

Business Foundation Supporting Value Creation

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Framework of the Mutual Company System

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

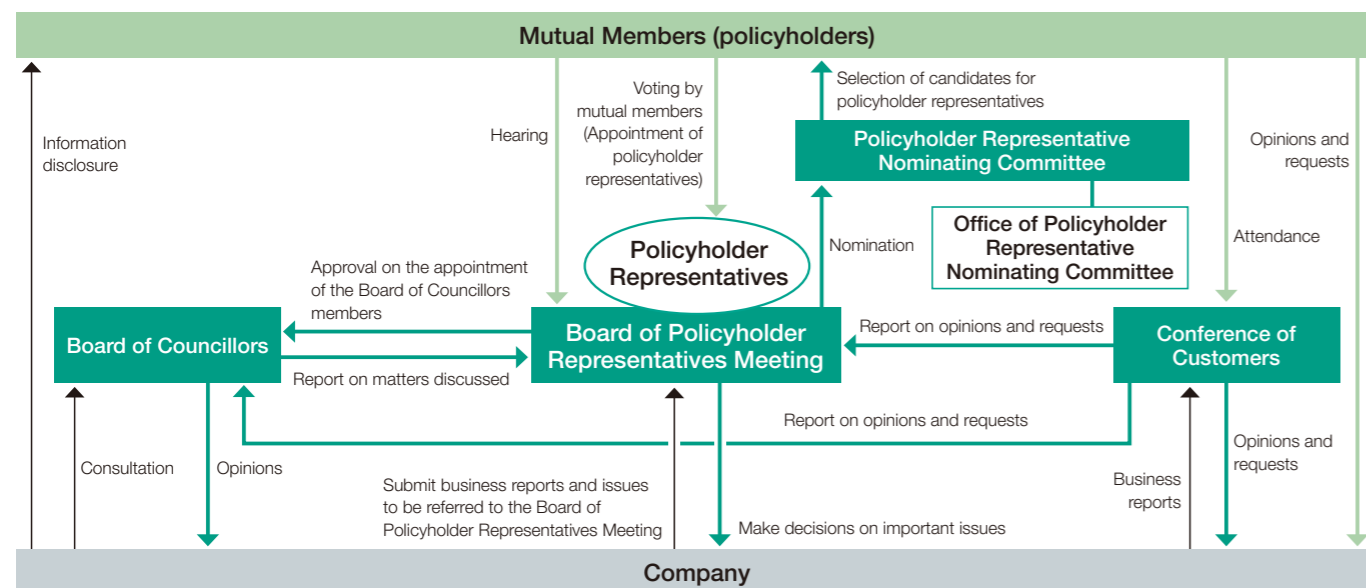
A mutual company is an incorporated body in which those* who enroll in its insurance policies also become “mutual members.” These members own the mutual company, just as shareholders own a stock company. As of March 31, 2021, Meiji Yasuda’s mutual

members numbered approximately 6.33 million.

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.

* Excluding those who enroll only in policies without dividends

Framework of the Mutual Company System



Differences between Insurers Taking the Form of a Mutual Company and Stock Company

The main factors that distinguish life insurers taking the form of a mutual company from their stock company peers are listed below.

As a mutual company is jointly owned by each policyholder, who

acts as a mutual member, Meiji Yasuda is focused on reflecting policyholder intentions into business management by employing a long-term perspective.

	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>Source: Profit (surplus)</p> <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>Policyholder dividends</p>	<p>Source: Profit (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> <p>Policyholder dividends Dividends for shareholders</p>

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 6.33 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 74th Regular Board of Policyholder Representatives Meeting

The following items were reported to and resolved by the 74th regular Board of Policyholder Representatives Meeting held on July 2, 2021.

- Reported items
 1. 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 the fiscal year ended March 31, 2021
 2. Reporting on mutual company management
- Items subject to resolution
 - Proposal No. 1: Approval of the appropriation of surplus recorded in the fiscal year ended March 31, 2021
 - Proposal No. 2: Approval of candidates for Councillors
 - Proposal No. 3: Approval of the election of 11 directors

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 official corporate website.

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 sit in and observe the Board of Policyholder Representatives Meeting at the venue or from a separate room via a monitor display if written prior application is made in time.

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.

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</p> <p>(2) Corporate manager perspective Supervise management from a corporate manager's perspective</p> <p>(3) Specialist perspective Supervise management from a specialist's perspective</p> <p>Qualification Requirements for Policyholder Representatives</p> <p>(1) A mutual member (policyholder) of Meiji Yasuda</p> <p>(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</p> <p>(3) Individual capable of attending the Board of Policyholder Representatives Meeting</p> <p>(4) Individual not serving as a policyholder representative of another company</p>	<p>Qualification Requirements for Candidates</p> <ul style="list-style-type: none"> • 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>Selection of Policyholder Representative Candidates</p> <ul style="list-style-type: none"> • 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>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 colspan="2">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 the Fiscal Year Ended March 31, 2021

- Meeting held in November 2020**
- Operating results for the first half of the fiscal year
 - Initiatives to publicize the commencement of "MY Mutual Dividends"
- Meeting held in February 2021**
- Forecasts for full-year operating results
 - Content, set to be publicized from May 2021 onward, of notifications on "MY Mutual Dividends"



A Board of Councillors meeting

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 on web-conferencing systems as well as physically at a total of 105 locations, including regional offices across Japan, from January to February 2021, with a total of 1,094 policyholders attending.

The conference provided briefings on the operating results for the first half of the fiscal year (April 1 to September 30, 2020), an overview of Special After-Sales Service Program "Always by Your Side!," and the Company's activities aimed at contributing to regional communities. In addition, we received a total number of 2,368 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.

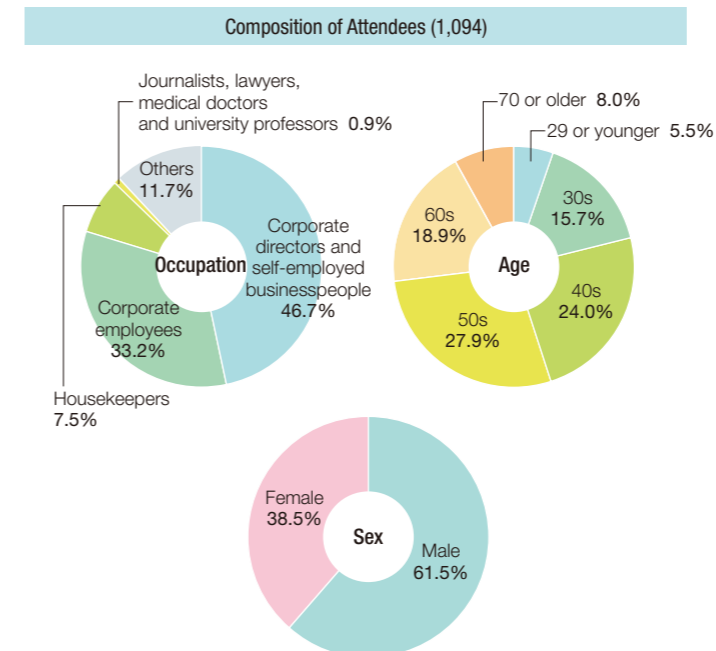
Policyholder representatives who attend the Conference of Customers are asked to make suggestions at the Board of Policyholder Representatives Meeting to reflect the policyholders' opinions and requests submitted at the conference. Moreover, we select a certain number of policyholder representatives from the attendees of the conference. 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 the fiscal year ending March 31, 2022, 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 Life regional office or agency office.

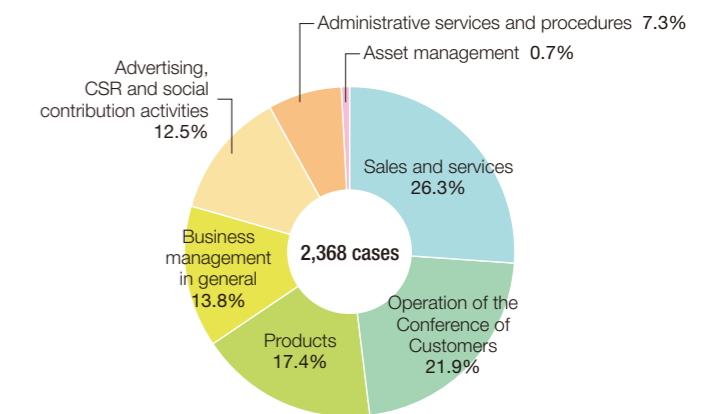


Conference of Customers

Conference of Customers in the Fiscal Year Ended March 31, 2021



Breakdown of Opinions, Requests and Inquiries (2,368 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

In light of fallout from the COVID-19 pandemic, I would like Meiji Yasuda to continue to provide finely tuned after-sales services and helpful information.

With the aim of enhancing customer satisfaction, Meiji Yasuda instituted the “Ease of Mind Service Activities Program” that standardizes the content of after-sales services offered as well as the frequency of visits and contacts to policyholders.

Through this program, we explain the content of policies to enable customers to better understand coverage currently available via their policies while undertaking such endeavors as “periodic policy checking” in which we help them determine whether they have eligible insurance claims and benefits that they can apply for and otherwise confirm their desire for coverage. Furthermore, we notify them of various services available to policyholders while offering the explanation of public social security systems. As such, we strive to provide policyholders with helpful information in a timely manner.

