
Business Foundation Supporting Value Creation

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Operation of Mutual Company

Framework of the mutual company system

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

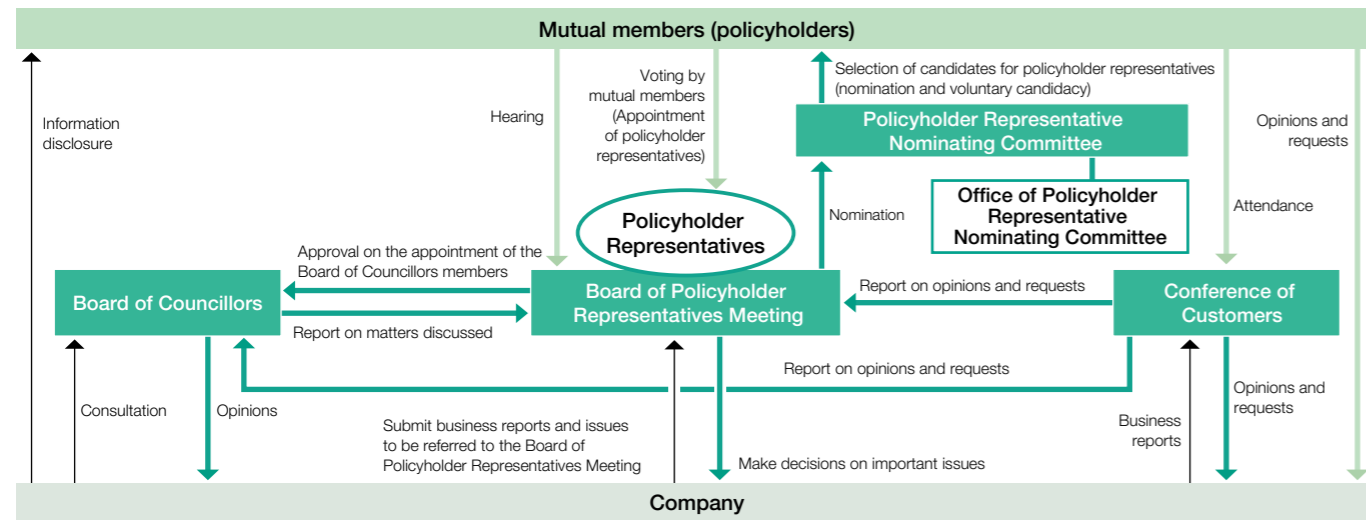
A mutual company is an incorporated body in which those* who enroll in its insurance policies also become “mutual members.” These members own the mutual company. Thus, the mutual company system enables each policyholder to participate in business management and is deemed best suited to a

business approach that employs a long-term perspective and reflects policyholder intentions. As of March 31, 2022, Meiji Yasuda’s mutual members numbered approximately 6.25 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>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>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</p> <p>Dividends for shareholders</p>

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

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 6.25 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 75th Regular Board of Policyholder Representatives Meeting

The following items were reported to and resolved by the 75th Regular Board of Policyholder Representatives Meeting held on July 5, 2022.

• 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, 2022
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, 2022
- Proposal No. 2: Selection of Policyholder Representative Nominating Committee members
- 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 (1) A mutual member (policyholder) of Meiji Yasuda (2) Individual with an understanding of and concern for the life insurance business, and equipped with adequate knowledge to serve as a representative of mutual members (3) Individual capable of attending the Board of Policyholder Representatives Meeting (4) Individual not serving as a policyholder representative of another company</p>	<p>Qualification requirements for candidates • Individual policyholders who have qualified as a mutual member for an ongoing period of two years or longer as of the end of each application receipt period (excluding those who serve as officers or employees at Meiji Yasuda, its subsidiaries or affiliates)</p> <p>Selection of policyholder representative candidates • If the number of candidates does not exceed the number of positions (22), they all shall be nominated as policyholder representative candidates. • If the number of candidates exceeds the number of positions (22), the candidates shall be grouped by regional bloc and, sortition shall take place for each regional bloc whose number of candidates surpasses quotas (presented in the chart below) to determine policyholder representatives for such bloc. As for regional blocs whose number of candidates is on par with or falls short of quotas, all such candidates shall be nominated as policyholder representative candidates. With regard to regional blocs whose number of candidates falls short of quotas, such shortfalls shall be supplemented by carrying out sortition to elect policyholder representative candidates from among candidates who have not been nominated for other regional blocs.</p> <p>Quotas by regional bloc</p> <table border="1"> <thead> <tr> <th>Regional blocs</th> <th>Prefectures</th> <th>Quotas</th> </tr> </thead> <tbody> <tr> <td>Hokkaido and Tohoku</td> <td>Hokkaido, Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima</td> <td>2</td> </tr> <tr> <td>Kanto</td> <td>Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo and Kanagawa</td> <td>8</td> </tr> <tr> <td>Chubu / Hokuriku</td> <td>Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka and Aichi</td> <td>4</td> </tr> <tr> <td>Kinki</td> <td>Mie, Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama</td> <td>4</td> </tr> <tr> <td>Chugoku / Shikoku</td> <td>Tottori, Shimane, Okayama, Hiroshima, Yamaguchi, Tokushima, Kagawa, Ehime and Kochi</td> <td>2</td> </tr> <tr> <td>Kyushu / Okinawa</td> <td>Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa</td> <td>2</td> </tr> <tr> <td 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, 2022

