systems Department acquired ISMS* certification, striving to realize an even higher security level in its information management activities. To counter the external threat of cyberattacks, the Computer Security Incident Response Team (CSIRT) is in place, serving as a dedicated body charged with handling such incidents. Furthermore, we

remain apprised of the latest developments by leveraging external sources that share this information. We are also updating our incident response procedures to minimize damage caused by cyberattacks while implementing periodic drills.

We also developed Business Continuity Plans (BCPs) aimed at preventing the disruption of our core operations, such as the payment of insurance claims and benefits, during wide-ranging disasters and other emergencies. If our main computer centers were hit by such a disaster or similar event, we would launch backup systems in accordance with our BCPs and thereby continue core operations.

* A certification under the ISMS conformity assessment employing a third-party evaluation scheme based on the ISO 27001 standard. Meiji Yasuda acquired ISMS Certification and ISMS Cloud Security Certification for its information systems operating on cloud-based platforms.

In line with our management philosophy, “Peace of mind, forever,” we have established the Information Disclosure Policy to secure even higher management transparency

while proactively striving to enhance the content of information disclosure in a way conforming with disclosure requirements for listed stock companies.

Information Disclosure Policy

1. Voluntary information disclosure

The Company shall voluntarily disclose information on the status of its business management, financial position and other matters to solidify its hard-earned trust of customers and society.

2. Appropriate and fair disclosure

The Company shall disclose information to customers and the general public in an appropriate and fair manner.

3. Development of an in-house structure

The Company shall strive to develop and upgrade an in-house structure for maintaining the timely and ongoing disclosure of information.

Disclosure materials

In 1979, we became the first in the domestic life insurance industry to issue disclosure material. Since then, we maintain the disclosure of information on our management status via a variety of opportunities, including the issuance of the “Current Status of Meiji Yasuda (integrated report),” a mandatory disclosure material written in Japanese, and the Annual Report, which is the English version of the former.

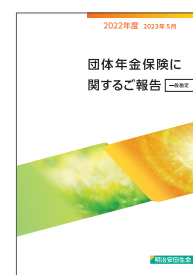
In addition, we publicize “Meiji Yasuda Information,” a booklet featuring easy-to-understand descriptions of management activities undertaken by Meiji Yasuda as well as its financial soundness and business performance. Moreover, we periodically issue the “Report on the Management Status of Group Pension Assets.” As such, our lineup of disclosure materials encompasses various publications prepared for specific purposes.



“Value Creation” Report 2023
— Value Created by Meiji Yasuda —



Meiji Yasuda Information



Report on the Management Status of Group Pension Assets

Offering various information via the corporate website

We proactively offer information regarding our products, services, methods for various procedures and corporate profile via our corporate website while making the integrated report and financial results accessible to the general public by posting them there.

Official corporate website of Meiji Yasuda Life Insurance Company

<https://www.meijiyasuda.co.jp/>



Topic

We have renovated our brand website aimed at delivering comprehensive information regarding the Two Major Projects, collaboration with J.League and the Japan Ladies Professional Golfers’ Association (JLPGA), as well as other initiatives strongly focused on contributing to society.

In addition, we strive to disseminate information in a timely and appropriate manner through social networking services (SNSs).

<https://www.meijiyasuda.co.jp/brand/> (Japanese only)