As part of the “Wellness for All Project,” in the fiscal year ended March 31, 2020, we incorporated “Wellness Activity Support” into the service lineup of the “Ease of Mind Service Activities Program.” The “Wellness Activity Support” service is designed to assist policyholders in their health improvement efforts on an ongoing basis. For example, through this service we offer advice on health improvement to customers enrolled in “Best Style with Health Cash Back,” “Dementia Care” and “Dementia Care MCI Plus” by employing “MY Wellness Activity Report,” which predicts future hospitalization risks and other health-related risks based on results of health checkups. This service also involves providing policyholders with health-related information and notifying them of health promotion events that they might be interested in.

In preparation for a case where it becomes difficult for us to directly establish contact with policyholders due to such causes as a major disaster, we also maintain “MY Anshin Family Registration Scheme” to allow them to register secondary contacts, such as their family members, while promoting “MY Longevity Policy Checking Scheme” through which we proactively reach out to policyholders who reach longevity celebration years to reconfirm their contacts and the necessity of application for any administrative procedures. In addition, from June 2020 onward we have been offering the “Final Letter to Loved Ones” service in which Meiji Yasuda is entrusted by the policyholder with a hand-written letter so that after insurance claims are paid at the death of the policyholder, the recipients can receive a message from their loved one.

In the fiscal year ended March 31, 2021, we placed particular focus on providing consulting services on the content of coverage and insurance premiums in a way that aligns with the individual circumstances of customers. Aware of the great number of customers confronting a sense of future anxiety in light of the COVID-19 pandemic, we have thus striven to help them achieve peace of mind while assisting them in the maintenance of valuable coverage currently available via their policies.

To adapt to changes in the business environment under the influence of the COVID-19, we intend to mainly utilize digital-based methods to provide basic informational services going forward so that all policyholders receive such services with uniform quality in a timely manner. At the same time, MY life plan advisors will provide additional informational services on a face-to-face basis or a no-physical-contact basis upon request from customers. In these and other ways, we will promote finely tuned after-sales services employing the integration of human and digital capabilities.

I would like Meiji Yasuda to promote digitalization and shift to web-based services to simplify administrative procedures and enhance convenience for policyholders, with an eye to adapting to the “new lifestyle norm.”

Meiji Yasuda has introduced “Meister Plus” tablet terminals and “MY phones,” company-furnished smartphones, while employing “MY Hoken Page,” a dedicated website for customers, and otherwise shifting to digital- and web-based procedures. Through these efforts, we strive to enhance customer convenience in both face-to-face and no-physical-contact administrative procedures.

More specifically, “Meister Plus” tablet terminals and “MY phones” are utilized by sales personnel who engage in face-to-face services, thereby helping customers smoothly apply for policy enrollment, amend their registered information or file applications for the payment of insurance claims and benefits. These devices help both customers and Meiji Yasuda shorten the time required to finish the procedures named above and prevent incomplete entries of necessary items while contributing to the abolishment of paper documents as sales personnel can submit a photo of forms instead.

Also, in the fiscal year ended March 31, 2020 we introduced payment terminals to allow customers to pay the first round of insurance premiums upon enrollment in policies or repay policyholder loans by using their credit or cash cards.

Aware of rapidly growing needs for no-physical-contact services amid the COVID-19 pandemic and in anticipation of future changes in the business environment, we have also been expanding the scope of procedures that can be completed via “MY Hoken Page,” a web-based platform for no-physical-contact procedures.

For example, in 2019 we included application for insurance claims and benefits as well as the registration of health checkup results into the scope of web-based procedures in addition to the withdrawal of funds and the amendment of registered information.

In April 2021, we also made it possible to apply for policy enrollment on a web basis, thereby allowing anyone, even those who have yet to enroll in Meiji Yasuda policies, to file online applications for enrollment.

Looking ahead, we will pay close attention to increasingly diversifying customer needs and promote a shift to digital- and web-based procedures via the use of “Meister Plus,” “MY Hoken Page” and other platforms, striving for the further enhancement of customer convenience.

Management Structure

Meiji Yasuda has adopted the “Company with Committees” system (currently known as 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, Meiji Yasuda has designated executive officers in charge of business execution, thereby ensuring clear institutional separation between management supervision and executive functions. In these ways, the Company secures a transparent 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:	13	Average attendance:	100.0%
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Nominating Committee

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

Number of meetings held:	5	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:	98.6%
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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:	100.0%
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Outside Directors Council

The Outside Directors Council is attended by outside directors as well as the Chairman of the Board and 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:	5	Average attendance:	100.0%
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Holding Board of Directors Meetings

In the fiscal year ended March 31, 2021, the Board of Directors met on 13 occasions, striving to exercise its supervisory function over management via active discussion between Board members.

Holding Nominating Committee Meetings

In the fiscal year ended March 31, 2021, the Nominating Committee met on five occasions and selected director candidates in accordance with rules that it has established regarding the selection of director candidates.

Furthermore, having formulated Guidelines for the Selection of Outside Director Candidates based on the aforementioned rule in reference to the Corporate Governance Code and other external standards, the Nominating Committee conducted the preliminary selection of outside director candidates in a way that sought candidates from a broad range of individuals and finalized its nominations only after, for example, taking sufficient time to intensively discuss the candidates.

Holding Audit Committee Meetings

In the fiscal year ended March 31, 2021, the Audit Committee met on 15 occasions and received periodic reports from the Internal Audit Department and accounting auditors while exchanging opinions with the President 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 the fiscal year ended March 31, 2021, the Compensation Committee met on six occasions and determined 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 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. In July 2020, the Company’s compensation system for directors and executive officers was revised upon a resolution passed by the Compensation Committee. This revision involved the introduction of medium- to long-term performance-linked compensation that has been the subject of intensive discussion since the fiscal year ended March 31, 2019.

Holding Meetings of the Outside Directors Council

In the fiscal year ended March 31, 2021, the Outside Directors Council was assembled on five 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, shifting to the "Company with Nominating Committee, etc." system and developing an internal control 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 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 corporate value.

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

History of Meiji Yasuda's Initiatives to Upgrade the Corporate Governance Structure

2006	<p>■ Drastic reforms in corporate governance</p> <ul style="list-style-type: none"> • Initiate the selection of voluntary candidates for policyholder representatives • Outside directors form the majority of the Board • Adopt the "Company with Committees"* system <p>* The "Company with Nominating Committee, etc." system from May 2015</p>
2015	<p>■ Initiatives to strengthen corporate governance</p> <ul style="list-style-type: none"> • Formulate the Corporate Governance Policy • Establish the Outside Directors Council
2017	<p>■ Governance Reforms</p> <ul style="list-style-type: none"> • Upgrade our governance systems, enhance our business management structure for the Group and practice enterprise risk management (ERM)- based business operations

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) in 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

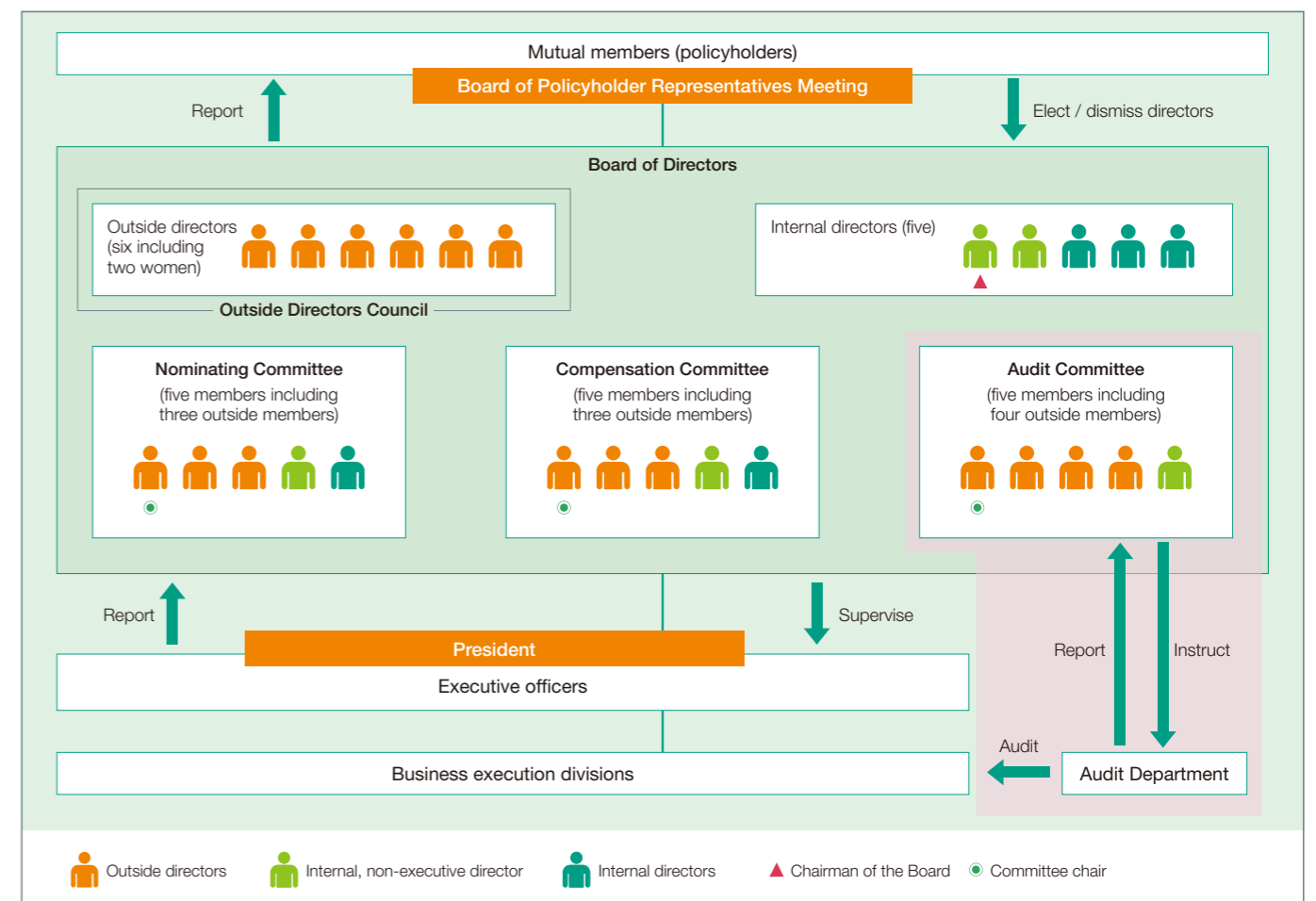
execution functions, the Company aims to secure a more robust management supervision by ensuring that the majority of its board members consists of outside directors (six out of 11 directors). The Company also gives due consideration to ensuring these directors represent diverse backgrounds. With an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

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, and currently receives reports from internal auditors and other relevant personnel with increasing frequency. The Company has thus improved the effectiveness of the Audit Committee's operation by facilitating collaboration between the Committee and the Audit Department.