- Meeting held in June 2021**
- Financial results for the fiscal year ended March 31, 2021
 - Advisor channel strategies under the Medium-Term Business Plan (the next-generation advisor system)
 - Matters resolved at the 74th Regular Board of Policyholder Representatives Meeting, and opinions and requests accepted at the Conference of Customers
- Meeting held in November 2021**
- Financial results for the first half of the fiscal year ended March 31, 2022
 - Meiji Yasuda's initiatives to develop human resources and promote innovative work styles
- Meeting held in February 2022**
- Business outlook for the full-year financial results for the fiscal year ended March 31, 2022
 - Initiatives to contribute to the creation of a sustainable society

Conference of Customers

Ahead of other insurers in Japan, in 1973 Meiji Yasuda began holding an annual Conference of Customers on a nationwide basis. These meetings were held at a total of 105 locations, including regional offices across Japan, from January to February 2022, with a total of 2,126 policyholders attending.

The conference provided briefings on the financial results for the first half of the fiscal year (April 1 to September 30, 2021) and new functions to be assigned to MY Link Coordinators and administrative service concierges along with the outline of the Two Major Projects and other activities aimed at contributing to regional communities. In addition, we received a total number of 7,500 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.

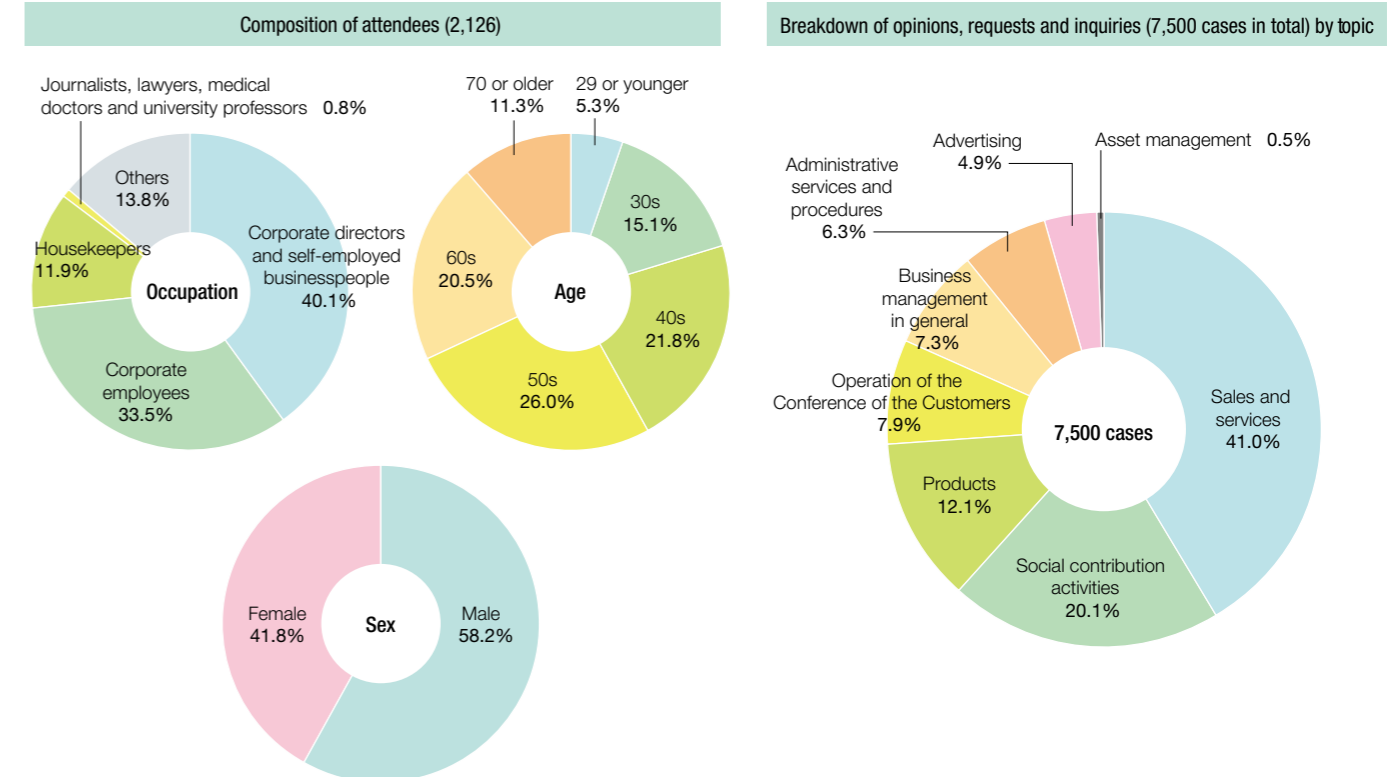
These opinions and requests are reported to the Board of Policyholder Representatives Meeting and the Board of Councillors. In addition, whenever we receive opinions identifying

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, 2023, we will display posters at regional offices and other business bases, as well as making this information available via our website, prior to holding the conference. Related information is also available to policyholders upon inquiry at the nearest Meiji Yasuda regional office or agency office.

► Conference of Customers in the fiscal year ended March 31, 2022



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

Please explain management strategies envisioned by Meiji Yasuda in light of declining domestic population and advancing digitalization.

