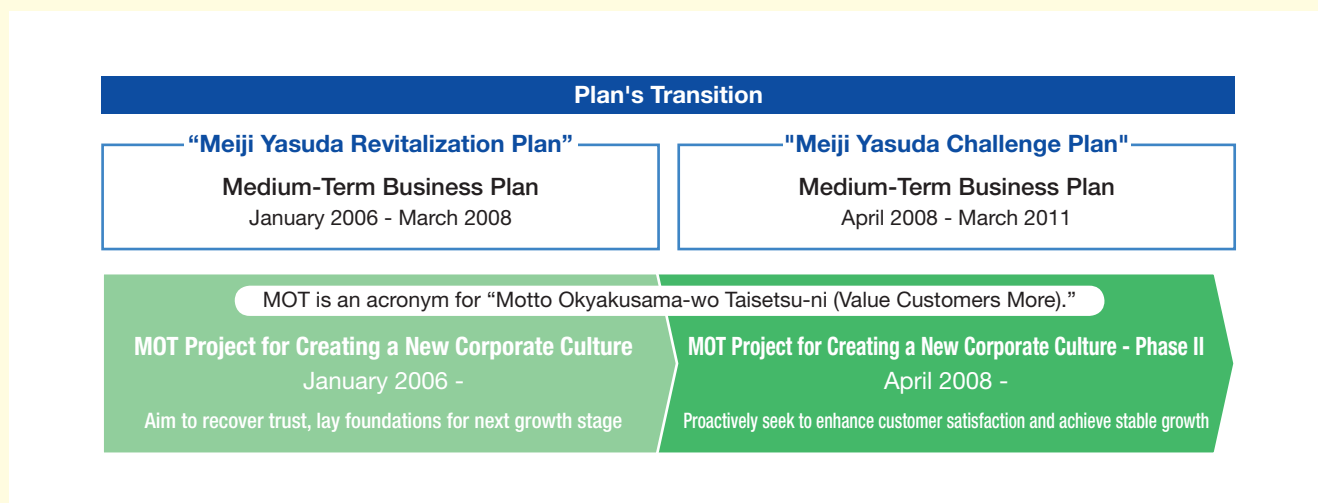


# The Meiji Yasuda Challenge Plan

## Overview of the Meiji Yasuda Challenge Plan

The "Meiji Yasuda Revitalization Plan" aimed to restore customers' trust and ran for two years and three months from January 2006 through March 2008. Based on the Plan, we launched the "Meiji Yasuda Challenge Plan" in

April 2008, which comprises a new "Medium-Term Business Plan" and the "MOT Project for Creating a New Corporate Culture - Phase II," and aims for stable growth centered on enhancing customer satisfaction.



### (1) Overview of the "Medium-Term Business Plan"

The "Medium-Term Business Plan" is moving ahead with tackling three challenges: "Drastic Reforms of the Key Channel," "Channel Diversification and the Development of New Markets," and "Further Improvement of the Business Structure."

Taking the thoroughgoing pursuit of enhanced customer satisfaction levels as its basic premise, the first challenge, "Drastic Reforms of the Key Channel (sales personnel channel)," seeks to reinforce after-service in both quantitative and qualitative terms. To this end, we are implementing vigorous changes in our marketing structure, standardizing service level and the frequency of visits to policyholders, enhancing and homogenizing the knowledge, skills and manners of sales personnel, and

improving and stabilizing our treatment of these personnel premised on their achievements in these areas.

The second challenge, "Channel Diversification and the Development of New Markets," promotes channel diversification centered on bancassurance to satisfy customers' wide-ranging needs while developing the sales shop and internet channel.

The third challenge, "Further Improvement of the Business Structure," involves continuing efforts to strengthen our key functions as a life insurance company—underwriting, policyholder services and claim payment. This includes developing IT systems and simplifying administration to offer more convenient services, as well as implementing low risk investment and striving to maintain a sound financial base.

Since we implemented these multifaceted approaches as planned, survey results on customer satisfaction have shown vast improvements compared with the previous year. The ratio for overall satisfaction, comprising "Satisfied" plus "Somewhat Satisfied" responses rose from 25% in fiscal 2007 to 39% in fiscal 2008. There were also major year-on-year improvements in 13-month and 25-month persistency ratios, which rose 2.4 percentage points and 8.5 percentage points to 89.6% and 76.9%, respectively. Despite the economic downturn, premium income rose 1.2% to ¥2,686 billion, marking the second consecutive yearly increase and showing that by improving customer satisfaction, we are steadily heading toward stable growth.