Business Management Structure



Skill Set Requirements for Meiji Yasuda Directors

At Meiji Yasuda, directors are expected to employ multifaceted perspectives and be equipped with robust experience and sophisticated skills as they are tasked with supervising business execution and making decisions regarding important management

matters. Accordingly, directors are selected regardless of gender, age or other attributes.

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

Name	Title	Skill/Experience									
		Business strategy	Monetary/economy	Finance/accounting/actuarial	Legal/compliance/risk management	HR/labor management	Sales/market development	Product & service development /R&D	IT	International	
 Akio Negishi	Chairman of the Board	●	●	●	●	●	●	●	●		
 Hideki Nagashima	Director, President & Group CEO	●			●	●	●	●			●
 Shinya Makino	Director, Deputy President	●		●			●	●	●	●	
 Masao Aratani	Director, Deputy President, Executive Officer, Investment Division	●	●	●							●
 Takashi Kikugawa	Director	●	●	●	●			●			
 Teruo Kise	Outside Director	●					●	●	●		●
 Miyako Suda	Outside Director	●	●		●						●
 Keiko Kitamura	Outside Director	●		●	●						
 Masaki Akita	Outside Director	●					●	●	●		
 Tatsuo Uemura	Outside Director	●			●						
 Noriaki Horikiri	Outside Director	●					●	●	●		●

Note: Meiji Yasuda intends to establish and enhance a framework for utilizing insights offered by external human resources equipped with specialist skills and experience in such fields as IT and digitalization as necessary.

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

Name	Current Position and Assignment at Meiji Yasuda	Reasons for Appointment
Teruo Kise	Lead outside director Nominating Committee (Chair) Audit Committee	Mr. Teruo Kise has experience in various important positions, including as president of TOTO LTD., outside director of Nishi-Nippon Railroad Co., Ltd., and vice chairman of the Kyushu Economic Federation. 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 2014, Mr. Kise has served the Company as an outside director. He has been nominated as a candidate for outside director because it is expected that, as an outside director, he will continue to supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.
Miyako Suda	Director Nominating Committee Audit Committee (Chair)	Ms. Miyako Suda possesses wide-ranging knowledge as an economist, member of the Policy Board of the Bank of Japan and special advisor of the Canon Institute for Global Studies. Accordingly, she possesses the knowledge and experience as an expert in finance and economics 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. Suda participated in corporate management as an outside director and outside auditor and she has served the Company as an outside director since 2014. She has been nominated as a candidate for outside director because it is expected that, as an outside director, she will continue to supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.
Keiko Kitamura	Director Audit Committee Compensation Committee	Ms. Keiko Kitamura possesses wide-ranging knowledge as an expert of accounting, director of the Financial Accounting Standards Foundation and auditor of Keio Corporation. Accordingly, she possesses the knowledge and experience as an expert in finance and accounting 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. Kitamura participated in corporate management as an outside director and outside auditor and she has served the Company as an outside director since 2015. She has been nominated as a candidate for outside director because it is expected that, as an outside director, she will continue to supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.
Masaki Akita	Director Compensation Committee (Chair)	Mr. Masaki Akita has experience in various important positions, including as president 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 nominated as a candidate for outside director because it is expected that, as an outside director, he will continue to supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.
Tatsuo Uemura	Director Audit Committee Compensation Committee	Mr. Tatsuo Uemura possesses wide-ranging knowledge and experience as a university professor researching corporate law and other legal matters, and as an outside director of JASDAQ Securities Exchange, Inc. and Shiseido Co., Ltd. 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. He has been nominated as a candidate for outside director because it is expected that, as an outside director, he will supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.
Noriaki Horikiri	Director Nominating Committee	Mr. Noriaki Horikiri has experience in various important positions, including serving as President and CEO of Kikkoman Corporation, and chairman of the Japan Soy Sauce Association. 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. Mr. Horikiri has been nominated as a candidate for outside director because it is expected that, as an outside director, he will supervise business execution, including that of the Company's executive officers, from an independent standpoint and thus strengthen the Board of Director's functions.

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 to support accurate, fair and efficient supervision over the Company's business management as well as duties

carried out by executive officers and directors. 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 the fiscal year ending March 31, 2022, such Effectiveness Evaluation was conducted to cover the period from July 2020 to June 2021 in line with the process outlined below.

April 2021	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 2021	All 11 directors completed self-evaluation by filling in questionnaires.
May 2021	Interviews with outside directors were officially incorporated into the Effectiveness Evaluation process from the fiscal year ending March 31, 2022. These interviews were conducted based on questionnaire results to clearly identify issues to be addressed and countermeasures to be taken.
June 2021	The Outside Directors Council was held to exchange opinions regarding the Effectiveness Evaluation.
June 2021	The Board of Directors finalized results of the Effectiveness Evaluation.

An overview of results of the Effectiveness Evaluation 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 2019 to June 2020) that was conducted in the fiscal year ended March 31, 2021. Details are described below.

Major Issues Identified	Responses
<ul style="list-style-type: none"> • The operation of each session and the content of meeting materials should be improved so that attendees can more smoothly focus on subjects to be discussed without being distracted by non-essential matters. • When specific themes are being discussed over multiple sessions, it should be pre-organized and the aspects that will be discussed at upcoming sessions should be shared among directors. • Matters concerning the overseas insurance business needs to be better coordinated with the management philosophy and overall business strategies including the Medium-Term Business Plan. More in-depth surveys into this business will be required going forward. 	<ul style="list-style-type: none"> • Enhanced the content of prior explanation of agenda items, with the secretariat team striving to clarify subjects to be addressed and adjust the content of meeting materials accordingly; improved the operation of each session to ensure that any residual issues that had not been resolved at a single session could be addressed via ongoing and effective discussion at subsequent meetings • Planned and implemented measures to ensure Meiji Yasuda's management philosophy is understood by all Group companies; updated management guidelines to incorporate clauses stipulating that the Company shall, in the course of selection of investees, emphasize whether the candidate is willing to embrace said management philosophy and align its strategies with those pursued by Meiji Yasuda • Strengthened an information gathering function at overseas subsidiaries and local business bases
<ul style="list-style-type: none"> • IT utilization and other digitalization initiatives must be discussed, employing input from external specialists, at a faster pace in light of the fallout from the COVID-19 pandemic as well as growing needs to ensure our ability to flexibly adapt to expected changes in the business environment. This deliberation must also address the matter of how we contribute to customer interests over the medium to long term. 	<ul style="list-style-type: none"> • Held several meetings on digital transformation (DX) with internal and external specialists to acquire their insights; formulated DX strategies after discussion among members of the Board of Directors on its impact on Meiji Yasuda business operations
<ul style="list-style-type: none"> • The Company needs to develop a system for improving the convenience and efficiency by, for example, allowing executive officers in charge to make prior explanation of agenda items via web-conferencing systems, in addition to promoting ongoing initiatives aimed at helping the Board of Directors realize highly effective supervisory functions. 	<ul style="list-style-type: none"> • Enhanced the content of information offered to directors by making it a rule that executive officers, general managers and other personnel in charge of relevant matters directly provide prior explanation of agenda items; provided greater convenience and efficiency by proactively utilizing web-conferencing systems

2. Summary of Effectiveness Evaluation and Issues Identified Evaluation Items

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

Discussion aimed at addressing medium- to long-term management issues in light of changes in the business environment, the selection of top management members, and related matters.

(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.

- Flexibly revised the management plan in response to the COVID-19 pandemic (the formulation of a special program for the fiscal year ended March 31, 2021 and the revision of the Medium-Term Business Plan, etc.); made constructive discussion regarding the commencement of MY Mutual Dividends and other measures based on the "MY Mutual Way 2030," long-term management direction (a perspective of mutual company management), and the Meiji Yasuda Philosophy
- Made in-depth deliberations and shared a common recognition among directors regarding the future direction of the overseas insurance business after having achieved deeper understanding of the current overseas Group subsidiaries
- Carefully implemented the CEO Succession Plan by taking sufficient time to evaluate multiple candidates in light of the

management philosophy, business strategies and other factors to identify the best possible successor

(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.