We believe that life insurance companies will be called upon to assume a broader range of functions from the perspective of countering population aging and a declining birthrate while securing the sustainability of Japan's public social security systems.

Moreover, society's digital shift gained considerable momentum in the wake of the COVID-19 pandemic. Today, avoiding physical contact with others has become a new normal in terms of economic activities. In addition, health awareness among the general public is stronger than ever before, so is public awareness of social sustainability. As such, we have seen ongoing changes in the modes of consumer behavior as well as social structure.

Against this background, we are implementing "MY Mutual Way Phase I," a three-year program launched in April 2021. Under this program, we are engaged in Four Major Reforms in the areas of "sales and services," "core functions and administrative services," "asset management" and "mutual company management," with the aim of thoroughly reviewing our systems, infrastructure and other business functions surrounding those areas. At the same time, we promote the Two Major Projects, namely, the "Wellness for All Project," through which we assist customers, local communities and colleagues in their health improvement efforts, and the "Community Vitalization Project" aimed at helping create flourishing regional communities and enhancing contact points with customers in local communities through collaboration with local governments, external corporations and other partners.

Furthermore, we will take full advantage of digital technologies and integrate our DX strategy with the above endeavors. In these ways, we will accelerate the phase change leading to the realization of our vision toward 2030: "The most accessible, industry-leading life insurer capable of 'Wellness for People, Vitality for Communities.'"

More specifically, in line with our DX strategy we will strive to enhance customer experience (CX) and employee experience (EX) by assigning more sophisticated functions to employees while designing products and services capable of helping customers enjoy affluent lives with peace of mind.

Also, we have created "MY Mutual Dividends," a new policyholder dividend scheme designed to reward policyholders who contributed to the accumulation of Meiji Yasuda's internal reserves over the long term. The payout of these dividends started from October 2021. Looking ahead, we will maintain the steady payout of policyholder dividends while taking full advantage of our strength as a mutual company in business management.

In April 2022, our sales personnel were renamed from conventional "MY Life Plan Advisors" to "MY Link Coordinators." These individuals, who have been tasked with the provision of insurance products and services, are now assigned fresh missions of assisting customers in their health improvement efforts and advocating for creating stronger ties among people within communities. Through these initiatives, we

will contribute to the well-being of residents of local communities and the development of regional communities even as we aim to achieve further improvement in our social value and economic value.

I would like Meiji Yasuda to enrich its lineup of products and services for elderly customers.

In the face of the prolongation of average longevity, we are striving to enrich our product lineup to accommodate growing insurance needs among middle-aged and senior customers in areas of medical coverage, nursing care and asset building.

Our products designed to provide coverage for medical treatment and nursing care include "Whole life medical insurance with a lump-sum benefit," which delivers lifelong medical coverage. In April 2022, we also released "Whole life medical insurance with simplified declaration of health conditions," a product enabling smooth enrollment for people who have health concerns.

Moreover, we offer "Dementia Insurance for Your Future: MCI Plus" to help customers prepare for the onset of dementia. We also market "Meiji Yasuda Life Injury Insurance," which allows policyholders to choose from various coverage options based on their needs.

In addition, we offer such saving-type products as "Foreign currency-denominated, single premium whole life insurance with insurance period options" and "Foreign currency-denominated, single premium whole life insurance for facilitating gift endowment," both of which can be utilized as vehicles for medium- to long-term asset building and inheritance solutions. In November 2021, we also released "Everybody II," a single premium whole life insurance denominated in yen.

In the service aspect, we have instituted the "MY Anshin Family Registration Scheme." This scheme aims to list secondary contacts other than policyholders so that their latest whereabouts can be confirmed via these secondary contacts in the event that it becomes difficult for us to directly establish contact with policyholders. We also promote the "MY Longevity Policy Checking Scheme" under which staff at Meiji Yasuda's headquarters directly reach out to customers who reach longevity celebration years to determine whether they want to change their contact or their designated recipients of insurance claims and benefits, or whether they have eligible claims that they will want to apply for, so that these customers can receive robust support when they proceed to undertake necessary procedures.

In the fiscal year ended March 31, 2019, we launched the "MY Assist+ System" to support customers who have physical difficulties in undertaking procedures due to such factors as vision deterioration and hearing impairment, with Meiji Yasuda staff filling in forms on their behalf to complete procedures. As of March 31, 2022, a total of 2,329 customers signed up for this system.

For policyholders who cannot file applications themselves for insurance claims and benefits due to special reasons, we maintain the "Designated Agent Claims System," in addition to offering a "Sub-Claimant Rider," to enable their families to apply for the payment of such claims and benefits.

Opinions and inquiries:

Opinions and inquiries regarding mutual company management, including the operation of the Board of Policyholder Representatives Meeting, are accepted via the following contact. Corporate Governance Development Group, Corporate Planning Department, Meiji Yasuda Life Insurance Company
1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-0005, Japan

Management Structure

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

committee comprised of outside directors. Moreover, 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:	99.3%
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Nominating Committee

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

Number of meetings held:	7	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:	100.0%
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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, 2022, 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, 2022, the Nominating Committee met on seven occasions and properly selected director candidates in accordance with rules that it has established regarding the selection of director candidates along with Guidelines for the Selection of Outside Director Candidates formulated in reference to the Corporate Governance Code. Through this process, the Nominating Committee conducted the preliminary selection of candidates from a broad range of individuals and finalized its nominations only after taking sufficient time to intensively discuss the candidates.