## (2) Overview of the "MOT Project for Creating a New Corporate Culture"

The second phase of the "MOT Project for Creating a New Corporate Culture" not only continues existing initiatives such as the "MOT Proposal" scheme whereby employees suggest improvements that will enhance customer support and convenience, but also promotes the implementation of "Hospitality" aimed at thoroughly enhancing customer satisfaction. We are striving to nurture and spread an awareness of hospitality through initiatives like our "Thank You Box" for sharing good examples of the services to which customers expressed gratitude, and "Thank You Card" for showing appreciation to our colleagues.

We are thus steadily implementing the "Meiji Yasuda Challenge Plan" through the synergies between initiatives like this and the "Medium-Term Business Plan."

## Plan's Basic Approach

### Promote CSR management policies

Faithfully satisfy the demands that customers and society make upon us as a life insurance company, and fulfill society's mandate

### Proactively seek enhanced customer satisfaction

As a "Company that Values its Customers," promote initiatives that enable customers to experience greater ease of mind and convenience

### Create a corporate culture that supports enhanced customer satisfaction

Continue the "MOT Project for Creating a New Corporate Culture," promote the creation of a corporate culture that supports enhancing customer satisfaction

Achieve stable growth

## Drastic Reforms of the Key Channel

"Drastic Reforms of the Key Channel" are at the core of the new "Medium-Term Business Plan" from the perspectives of our proactive pursuit of enhanced customer satisfaction and our aim to achieve stable growth.

From the results of a customer satisfaction survey, we learned that customer demands pertaining to after-sales service are increasing, especially with regard to "regular visits and information service after concluding contracts," and "speed, convenience and simplicity of procedures." This is in addition to demands that the sales personnel in charge "are knowledgeable and provide easy-to-understand explanations," "are precise in their responses to requests in connection with procedures and other matters," "are personable and well mannered," and other requirements in respect of knowledge, skills and manners.

Bearing these customer opinions in mind, we are pursuing the following initiatives to improve our sales personnel's communication skills and deliver high-quality consulting and after-sales service to customers.

**(1) "Ease of Mind Service Activities"**

We are promoting "Ease of Mind Service Activities" to standardize the frequency of visits to policyholders and service level in order to enhance communications with customers and homogenize customer services. More specifically, sales personnel visit all their customers two to four times a year in principle in order to explain the contents of existing contracts and provide them with procedural guides for insurance and benefit claims and other useful information. Points are given to sales personnel according to their performance in implementing these initiatives, and these points are reflected in their treatment as employees.

**(2) "Company Training Authorization System"**

We have introduced the "Company Training Authorization System" as a mechanism for clarifying the standard knowledge, skills and manners that we expect sales personnel to have in order to enhance customer satisfaction and for verifying their attainment levels. More specifically, we have drawn up five educational books concerning the standards of knowledge, skills and manners. We then conduct regular in-house certificate exams comprising knowledge exam and practical exam. In this way, we are working to raise and homogenize the quality of marketing and services to customers.

As with the "Ease of Mind Service Activities," we are enhancing the effectiveness of the "Company Training Authorization System" by ensuring that exam results are reflected in the treatment of sales personnel.

**(3) "MY Life Plan Advisor Scheme"**

In November 2008, we established the "MY Life Plan Advisor Scheme" and started addressing sales personnel as "MY Life Plan Advisors." This scheme aims to stabilize our treatment of personnel by substantially raising their fixed salaries to reflect assessments of the above-mentioned "Ease of Mind Service Activities" and "Company Training Authorization System." We see it as an important scheme for improving sales personnel retention rates required to build the sales personnel channel trusted by customers.

**(4) Reforms of Sales Management focusing on Operational Processes**

We have changed management at regional offices and agency offices to focus more on "Ease of Mind Service Activities" as well as operational processes such as education and training for progressing knowledge, skills and manners. Given our emphasis on human resources, we have made our recruiting processes for sales personnel more rigorous. At the same time, we have lengthened the educational curriculum for new recruits from two years to five, which includes the first four months as group training under specialist instructors.

We also pursue a regional marketing strategy that clarifies regional challenges and intend to resolve them on a priority basis by allocating management resources.

We reinforce our infrastructure in order to strengthen customer follow-ups. In regions where the number of follow-up personnel is not sufficient relative to the number of policies in force, we are offering outbound calls and other forms of after-sales service on a trial basis, enhancing the functions of the sales front system (portable terminals for sales personnel etc.) and improving other infrastructures for customer satisfaction.