- To further enhance the effectiveness of the Board of Directors' supervisory functions, the content of meeting materials needs to be well-organized and analyzed so that matters to be discussed are clarified. Also, the operation of each session must be improved in terms of the prior and onsite explanation of agenda items.
- More opportunities should be made for directors to exchange opinions and communicate with other directors as well as executive officers and operating officers outside the Board of Directors meetings. Furthermore, although the COVID-19 pandemic resulted in the suspension of such practices as regional office tours and informational sessions aimed at updating the status of internal projects and other matters, these practices must be resumed and expanded to enhance the understanding of Meiji Yasuda business operations among directors.
- To facilitate the recruitment of female officers and managers, directors should have more opportunities to communicate with such candidates.
- It is important to continue in-depth discussion aimed at addressing expected management issues arising from future changes in the business environment so that Meiji Yasuda is able to flexibly respond and secure sustainable growth despite increasingly uncertain external circumstances including the COVID-19 pandemic and financial market conditions.

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 2019 to June 2020) that was conducted in the fiscal year ended March 31, 2021. Details are described below.

Major Issues Identified	Responses
<ul style="list-style-type: none"> The need to improve the selection process, including preliminary candidate selection, to further enhance the selection of director candidates 	<ul style="list-style-type: none"> Considered the utilization of an external human resource agency to further enhance our pooling system for outside director candidates subject to preliminary selection (to be utilized from the fiscal year ending March 31, 2022)
<ul style="list-style-type: none"> The need to maintain periodic reviews on the appropriateness of guidelines for selecting new outside director candidates 	<ul style="list-style-type: none"> Confirmed that the current guidelines require no revisions; will continue to periodically verify such guidelines in light of Japan's Corporate Governance Code and other external trends
<ul style="list-style-type: none"> The need to acquire more detailed information with regard to director candidates and facilitate active deliberation at committee sessions 	<ul style="list-style-type: none"> Allocated more time for deliberations at the committee, thereby invigorating discussion and enhancing its content. Facilitated recommendations from outside directors regardless of their committee membership to acquire more detailed information on candidates

2. Summary of Effectiveness Evaluation and Issues Identified

Evaluation Items

The composition and operation of the committee, a system for supporting outside committee members and the overall effectiveness of the committee

(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 found the effectiveness of the committee to be more robust than before due to the introduction of new initiatives. These initiatives included (1) considering the utilization of an external human resource agency to update information regarding future candidates for outside directors and enhance a pooling system for such candidates, (2) allocating more time for deliberations at the committee to invigorate its discussion, and (3) facilitating recommendations from outside directors regardless of their committee membership to

acquire more detailed information on candidates. The Effectiveness Evaluation thus concluded that the committee functions effectively as a body tasked with selecting director candidates.

(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 continue to enhance the content of information available to the committee with regard to outside director candidates and keep such information updated
- The need to expand methods for selecting outside director candidates to flexibly nominate candidates from a broad range of individuals
- The need to upgrade the pooling system and selection process for internal director candidates

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 July 2019 to June 2020) that was conducted in the fiscal year ended March 31, 2021. Details are described below.

Major Issues Identified	Responses
<ul style="list-style-type: none"> The need to carry out internal audits regarding measures undertaken by Meiji Yasuda to counter the COVID-19 pandemic 	<ul style="list-style-type: none"> Initiated the monitoring of COVID-19 countermeasures in April 2020, with the Audit Committee receiving timely reporting on the latest status Launched audits focused on the relevant subjects in December 2020 after the verification points were deliberated at the Audit Committee; compiled and submitted the audit summary to the Audit Committee
<ul style="list-style-type: none"> The need to enhance audit quality following the internal audit functions placed under direct supervision of the Audit Committee (upgrade the structure to provide audit insights to the audited departments) 	<ul style="list-style-type: none"> Submitted a greater number of internal audit-related reports to the Audit Committee after the internal audit functions were placed under its direct supervision; held multifaceted reporting sessions to address the status of functions offered by Internal Audit Supervisors, the periodic self-evaluation of internal audits and other matters
<ul style="list-style-type: none"> The need to discuss a new evaluation process to clarify the Audit Committee's accountability on the selection of accounting auditors 	<ul style="list-style-type: none"> Provided the Committee with the information regarding compensation paid to accounting auditors by position prior to approving audit fees; reported to the Committee on procedures and other steps to be taken in the course of changing accounting auditors, as well as the interim evaluation of accounting auditors in comparisons with major audit firms in the course of selecting accounting auditors

2. Summary of Effectiveness Evaluation and Issues Identified

Evaluation Items

The operation of the committee, the status of operational and accounting audits, methods used for auditing, the preparation of audit reports and other important matters related to audit activities

(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 appropriate and timely execution of internal audits with regard to measures undertaken by Meiji Yasuda to counter the COVID-19 pandemic, the enhancement of audit quality via the

Committee's direct supervision over the Company's internal audit functions, the determination of the process for selecting accounting auditors and other measures.

(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 continue to enhance the Committee's audit functions and effectiveness by taking advantage of an organizational structure in which the internal audit functions are placed under its direct supervision
- The need to flexibly identify audit subjects and themes by taking into account the prevailing circumstances

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 2019 to June 2020) that was conducted in the fiscal year ended March 31, 2021. Details are described below.

Major Issues Identified	Responses
<ul style="list-style-type: none"> The need for more detailed information on the evaluation of internal directors and officers 	<ul style="list-style-type: none"> Held study sessions for outside committee members to ensure the appropriate evaluation of internal directors and officers Reported to the Committee for deliberation on the status of discussion regarding the introduction of a corporate performance coefficient to be uniformly applied in the evaluation of all officers and employees
<ul style="list-style-type: none"> The need to upgrade methods for collecting information via ongoing surveys into external practices 	<ul style="list-style-type: none"> Confirmed the appropriateness of a new compensation system for directors and officers by utilizing an external survey organization along with assessing external practices via the review of securities reports issued by other companies
<ul style="list-style-type: none"> The need to enhance information disclosure to stakeholders for their better understanding of the purpose and results of revisions to the compensation system for directors and officers 	<ul style="list-style-type: none"> Continued discussion regarding appropriate information disclosure following the revision of the Company Act and other external trends Provided the Management Council with an explanation of its objectives and an overview of the revised compensation system for directors and officers (as a topic outside its ordinary agenda items)

2. Summary of Effectiveness Evaluation and Issues Identified

Evaluation Items

The composition and operation of the committee, a system for supporting outside committee members and the overall effectiveness of the committee

(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 functions effectively as a body tasked with determining compensation because the overall effectiveness of its operations was improved in light of its efforts to provide outside directors with more detailed information including study sessions focused on a new compensation system for directors and officers, the utilization of an external survey organization to determine the appropriateness of such system, and other measures.

(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 ensure appropriate and effective information disclosure
- The need to carry out effective monitoring aimed at verifying the appropriateness of compensation systems linked to the Medium-Term Business Plan and long-term plans
- The need to continue deliberation on the future direction of medium- to long-term performance-linked compensation

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 Attendances

In the fiscal year ended March 31, 2021, 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	Seiichi Ochiai	4	4
Outside director	Teruo Kise	15	15
Outside director	Miyako Suda	15	15
Outside director	Keiko Kitamura	15	15
Outside director	Tatsuo Uemura	11	10
Internal director	Seiichiro Utsubo	15	15

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 the fiscal year ended March 31, 2021 were (1) the status of the Company's response to the COVID-19 pandemic, (2) the appropriateness of asset management risk and return as well as the development status of the asset management structure and (3) the status of initiatives to establish a sophisticated group management structure comparable to requirements for an IAIG.*

* Internationally Active Insurance Group

4. Status of Committee Activities

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

reports, both periodically and as necessary, from said department with regard to 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. Consequentially, the Audit Committee was positioned to step up collaboration with the Audit Department, with new reporting items and other internal audit-related reports submitted by the latter with growing frequency.

(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, the Risk Management Control Department, the Customer-Oriented Service Department, the Profit Management & Actuarial Department, and the Corporate Planning Department) as well as top management members responsible for Group management in addition to the President, Representative Executive Officer and Group CEO.

(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 and, to this end, performed the interim evaluation of accounting auditors while receiving reports on specific procedures and the scheduled introduction of a periodic process for the selection of accounting auditors based on results of surveys into these matters. In addition, main agenda items associated with audits are deliberated in tandem with KPMG AZSA LLC (from which accounting auditors are dispatched), and the Committee 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.

Remuneration for Directors and Executive Officers*

(1) Breakdown

Item	Number of Recipients	Total Amount	Total Amount		
			Basic Compensation	Performance-Based Compensation	Other
Directors	9	¥149 million	¥148 million	—	0
Executive Officers	17	¥1,176 million	¥602 million	¥562 million	¥11 million
Total	26	¥1,326 million	¥751 million	¥562 million	¥11 million

Notes:

- Remuneration for directors concurrently serving as executive officers is included in remuneration for executive officers. The figures include two directors who retired at the closure of the 73rd regular Board of Policyholder Representatives Meeting held on July 2, 2020.
- The Company abolished its retirement benefit scheme for directors and executive officers on June 30, 2008.
- Apart from the remuneration presented above or disclosed in past business reports, the Company has paid ¥105 million and ¥23 million, respectively, to 49 directors and 15 corporate auditors who previously retired as annuitants.
- On July 2, 2020, 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.
 - 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.
 - 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.
 - Remuneration for executive officers: With the aim of ensuring the Company's sustainable growth and the medium and long-term enhancement of corporate value, remuneration for executive officers consists of basic compensation, performance-based compensation and additional compensation for those with representative authority and those responsible for Group management. Specifically,
 - basic compensation and additional compensation for those with representative authority and those responsible for Group management shall be fixed compensation determined in light of the recipient's position and duties.
 - Performance-based compensation shall consist of a portion linked with the Company's operations results and a portion linked with individual achievements as well as medium- to long-term performance-linked compensation. 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 for the Company's directors consists of basic compensation and other compensation, while remuneration for its executive officers consists of basic compensation, performance-based compensation and other compensation.
- Basic compensation is fixed compensation determined based on each recipient's positions and duties.
- Performance-based compensation consists of a portion linked with the Company's operating results for the single fiscal year; a portion linked with the evaluation of the recipient's individual achievements for the single fiscal year; and a portion linked with medium- to long-term performance to reflect the Company's operating results during the previous Medium-Term Business Plan period. Each portion is determined by multiplying the standard compensation amount that has been set based on the recipients' respective positions by variable coefficients, which reflect the Company's operating results and the evaluation of individual achievements. The proportion of performance-based compensation in the total amount of compensation paid to each recipient differs by position and ranges from 46.2% to 50.3% (based on compensation paid for the fiscal year ended March 31, 2021).