Holding Audit Committee meetings

In the fiscal year ended March 31, 2022, 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, 2022, the Compensation Committee met on six occasions and determined matters concerning remuneration, including the content of remuneration for individual directors and executive officers, giving due consideration to the Company's operating results and each recipient's contributions to business performance. This was done properly in accordance with its policies for determining the content of remuneration for individual directors and executive officers, as well as in-house rules regarding director remuneration and executive officer remuneration.

Assembling the Outside Directors Council

In the fiscal year ended March 31, 2022, 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

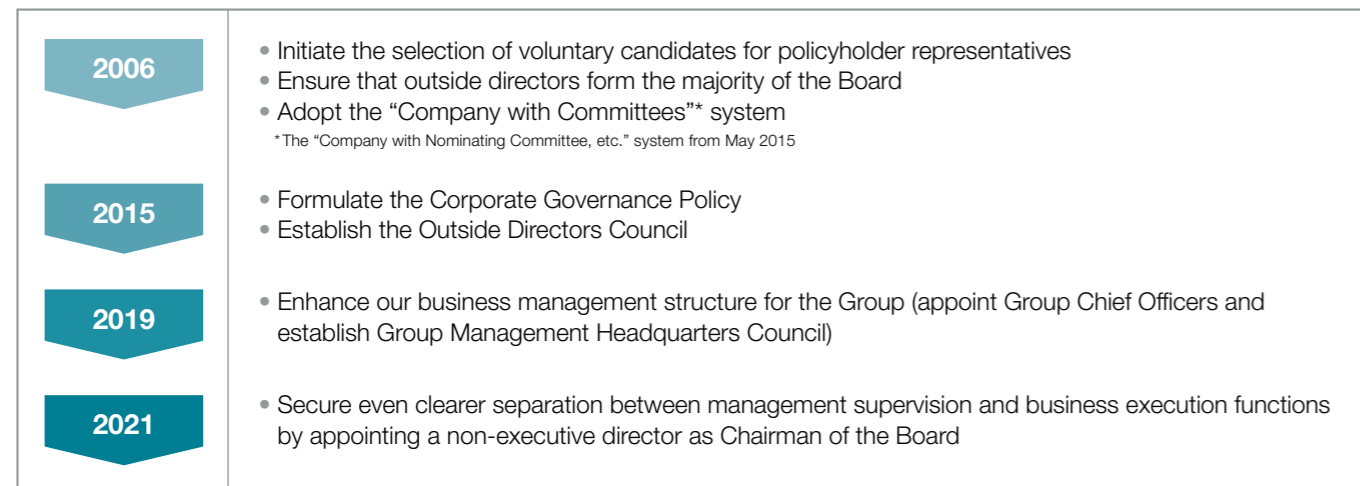
Guided by its management philosophy, "Peace of mind, forever," Meiji Yasuda practices the following fundamental concepts in our effort to strengthen the Company's corporate governance structure.

- 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 persistently enhancing 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/governance/governance.pdf>

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



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

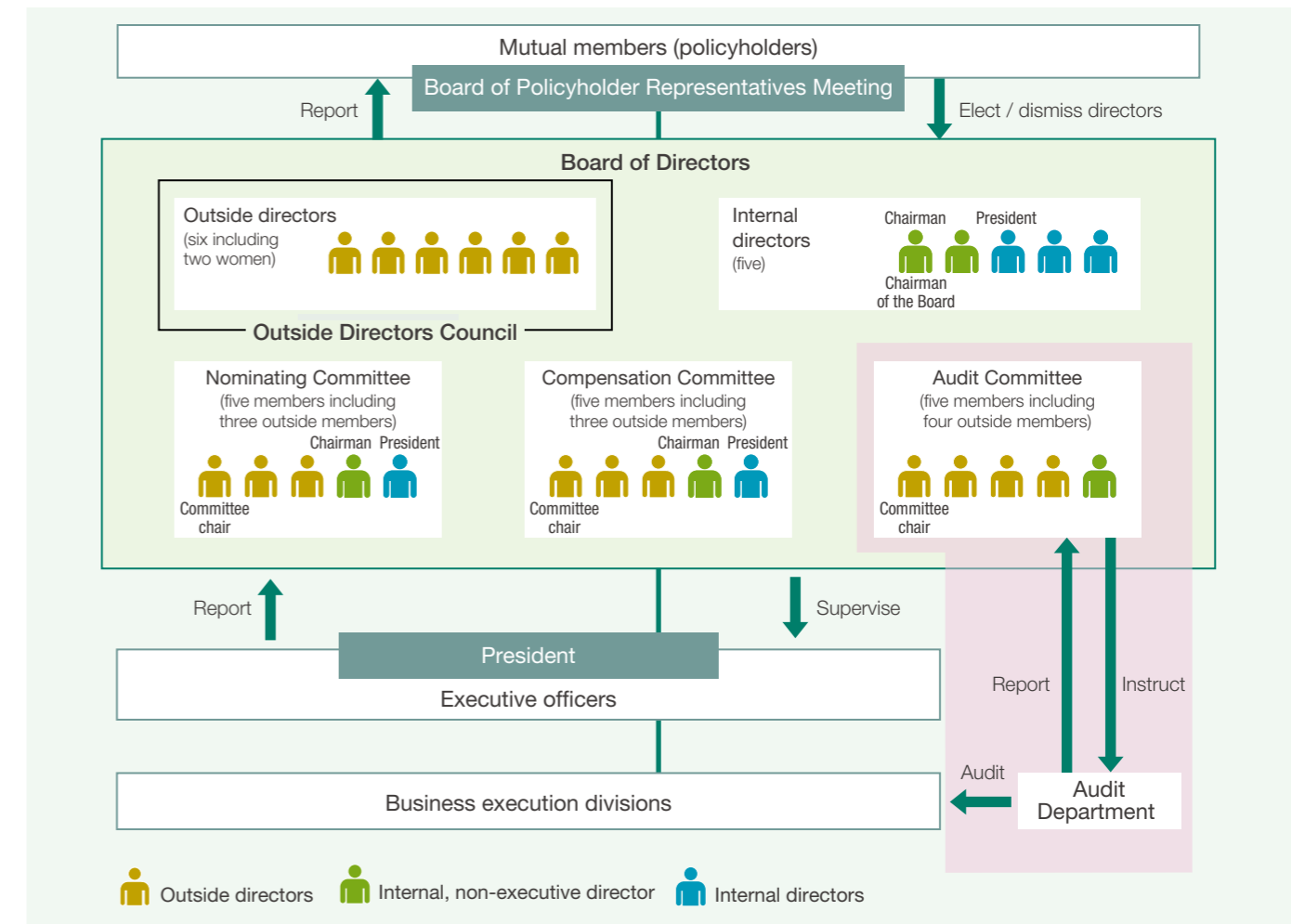
and business execution functions, the Company has secured a robust management supervision by ensuring that the majority of its board members consists of outside directors (six out of 11 directors). The Company also gives due consideration to ensuring these directors represent diverse backgrounds. With an eye to securing the effectiveness and consistency of management supervision by outside directors, the Company limits their term of service to 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. In this way, the Company has ensured that the Audit Committee's operation is highly effective.

Business management structure














Skill set requirements for Meiji Yasuda directors

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

asked to be equipped with robust knowledge regarding and experience in these undertakings.

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

Name	Title	Skill/experience										Reasons for appointment
		Business strategy	Monetary/economy	Finance/accounting/actuarial	Legal/compliance/risk management	HR/labor management	Sales/market development	Product/service R&D	IT	International		
	Chairman of the Board Member of Nominating and Compensation committees	●	●	●	●	●	●	●	●			Mr. Akio Negishi has gained experience at the Company's Individual Insurance Marketing Division as well as Corporate Planning and Marketing Planning & Research departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2013, he was appointed as Director, Representative Executive Officer and President, assuming a leading role in the Company's management. In 2021, he stepped aside from the above position to assume the post of Chairman of the Board and has since continued to strive to upgrade the Company's corporate governance structure. Mr. Negishi has been appointed as a director because it is expected that he will continue to contribute to the Board of Directors via the facilitation of information sharing among directors and the strengthening of its decision-making functions.
	Director, President, Representative Executive Officer and Group CEO Member of Nominating and Compensation committees	●			●	●	●	●		●		Mr. Hideki Nagashima has gained experience at the Company's Individual Insurance Marketing Division as well as Corporate Planning and Human Resources departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2021, he was appointed as Director, President and Representative Executive Officer and has since assumed a leading role in the Company's management. Mr. Nagashima has been appointed as a director because it is expected that he will continue to contribute to the Board of Directors via the facilitation of information sharing among directors and the strengthening of its decision-making functions.
	Director, Deputy President, Representative Executive Officer	●		●		●	●	●	●			Mr. Shinya Makino has gained experience at the Company's Individual Insurance Marketing Division as well as Sales Personnel and Product Development departments. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2020, he was appointed as Director and Deputy President and, in 2021, appointed as Director, Deputy President and Representative Executive Officer, assuming a leading role in the Company's management. Mr. Makino has been appointed as a director because it is expected that he will continue to contribute to the Board of Directors via the facilitation of information sharing among directors and the strengthening of its decision-making functions.
	Director, Deputy President, Representative Executive Officer Executive Officer, the Investment Division	●	●	●							●	Mr. Masao Aratani has gained experience at the Company's Investment Division as well as the Government Relations Department. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2019, he was appointed as Director, Executive Officer and Deputy President and, in 2022, appointed as Director, Deputy President and Representative Executive Officer, assuming a leading role in the Company's management. Mr. Aratani has been appointed as a director because it is expected that he will continue to contribute to the Board of Directors via the facilitation of information sharing among directors and the strengthening of its decision-making functions.
	Director Audit Committee	●	●	●	●			●				Mr. Takashi Kikugawa has gained experience at the Company's Individual Insurance Marketing Division as well as the Compliance Control Department and the Investment Division as the Executive Officer in charge of these business units. Accordingly, he possesses the knowledge and experience necessary to accurately, fairly and efficiently make important management decisions for the Company and supervise the execution of the duties by its directors and executive officers. In 2021, he was appointed as a full-time Audit Committee member and has since supervised duties carried out by executive officers. Mr. Kikugawa has been appointed as a director because it is expected that he will continue to contribute to the strengthening of the Board of Directors' supervisory functions.
	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 appointed as an outside director because it is expected that he will continue to supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.
	Outside Director Audit Committee (Chair) Compensation Committee	●		●	●							Ms. Keiko Kitamura possesses wide-ranging knowledge as an expert of accounting, director of the Financial Accounting Standards Foundation and director 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 appointed as an outside director because it is expected that she will continue to supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.
	Outside 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 appointed as an outside director because it is expected that he will continue to supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.
	Outside 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. Since 2020, Mr. Uemura has served as an outside director of the Company. He has been appointed as an outside director because it is expected that he will continue to supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.
	Outside 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. Since 2021, Mr. Horikiri has served as an outside director of the Company. Mr. Horikiri has been appointed as an outside director because it is expected that he will continue to supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.
	Outside Director Nominating Committee Audit Committee	●	●								●	Ms. Yuri Sasaki possesses a wide range of knowledge and experience as a university professor researching international finance; member of the Financial System Council Working Group of the Financial Service Agency of Japan; and an outside director of Mitsubishi HC Capital Inc. She possesses experience as a financial economy expert necessary to accurately, fairly and efficiently make important management decisions for the Company and oversee the execution of the duties by its directors and executive officers. Ms. Sasaki has participated in corporate management as an outside director and outside auditor. Ms. Sasaki has been appointed as an outside director because it is expected that she will supervise business execution by the Company's executive officers from an independent standpoint and thus strengthen the Board of Director's functions.