In addition, the corporate performance coefficient, which reflects the Company's operating results, is calculated using the weighted average ratio of achievements vis-à-vis management targets for corporate value and other indicators in addition to taking into account the qualitative assessment of such external conditions as the economic environment. These indicators mainly consist of EEV, annualized premiums from business in force in individual insurance and group life insurance in force in group insurance. In the course of calculating performance-based compensation paid for the fiscal year ended March 31, 2021, the weighted average ratio of achievements

vis-à-vis these indicators stood at 100.0% in terms of single-year operating results and at 102.4% in terms of medium- to long-term operating results.

8. Other compensation includes allowances for rents of corporate housing.
 9. The determination of compensation paid to directors and officers for the fiscal year ended March 31, 2021 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-based 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 independent 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.

(2) Total Amount of Remuneration Paid to Individual Recipients

Name	Position	Total Amount	Total Amount		
			Basic Compensation	Performance-Based Compensation	Other
Nobuya Suzuki	Chairman of the Board, Representative Executive Officer	¥122 million	¥58 million	¥61 million	¥2 million
Akio Negishi	Director, President, Representative Executive Officer	¥142 million	¥70 million	¥67 million	¥4 million

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

(3) Remuneration for Outside Directors

	Number of Recipients	Compensation Paid by Insurance Companies	Compensation Paid by the Parent of Insurance Companies
Total	7	¥103.2 million	—

Note: 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.



Akio Negishi

Akio Negishi
Chairman of the Board

The Board of Directors Seeks to Operate in the Manner Best Suited to a Mutual Company and, to this End, Fully Realize Governance Functions Afforded by the “Company with Nominating Committee, etc.” System.

The Composition and Operation of Meiji Yasuda's Board of Directors

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 “monitoring board” and, to this end, strives to secure clear separation between the functions of management supervision and business execution by, for example, delegating most executive authority to executive officers. In sum,

the Board of Directors prioritizes supervising the execution of business by executive officers.

Moreover, outside directors comprise the majority (six of 11 members) of Meiji Yasuda Life's Board of Directors. The Board thus aims to secure robust supervisory functions and transparency and is engaged in active discussion, with all members contributing diverse opinions and expertise employing the perspective of various stakeholders, including policyholders.

My Role as the Chairman of the Board

I assumed the office of the Chairman of the Board in July 2021 and stepped aside from my previous executive officer position so that the Board of Directors can secure even clearer structural separation between its supervisory and executional functions. As Chairman, however, I intend to take advantage of my experience as President & Group CEO while endeavoring to clarify matters to be discussed by the Board of Directors from a neutral standpoint and thereby nurturing the constructive discussion it is essential to maintain. Furthermore, through my attendance at the Outside Directors Council, which consists of outside directors, I will strive to update them with timely and sufficient information and facilitate open and frank discussion, thereby exchanging opinions regarding medium- to long-term management direction and other important matters.

With regard to the self-evaluation of the Board of Directors' effectiveness, each director fills out questionnaires to identify issues and carry out the free exchange of opinions between them. This process thereby focuses on determining the direction of improvement measures through constructive discussion. As members of the Board, we all have a good relationship supported by mutual trust. Simultaneously, we take great care not to get too comfortable or cozy. In this light, I recognize that the Board of Directors is functioning effectively as a supervisory body underpinning the Company's governance systems. Looking ahead, the Board of Directors will continue to take earnest heed of opinions from outside directors and other input to effectively fulfill both its supervisory and decision-making functions.

Our Future Initiatives

In the fiscal year ended March 31, 2021, the Board of Directors discussed a broad range of agenda items, such the revision of business plans to flexibly adapt to changes in the operating environment due to the COVID-19 pandemic and the creation of MY Mutual Dividends, with an eye to realizing the Meiji Yasuda Philosophy, our corporate philosophy.

In anticipation of further changes in the future business environment, we will engage in the exchange of opinions regarding the direction of Meiji Yasuda's response to medium- to long-term management issues and business planning. By doing so, the Board of Directors will encourage the executive team to pursue sound risk-taking.

Today, the socio-economic environment surrounding Meiji Yasuda is rapidly evolving. With this in mind, we will strive to overcome fallout from the COVID-19 pandemic and realize our vision toward 2030,

“the most accessible, industry-leading life insurer capable of “Wellness for People, Vitality for Communities”” as defined under “MY Mutual Way 2030,” our 10-year plan. To this end, the Board of Directors is determined to accurately assess changing circumstances and monitor the execution of the Company's business operations to confirm their appropriateness. We will thereby ensure that the Board of Directors remains highly effective in its operations, with the aim of living up to the expectations of our stakeholders, especially our policyholders.





Miyako Suda

Outside Director

- 1988 Professor, School of Economics, Senshu University
- 1990 Professor, Faculty of Economics, Gakushuin University
- 2001 Member of the Policy Board, Bank of Japan
- 2011 Special Advisor, The Canon Institute for Global Studies (continuing)
- 2014 Outside Director of Meiji Yasuda Life Insurance Company

Masaki Akita

Outside Director

- 1983 Joined Hankyu Corporation
- 1991 Joined Matsuya Co., Ltd.
- 1999 Director, Matsuya Co., Ltd.
- 2001 Managing Director, Matsuya Co., Ltd.
- 2005 Senior Managing Director, Matsuya Co., Ltd.
- 2005 Representative Director, Vice President, Matsuya Co., Ltd.
- 2007 Representative Director, President, Matsuya Co., Ltd.
- 2008 Representative Director, President and Executive Operating Officer, Matsuya Co., Ltd. (continuing)
- 2017 Outside Director of Meiji Yasuda Life Insurance Company

Meiji Yasuda recognizes that providing customers with life-long protection is a life insurer's 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 as a mutual company is the most important management issue. In line with this belief, the Company has announced its Basic Policy of Corporate Governance, which set forth fundamental concepts and policies on corporate governance consistent with the spirit of Japan's Corporate Governance Code that was enacted in June 2015 for listed companies.

Under this Basic Policy, the Company has been endeavoring to upgrade its corporate governance systems. Meiji Yasuda also utilized such venues as Outside Directors Council meetings to promote constructive deliberation on its medium-term management

approach and the adoption of ERM and other methodologies while helping outside directors enhance their understanding of the Company's business activities. Moreover, periodic self-evaluation is carried out to assess the effectiveness of the Board of Directors and other bodies based on input from each director. This serves to identify issues and facilitate the free exchange of opinions between directors to address such issues in constructive discussion. At the same time, the Company proactively discloses to the general public issues revealed via this evaluation and the improvement measures it is undertaking.

We invited Ms. Miyako Suda and Mr. Masaki Akita, both of whom serve as outside directors for Meiji Yasuda, to find out more about their views of the Company's initiative to enhance its corporate governance.

Q1: How do you evaluate the initiatives undertaken by Meiji Yasuda to strengthen corporate governance?

Akita While the Chairman and President are both firmly convinced that a mutual company is the best organizational form for a life insurer, they are highly motivated to continuously improve the Board of Directors to achieve a sophisticated governance system comparable to requirements for listed stock companies.

With regard to "MY Mutual Dividends," the outside directors received a detailed explanation of the scheme at Board of Directors meetings and other sessions so that the content of these dividends and their objective are fully understood. We were also briefed on multiple occasions with regard to the status of overseas subsidiaries and affiliates. Furthermore, the lively exchange of opinions on these matters helped directors iron out difference in their views and reach consensus regarding the future direction of Meiji Yasuda's business operations.

Also noteworthy is the recent switchover in methods and content for the prior explanation of agenda items. This move resulted in the proactive utilization of web-conferencing systems in addition to incorporating direct explanations from executive officers and other personnel in charge of matters to be discussed. I consider this move to be quite effective in terms of ensuring in-depth understanding of agenda items among outside directors.

In the Board room, each outside director proactively contributes their opinions, backed by their knowledge and experience, providing diverse perspectives. Meiji Yasuda takes serious heed of this input

and strives to improve business management accordingly.

Furthermore, the Company's directors have established a relationship of trust. This, in turn, helps all of us maintain a good relationship, even as we take care not to get too comfortable and cozy, in order to work together to enhance corporate governance.

Suda The self-evaluation of the Board of Directors is carried out based on questionnaires filled out by each director and the subsequent exchange of opinions between all directors as they meet face to face to finalize evaluation results and formulate improvement measures. This process is focused on evaluating the Board of Directors' operations from the perspective of how to enhance corporate governance.

Also, Meiji Yasuda places significant value on the role of the Outside Directors Council. As the Company's appreciation of this body is clearly visible, all outside directors are aware of the importance of their deliberations. For example, drafts of agenda items associated with medium- to long-term issues and business planning are first discussed by the Outside Directors Council with the attendance of Chairman and President to secure a shared understanding of issues. Prior to being resolved by the Board of Directors, agenda items are thus being shaped via brisk discussion. Accordingly, we outside directors feel pretty motivated to be proactively involved in these management matters.