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

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, 2023, such Effectiveness Evaluation was conducted to cover the period from July 2021 to June 2022 in line with the process outlined below.

April 2022	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 2022	All eleven (11) directors completed self-evaluation by filling in questionnaires.
May 2022	Based on results of questionnaires, the secretariat conducted interviews with outside directors to clearly identify issues to be addressed and countermeasures to be taken.
June 2022	The Outside Directors Council was held to exchange opinions regarding the direction of the Effectiveness Evaluation.
June 2022	The Board of Directors reached resolution on 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 2020 to June 2021) that was conducted in the fiscal year ended March 31, 2022. Details are described below.

Major issues identified	Responses
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Reviewed the operation of the Board of Directors and expanded opportunities for directors to acquire various information by, for example, holding separate reporting sessions that handle matters outside agenda items and study sessions. Categorized agenda items for onsite explanation clearly, such as those "requiring intensive discussion" and those "needing only brief explanation" while allocating greater deliberation time to the former category. Moreover, the Board of Directors endeavored to address multiple agenda items in a single session when the items were closely related. In these and other ways, the operation of the Board of Directors has been improved, with the aim of making its discussions more efficient and effective. In the course of prior explanation, outside directors were given opportunities to engage in discussion and contribute their opinions in order to clarify the discussion points for the upcoming Board of Directors meeting. In addition, materials used at Board of Directors meetings were made accessible on a 24/7 basis to ensure that all directors can smoothly confirm the content prior to or following each meeting. Seating of outside directors and internal directors was interspersed in the Board room and titles were omitted when addressing each other. By doing so, the Board of Directors fostered an atmosphere supportive of the exchange of unfettered opinions and thereby vitalized its discussions.
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Held four sessions for the exchange of opinions between outside directors and executive officers while enhancing the content of information offered via study sessions for the Board of Directors regarding matters of particular importance in terms of the business plan (such as the Four Major Reforms and the Two Major Projects). In addition, operating officers and general managers provided direct explanations at these sessions. Thus, outside directors were better positioned to engage in vigorous discussions with these individuals. In addition to participating in onsite tours at headquarters administrative divisions, outside directors remotely took part in the Conference of Customers hosted by regional offices as observers to gain deeper understanding of the Company's business operations.
<ul style="list-style-type: none"> To facilitate the promotion of female officers and managers, directors should have more opportunities to communicate with such candidates. 	<ul style="list-style-type: none"> Hosted study sessions focused on discussing the Company's vision for the empowerment of women to facilitate the understanding of the promotion of diversity. Held sessions for the exchange of opinions between outside directors and female managers who assume key roles in headquarters, regional offices, agency offices and group insurance marketing departments. Female officer candidates were assigned a role of providing prior explanation for the Board of Directors and giving presentations at study sessions for the Board of Directors.
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Directors shared the recognition of progress in, issues to be addressed through, and results of the analysis of factors affecting the Four Major Reforms, the Two Major Projects, the DX strategy and the brand strategy, which together constitute key initiatives under the Medium-Term Business Plan. Members of the Board of Directors engaged in in-depth discussion regarding matters of particular importance, namely, transition to the MY Link Coordinator system as well as issues associated with and the direction of asset management. The Board of Directors then confirmed the direction of the Company's initiatives in the fiscal year ending March 31, 2023 at its meeting held in December 2021. Specifically, the Board of Directors resolved to maintain the keynote of the current Medium-Term Business Plan determined at its launch in April 2021, to this end clarifying additional measures to be undertaken and response to counter top risks based on the recognition of issues that must be addressed. Based on the above resolution, the Board of Directors approved the business plan for the fiscal year ending March 31, 2023 at its meeting held in March 2022.

2. Evaluation items addressed in Effectiveness Evaluation

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

Initiatives to Enhance Our Governance Structure

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

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

- Enhanced the content of information offered to directors in connection with matters of particular importance in terms of the business plan (such as the Four Major Reforms and the Two Major Projects); made in-depth deliberations regarding the future direction of the Company's business operations and shared a common recognition among directors regarding issues to be addressed, including transition to the MY Link Coordinator system, the addition of "Relationship with future generations" to the conventional list of key stakeholder relationships enshrined in the corporate vision under the Meiji Yasuda Philosophy and the assessment of progress in priority measures stipulated by the Medium-Term Business Plan.
- The content of study sessions held outside Board of Directors meetings has been greatly enhanced; these sessions were held in a timely manner and have proven beneficial to directors.
- Secured even clearer separation between management supervision and business execution by appointing a non-executive director as Chairman of the Board; clarified points to be addressed from the perspective of enhancing the quality of the Board of Directors' deliberations and thereby ensured that its discussions remain constructive; the operation of the Board of Directors was thus deemed highly effective as it has engaged vigorous discussions, with the executive team striving to swiftly resolve questions raised by directors.

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 2020 to June 2021) that was conducted in the fiscal year ended March 31, 2022. Details are described below.

Major issues identified	Responses
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Enhanced opportunities to confirm the current status of outside director candidates (the number of concurrent positions, etc.)
<ul style="list-style-type: none"> • The need to expand methods for selecting outside director candidates to flexibly nominate candidates from a broad range of individuals 	<ul style="list-style-type: none"> • Reviewed policies for selecting outside director candidates (guidelines for selecting new outside director candidates) in reference to the skill matrix, with the aim of securing candidates with diverse attributes
<ul style="list-style-type: none"> • The need to upgrade the pooling system and selection process for internal director candidates 	<ul style="list-style-type: none"> • Initiated discussions aimed at formulating policies (guidelines) for selecting internal director candidates

2. Evaluation items addressed in Effectiveness Evaluation

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

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

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

(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 Board of Directors' supervisory functions, the content of meeting materials needs to be focused on clearly presenting management issues and risk recognition to help the Board of Directors engage in in-depth discussion. Also, from the perspective of securing sufficient time for deliberation, the operation of the Board of Directors should be further upgraded by, for example, reviewing and balancing time allocated to and the content of onsite and prior explanation.
- Initiatives to enhance the understanding of the Company's business operations among directors should be further upgraded by reorganizing information necessary to enable them to properly fulfill their supervisory functions, including reference information associated with the insurance industry and the Company's business operations, and by making such information easily accessible to them. It is also necessary to give directors opportunities to engage in unofficial communications with executive officers while resuming tours in which they visit sales frontlines.
- It is necessary to allocate more time to discussions regarding important management matters, including the impact of digital transformation on the Company's business operations, initiatives aimed at contributing to a sustainable society and responses to an increasingly uncertain and evolving external environment.

- Information with regard to outside director candidates has been updated and enhanced in a timely manner, while the pooling of candidates was strengthened via, for example, recommendations from outside directors regardless of their committee membership.
- Selection process has been enhanced by, for example, allocating sufficient time for deliberation by the Outside Directors Council and otherwise supporting intensive discussion.

(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 formulate guidelines for selecting internal director candidates

- The need to enhance opportunities to confirm information with regard to candidates (the status of concurrent positions, etc.) and ensure the early commencement of the screening of such candidates with an eye to appointing competent individuals in the future
- The need to clearly define fundamental concepts on the selection of candidates and enhance the content of information used for comparisons between 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 April 2020 to March 2021) that was conducted in the fiscal year ended March 31, 2022. Details are described below.

Major issues identified	Responses
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Reviewed agenda items to be addressed by and a structure for reporting to the Audit Committee in line with organizational revisions executed in the fiscal year ended March 31, 2021 to place the internal audit functions under its direct supervision • Enhanced the content of reporting associated with internal auditing, including the content of audit items, audit results, the evaluation of the quality of internal audits, and the status of efforts to provide audit insights to the audited departments • Enhanced opportunities for internal auditors to bring direct reporting to the Audit Committee and receive direct instructions and suggestions from committee members
<ul style="list-style-type: none"> • The need to flexibly identify audit subjects and themes by taking into account the prevailing circumstances 	<ul style="list-style-type: none"> • Closely examine audit subjects and themes based on risk assessment and ongoing auditing while taking steps, such as proposing new subjects for theme-based audits, in a timely manner • Report other matters than agenda items for regular meetings to the Audit Committee in a timely manner

2. Evaluation items addressed in Effectiveness Evaluation

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

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

Based upon results of the Preliminary Evaluation submitted by each committee member and the exchange of their opinions with regard to such results, the Effectiveness Evaluation confirmed that the committee has properly fulfilled its duties in accordance with in-house rules for the Audit Committee and those for audits undertaken by the Committee because the overall effectiveness of the Committee was improved in light of the enhancement of audit functions via its direct supervision over the Company's internal audit functions and increased flexibility in the identification of audit subjects and themes.

(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 maintain and enhance the positive effect of an organizational structure in which the internal audit functions remain under the Committee's direct supervision
 - The need to enhance the content of information available to the Committee to enable it to engage in meaningful deliberations

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 2020 to June 2021) that was conducted in the fiscal year ended March 31, 2022. Details are described below.