Q2: Please share your views on the recent change of CEO.

Suda Unlike most companies with nominating committees, Meiji Yasuda tasks the Outside Directors Council with CEO succession planning instead of the Nominating Committee. Therefore, all outside directors have been involved in succession planning and on the same page throughout the course of such processes as the screening of multiple candidates and the determination of the final candidate. As a result, each outside director was given a variety of opportunities to evaluate candidates.

Specifically, Meiji Yasuda's outside directors are asked to exchange opinions with and otherwise interact with officer candidates as part of a CEO succession plan that aims to secure a robust pool of candidates and, ultimately, singles out the best CEO successor. Although we are only halfway through our efforts to step up the involvement of outside directors in succession planning, which extends to developing methods to nurture candidates, I have never heard about similar succession plans that involve outside directors this deeply. Of course, I have not experienced

these endeavors outside Meiji Yasuda. In this light, the Company's approach is quite progressive in comparison with other corporations.

Akita To formulate the first succession plan for Meiji Yasuda, we have been engaged in discussion regarding desirable traits for the Company's top management members. I believe that the content of this discussion was at a pretty high level. We also took heed of suggestions from external consultants in the course of this discussion. As a result of these efforts, we were able to shape unique criteria for Meiji Yasuda and share such criteria among all directors, thereby reaching the determination of the new CEO.

We are also aware of the need to prepare for the upcoming round of CEO succession in which we will have to repeat the above processes from the beginning. Accordingly, we need to set aside our experience in the recent round and launch fresh discussion in this regard.

Q3: Please share your thoughts as outside directors about what you expect of Meiji Yasuda.

Akita Having served as an outside director for Meiji Yasuda, I came to really understand that a life insurer is being called to maintain stable business management that can withstand even a once-in-a-century crisis.

I expect that, to that end, all officers and employees at Meiji Yasuda will strive to achieve their corporate vision, "A Long-Respected Life Insurance Company that Cares about People First," in the course of their day-to-day operations in accordance with the Company's management philosophy, "Peace of Mind, Forever."

As the Board of Directors frequently discusses how to navigate the Company to better fulfill the Meiji Yasuda Philosophy, it is

heartening to see that all of the officers and employees share the same values regarding their duties and their understanding of action to be taken.

Going forward, I will strive to fulfill my mission as an outside director by accurately assessing the status of Meiji Yasuda and the Group as a whole and identifying issues that must be tackled. To this end, I intend to make an onsite visit to regional offices and other facilities, which I could hardly visit physically during the past couple of years due to the COVID-19 pandemic, to learn what our MY life plan advisors really think. In these ways, I will further deepen my understanding of Meiji Yasuda and contribute to its future growth.

Suda As a life insurer that has been focused on face-to-face customer communications, Meiji Yasuda needs to draw on takeaways from the COVID-19 pandemic to firmly establish a new business model. Although Meiji Yasuda must deal with a number of uncertainties going forward, I intend to contribute my thoughts to help the Company formulate its vision with regard to its future mode of face-to-face communications in light of advancing digitalization and the renewal of the personnel management framework for MY life plan advisors.

In addition, the ultra-low interest policies enforced by key developed countries are expected to remain in place for an extended period of time. To secure returns from asset management, Meiji Yasuda needs to take a certain degree of risk while securing financial soundness. Because of this, practicing ERM-based business management is essential. Although ERM-based business management is pretty much taking place at Meiji Yasuda, I expect the Company to strive further to step up this business management approach by, for example, upgrading scenario analysis methods, in preparation for unexpected incidents that may emerge anytime in the future.

I also serve as the Chair of the Audit Committee. The Audit Department was recently placed under the direct supervision of this committee, and this move has better positioned committee members to closely assess the status of internal audits while helping committee members engage in face-to-face interaction with internal auditors. Currently, the Audit Department is working to enhance its advisory capacities. To empower this department, I would also like to step

up dialogue with its members and closely monitor its activities as part of efforts to strengthen corporate governance.

Moreover, the Board of Directors is shifting its focus from making decisions on individual agenda items to supervising business management. I consider this shift to be desirable. In terms of exercising robust supervision, external, multifaceted perspectives at the Board's discussion are of particular importance. At the same time, executive members are called to pay close attention to such discussion. In this light, Meiji Yasuda has already achieved these requirements. Therefore, I would like to work even harder to make Meiji Yasuda a better company. That being said, it is difficult to fulfill my role as an outside director unless I understand the status of the Company's business operations. Therefore, as mentioned by Mr. Akita, it is important to pay visits to those operating at regional offices and other facilities to engage in the direct exchange of opinions with them. Once the COVID-19 pandemic is somewhat contained, I intend to make as many such onsite visits as possible. The COVID-19 pandemic also forced us to cut back on opportunities to engage in face-to-face frank discussion with officers and employees. However, I would like to increase opportunities for such discussion, both formal and informal, under the newly launched executive team going forward.

Today, the United Nations SDGs are attracting growing public attention. In this context, I believe that, as a mutual life insurance company, Meiji Yasuda has already done what corporate citizens are now called to do to contribute to a sustainable society. I expect the Company to maintain this stance going forward.



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As the Board of Directors frequently discusses how to navigate the Company to better fulfill the Meiji Yasuda Philosophy, it is heartening to see that all of the officers and employees share the same values regarding their duties and their understanding of action to be taken.

Directors, Executive Officers and Operating Officers

Directors

(As of July 16, 2021)



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
Teruo Kise**
Advisor, TOTO LTD.



Director
Miyako Suda**
Special Advisor,
The Canon Institute for Global Studies



Director
Keiko Kitamura**
Professor Emeritus, Chuo University



Director
Masaki Akita**
Representative Director, President and
Executive Operating Officer, Matsuya Co., Ltd.



Director
Tatsuo Uemura**
Professor Emeritus, Waseda University



Director
Noriaki Horikiri**
Chairman and CEO, Kikkoman Corporation

* Representative Executive Officer
** Outside Director

Executive Officers

(As of July 16, 2021)

Executive Officers

Hideki Nagashima	Director, President and Group Chief Executive Officer
Shinya Makino	Director, Deputy President, Representative Executive Officer, Digital Transformation (DX) and Healthcare Development
Masao Aratani	Director, Deputy President, Executive Officer, Investment Division
Tadashi Onishi	Deputy President, Executive Officer, Domestic Insurance Marketing Responsible for the "Wellness for All Project" and the "Community Vitalization Project" Chief Executive, Individual Insurance Marketing Division

Senior Managing Executive Officers

Kazunori Yamauchi	
Teruki Umezaki	

Managing Executive Officers

Shinji Nakatani	Chief Executive, Public Marketing Division
Koichi Nagao	
Atsushi Nakamura	
Masanao Kawamura	Chief Executive, Corporate Marketing Division
Yasushi Ueda	Group Chief Risk Officer
Toshiyuki Sumiyoshi	
Kenji Fukui	Group Chief Actuary
Shinji Makino	
Nobuyuki Aoto	
Toshihiko Naka	Group Chief Compliance Officer

Operating Officers

(As of July 16, 2021)

Managing Operating Officers

Michihiko Hayashi	Chief General Manager, Tokyo Marketing Headquarters
Masahiro Koyama	Deputy Chief Executive, Corporate Marketing Division
Shiro Kishimoto	Chief General Manager, Saitama Marketing Headquarters
Masanori Takano	Deputy Chief Executive, Public Marketing Division
Yoshiya Kato	Chief General Manager, Osaka Marketing Headquarters

Operating Officers

Minoru Wakabayashi	General Manager, Corporate Market Development Department
Kenji Soejima	Chief General Manager, Kanagawa Marketing Headquarters
Yoshiichi Asano	General Manager, Human Resources Department
Daisaku Shintaku	Responsible for the matters relevant to StanCorp
Nobuhiro Nakamura	Chief General Manager, Nagoya Marketing Headquarters
Takeo Ueda	General Manager, Specified Insurance Product Investment Department
Shinji Misawa	Chief General Manager, Fukuoka Marketing Headquarters
Tsuyoshi Yasuda	General Manager, Agency Department
Takeshi Kanayama	Chief General Manager, Chiba Marketing Headquarters
Yasuhiro Nagata	General Manager, Digital Strategy Department
Yoshimasa Osakai	General Manager, Investment Planning & Research Department
Kenichi Arai	General Manager, Customer Service Planning & Administration Department

Development and Enhancement of the Internal Control System

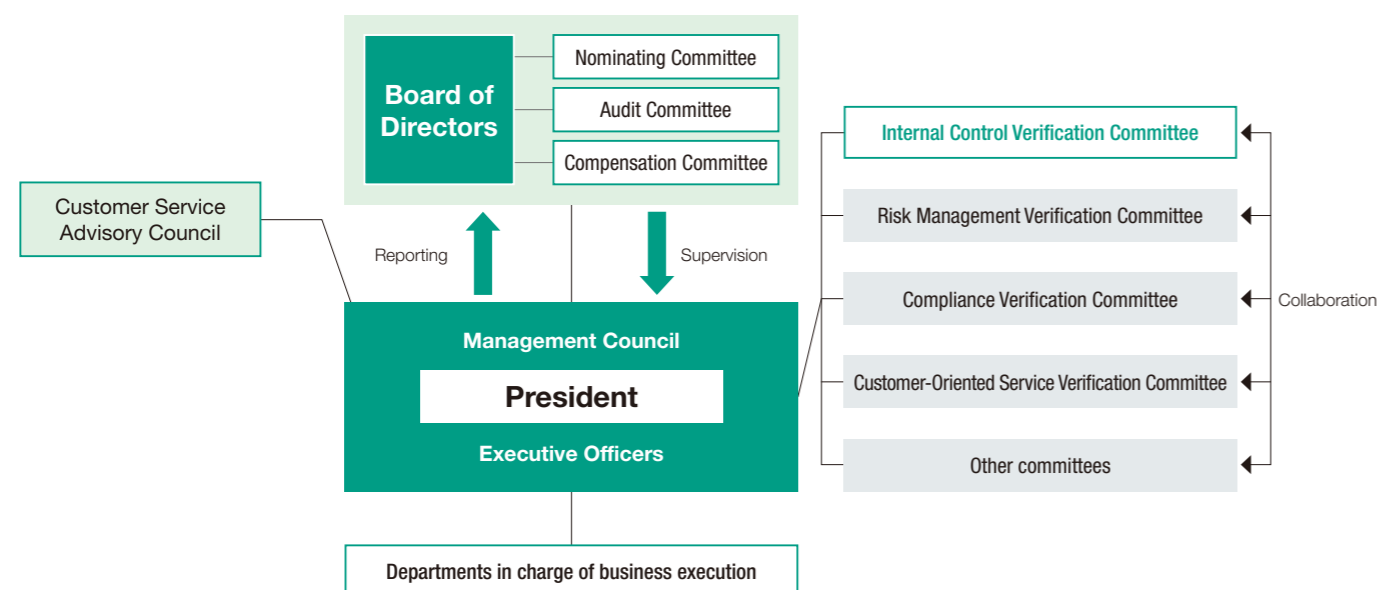
Meiji Yasuda established the Basic Policy of Group Internal Controls that guides its initiatives to develop and maintain sophisticated internal controls. Moreover, the Company set up the Internal Control Verification Committee, an advisory body to the Management Council with the aim of deliberating various 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 external 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 support 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 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 and Management Council. 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 external auditors and other outside experts to conduct audits in certain fields that require highly specialized expertise.

Also, we have formulated audit quality management programs to constantly enhance the quality of internal auditing, thereby carrying out the periodic evaluation of audit quality. In the fiscal year ended March 31, 2019, 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 (September 2018).

ERM and Risk Management Structure

Basic Recognition, ERM, and Risk Management Policies and Rules

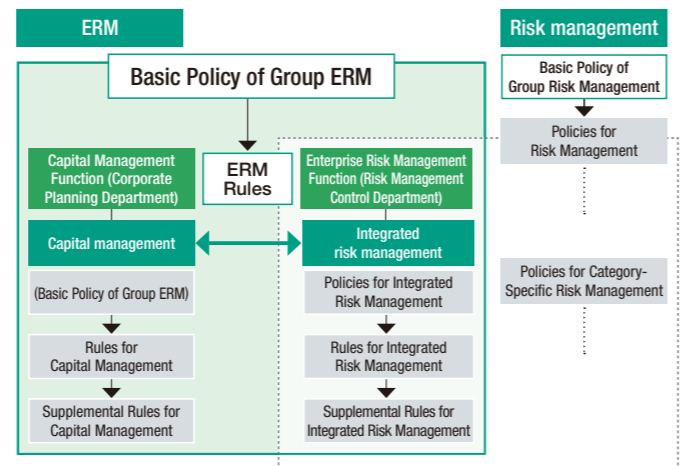
Meiji Yasuda recognizes the importance of ensuring sound management and faithfully fulfilling contractual obligations over the long term to achieve its goal of providing customers with services that live up to the management philosophy “Peace of mind, forever.” In line with this recognition, the Company views risk management as

one of the most crucial elements of business management, with ERM, which aims to control all operational risk in a way consistent with management strategies, positioned as a key methodology. Accordingly, the Board of Directors, Management Council and other bodies set ERM and risk management policies and rules.

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 overall risk management. These two bodies are expected to realize synergies in the practice of ERM while mutually providing checks and balances.

Note: Enterprise risk management (ERM) is 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.



The ERM Framework in Operation

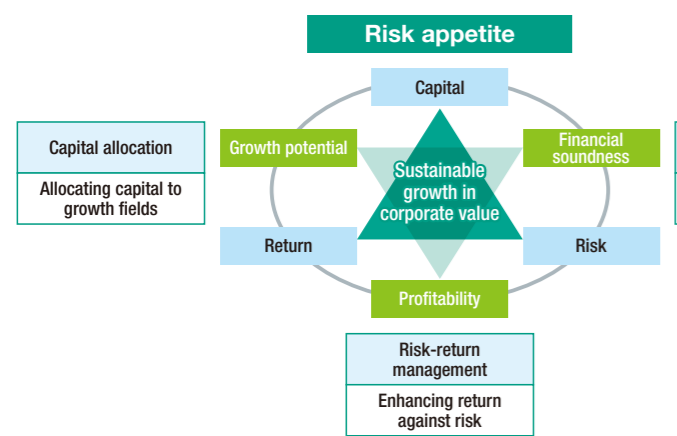
Meiji Yasuda has utilized an ERM framework in the formulation and implementation of business plans. These endeavors aim at securing stable profit and enhancing corporate value while striking a balance between growth potential and profitability in a way that ensures financial soundness and the Company’s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

In the fiscal year ended March 31, 2021, the Company strove to upgrade its methods for utilizing the ERM framework in the process of formulating and implementing business plans with an eye to addressing

operational issues identified in the course of the previous Medium-Term Business Plan. With regard to risk appetite, we have also clarified our priority on securing financial soundness while repositioning the stable payout of policyholder dividends as part of management discipline. Also, our Group ESR, a key economic value-based indicator for financial soundness, grew to 209% (as of March 31, 2021), suggesting 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 recovery in the financial environment.

Having launched the three-year program in April 2021, we will continue to 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 the fiscal year ending March 31, 2026.



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 = capital / total amount of risk

Own Risk and Solvency Assessment (ORSA)
Maintaining sufficient capital against risk

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 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 uniformly 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, affiliate businesses and other operations 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 the affiliate business, 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.

Capital Allocation

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

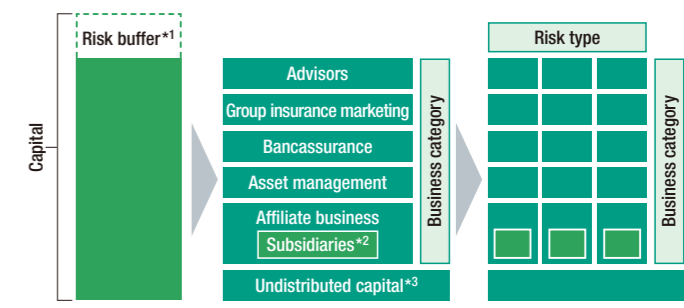
Risk-Return Management

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.

Top Risks

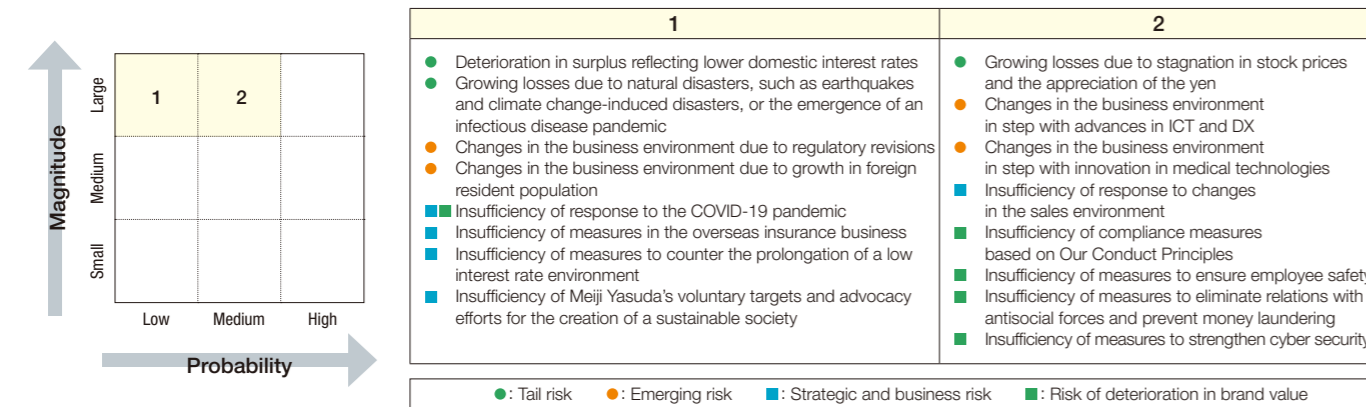
Based on the magnitude of a given risk and the probability (e.g. frequency) of its materialization, the Company has examined various risks, including latent risks, and defined key risks in light of their importance. Among these key risks, those that are particularly deemed to warrant extra attention 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 the fiscal year ending March 31, 2022 (as of May 2021).

<ul style="list-style-type: none"> Insufficiency of response to changes in the financial environment <ol style="list-style-type: none"> Insufficiency of measures to counter the prolongation of a low interest rate environment Deterioration in surplus reflecting the lower domestic interest rates Growing losses due to stagnation in stock prices and the appreciation of the yen 	Strategic and business risk Tail risk*
<ul style="list-style-type: none"> Insufficiency of response to the COVID-19 pandemic 	Strategic and business risk Risk of deterioration in brand value
<ul style="list-style-type: none"> Insufficiency of compliance measures based on Our Conduct Principles 	Risk of deterioration in brand value

* A type of risk that is highly unlikely to occur or difficult to assess the probability of its occurrence based on historical observation, but could cause the Company to sustain massive losses should it materialize

► **Magnitude and Probabilities of Key Risk Items (fiscal year ending March 31, 2022)**



- The magnitude and probability of each item was assessed by using a three-grade system. Items in the same classification are deemed to have the same magnitude or probability.
- Key risk items were selected from among items considered in the course of key risk identification process and classified as having "large" magnitude.
- The magnitude and probability of each item was also determined by taking into account risk control in place and other circumstances associated with risk countermeasures.

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 Corporation 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 in step with the expansion of the scope of its overall operations. 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, the Management Council and the 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 (such as deterioration in surplus due to lower domestic interest rates, the occurrence of a major earthquake, a climate change-induced natural disaster, or a contagious pandemic), which 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. 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 at the department 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.

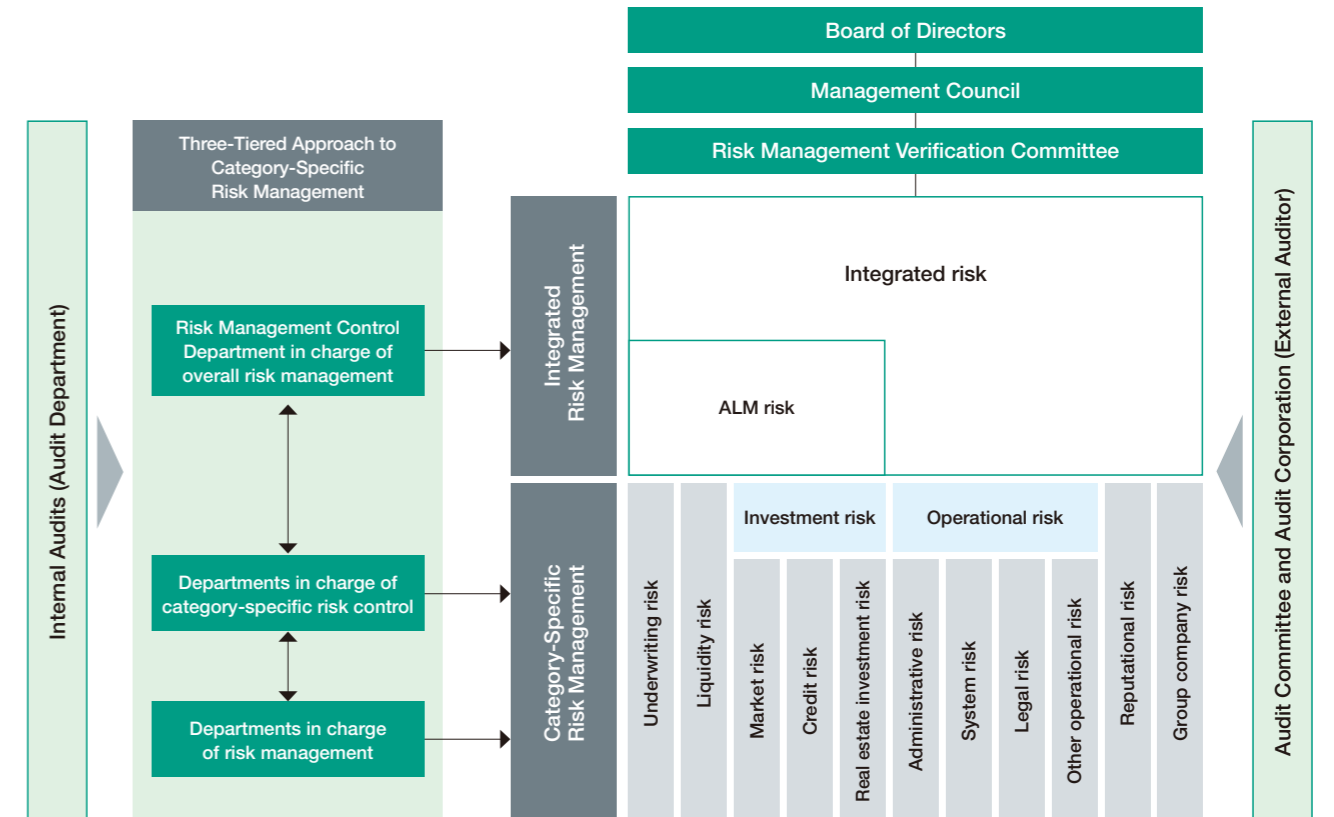
Stress Tests

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.

► **Overview of the Risk Management Structure**



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 Life 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 Life 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 Life 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 Life 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 Life 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 Life or its customers to sustain losses due mainly to failures in personnel, process or system functions in the course of operations or the impact of external factors
Operational risk	Administrative risk	Risk that may cause Meiji Yasuda Life 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 Life 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 Life 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 Life or its customers to sustain losses due mainly to failures in personnel, process or system functions in the course of operations or the impact of external factors
Reputational risk		Risk that may cause Meiji Yasuda Life 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

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, from April 2014 the development of business continuity plans (BCPs)* has been under way, 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.

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.

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.

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

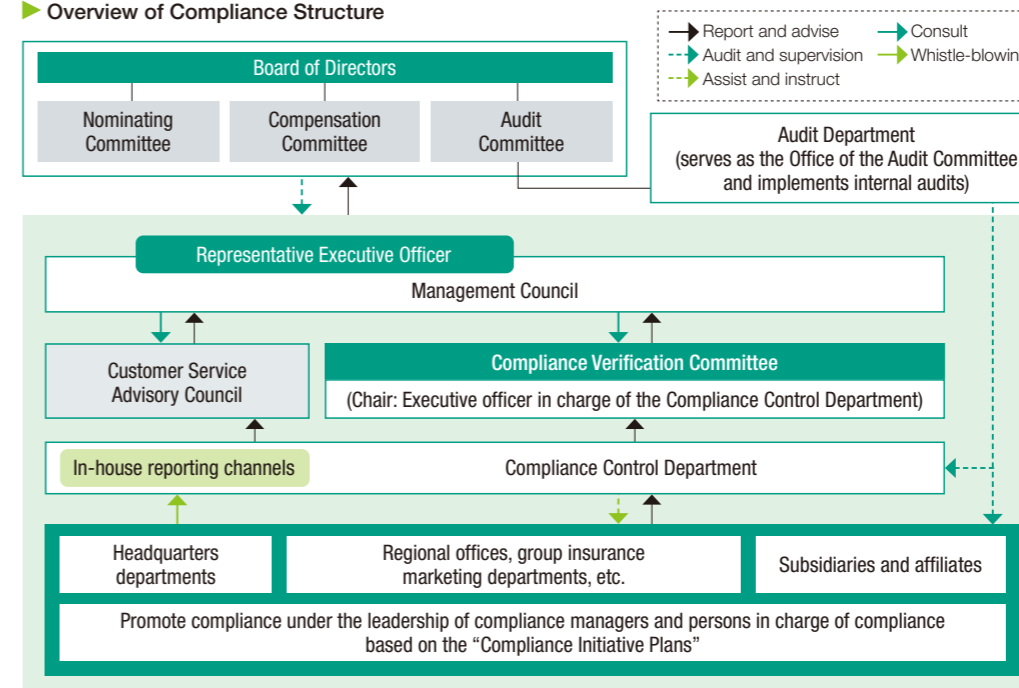
Meiji Yasuda has put the Compliance Control Department in place to carry out integrated management of compliance issues throughout the Meiji Yasuda Life Group. In addition to spearheading the development and updating of the Group's compliance structure, this department maintains cooperation with compliance 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 life plan advisors, Meiji Yasuda Relationship Associates (MYRA) and back office employees.

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



External Recognition

Registered as conforming to the Consumer Affairs Agency's Whistleblowing Compliance Management System (WCMS) certification standards based on self-declaration (from May 2019 onward)



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 compliance status at year-end. Moreover, progress

at each business unit is being reported to such bodies as the Management Council 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. In addition to providing annual compliance training for this purpose, we have made it a general rule to address compliance topics in all joint training sessions, with the aim of seizing every opportunity to provide compliance education on an ongoing basis.

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

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, severing ties with antisocial forces and implementing robust countermeasures against such financial crimes as money laundering and the financing of terrorism is an essential management task.

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

Having established in-house rules governing countermeasures against and responses to money laundering and the financing of terrorism, we have mandated that the identity of business counterparties be confirmed and that, in the event of dubious transactions, proper notifications be made. We have also developed an efficient structure to identify the types of transactions subject to asset freezing, with the aim of upgrading our countermeasures against money laundering, financing of terrorism and other financial crimes. Furthermore, we have in-house rules in place to prevent insider trading and strictly prohibit the release of undisclosed

corporate information about business counterparties. As such, we also spare no effort to prevent insider trading and other types of unfair transactions.

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

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.

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 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.

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, efforts are now underway to create an even more 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.

In the fiscal year ended March 31, 2021, we invested around ¥25.0 billion in IT system development projects, especially those aimed at promoting customer-oriented initiatives and establishing systems considering the COVID-19 pandemic.

Specifically, we developed IT systems associated with the expansion of the scope of web-based procedures that can be completed via "MY Hoken Page," the introduction of online customer interview systems and other projects aimed at boosting our ability to implement proactive after-sales services via the integration of face-to-face and no-physical-contact customer communications. 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 Customer Information

As we are entrusted with the handling of customer information, we continuously reinforce our measures to prevent information leakage, ensuring that "Meister Plus" tablet terminals, "MY phones" and payment terminals used by sales personnel (e.g. MY life plan advisors) retain no customer information, restricting the use of electronic recording media and executing the encryption of data transmitted to external entities via networks. 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.



Current Status of Meiji Yasuda (integrated report)



Meiji Yasuda Information



A 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/>