Major issues identified	Responses
<ul style="list-style-type: none"> • The need to ensure appropriate and effective information disclosure 	<ul style="list-style-type: none"> • Began disclosing matters related to performance-linked compensation (indicators used to determine performance-linked compensation, reasons for selecting such indicators, the content of such compensation being paid thus far, etc.) to upgrade the Company's information disclosure practices to a level equivalent to that of listed companies
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Confirmed the appropriateness of the level of remuneration 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 continue deliberation on the future direction of medium- to long-term performance-linked compensation 	<ul style="list-style-type: none"> • Continued with discussions regarding the next Medium-Term Business Plan through, for example, the sharing of issues to be addressed in the course of determining the proportion of medium- to long-term performance-linked compensation in officer remuneration • Organized concepts to be applied to the payment of such compensation to individuals who step aside from their positions during the period of the Medium-Term Business Plan

Initiatives to Enhance Our Governance Structure

2. Evaluation items addressed in Effectiveness Evaluation

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

3. Summary of Effectiveness Evaluation and issues identified

(1) Summary of Effectiveness Evaluation

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

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

(2) Issues identified

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

- The need to enhance the content of onsite explanations provided in the course of determining the level of remuneration with regard to the evaluation of each recipient
- The need to discuss the upgrading of relevant information disclosure through surveys and research of information disclosure of external corporations
- The need to make it easier to check information sources that provide a basis for the verification of the appropriateness of the level of remuneration and visualize the process for such verification

Status of the Audit Committee's activities

1. Organization and staffing

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

2. Meeting frequency and attendance

In the fiscal year ended March 31, 2022, the Audit Committee met on 15 occasions in line with a general rule of holding face-to-face meetings monthly in addition to utilizing remote meeting systems, with sufficient measures being in place to prevent infection with COVID-19. Attendance by each committee member is as described below.

	Name	Number of Meetings	Number Attended
Outside director	Teruo Kise	15	15
Outside director	Miyako Suda	15	15
Outside director	Keiko Kitamura	15	15
Outside director	Tatsuo Uemura	15	15
Internal director	Seiichiro Utsubo	4	4
Internal director	Takashi Kikugawa	11	11

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, 2022 were (1) the status of initiatives to strengthen the Company's structure for managing insurance solicitation, (2) the status of

initiatives to develop a structure for promoting digital transformation (DX) and (3) the status of initiatives to contribute to the SDGs.

4. Status of committee activities

- With internal audit functions offered by the Audit Department placed under its direct supervision, the Audit Committee secured opportunities to receive direct reports from individuals responsible for internal auditing 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 work in close collaboration with the Audit Department through robust reporting and deliberation.
- The Committee held sessions, both periodically and as necessary, to receive reporting and exchange opinions on such topics as the development and operational status of the Group's internal control systems and the progress of the Medium-Term Business Plan. Attendees who provided such reports and contributed their opinions at these sessions included executive officers who supervise departments in charge of internal control (the Compliance Control Department, Risk Management Control Department, Customer-Oriented Service Department, Profit Management & Actuarial Department, and Corporate Planning Department) as well as top management members responsible for Group management in addition to the President, Representative Executive Officer and Group CEO.
- 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 by incorporating diversified perspectives into evaluation and otherwise enhancing the content of

evaluation items. In addition, the Committee engaged in deliberations with KPMG AZSA LLC (from which accounting auditors are dispatched) to select candidates for key audit matters (KAMs) and received reporting from this firm with regard to the status of its audit activities while requesting explanation as necessary.

CEO succession plan

To secure stable and sustainable growth, Meiji Yasuda has in place the CEO Succession Plan to identify future CEO candidates who can be entrusted with the Company's business endeavors in the next generation. To this end, the succession plans were formulated and are implemented by the Outside Directors Council consisting of all the six outside directors. The Outside Directors Council is tasked with playing a central role in these endeavors based on a belief that all outside directors, which account for a majority in the Board of Directors, should participate in discussion regarding the formulation and implementation of the CEO Succession Plan.

As desirable traits for its CEO candidates, Meiji Yasuda has positioned a drive for contribution, a forward-looking mindset, a customer-oriented perspective, and organizational leadership

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	Breakdown		
			Basic compensation	Performance-based compensation	Other
Directors	10	¥271 million	¥243 million	¥23 million	¥4 million
Executive officers	18	¥1,072 million	¥570 million	¥496 million	¥5 million
Total	28	¥1,344 million	¥814 million	¥519 million	¥10 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 74th Regular Board of Policyholder Representatives Meeting held on July 2, 2021 as well as two executive officers who stepped aside from their positions on the same date.
- 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 ¥121 million and ¥25 million, respectively, to 59 directors and 16 corporate auditors who previously retired as annuitants.
- On July 2, 2021, 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- to 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 single-year operating results and a portion linked with the evaluation of individual achievements during the most recent fiscal year as well as medium- to long-term performance-linked compensation linked with operating results for the period of the previous Medium-Term Business Plan. This compensation shall be determined within certain limits based on the recipient's position and duties, with consideration given to the Company's operating results as well as individual contribution to corporate performance.
- Remuneration 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 42.1% to 53.0% (based on compensation paid for the fiscal year ended March 31, 2022).

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 evaluation indicators selected among management targets in addition to taking into account the qualitative assessment of such external conditions as the economic environment. These evaluation indicators include the number of customer contacts and the number of advisors. In the course of calculating performance-based compensation paid for the fiscal year ended March 31, 2022, the weighted average ratio of achievements vis-à-vis these evaluation indicators stood at 103.5% 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 executive officers for the fiscal year ended March 31, 2022 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

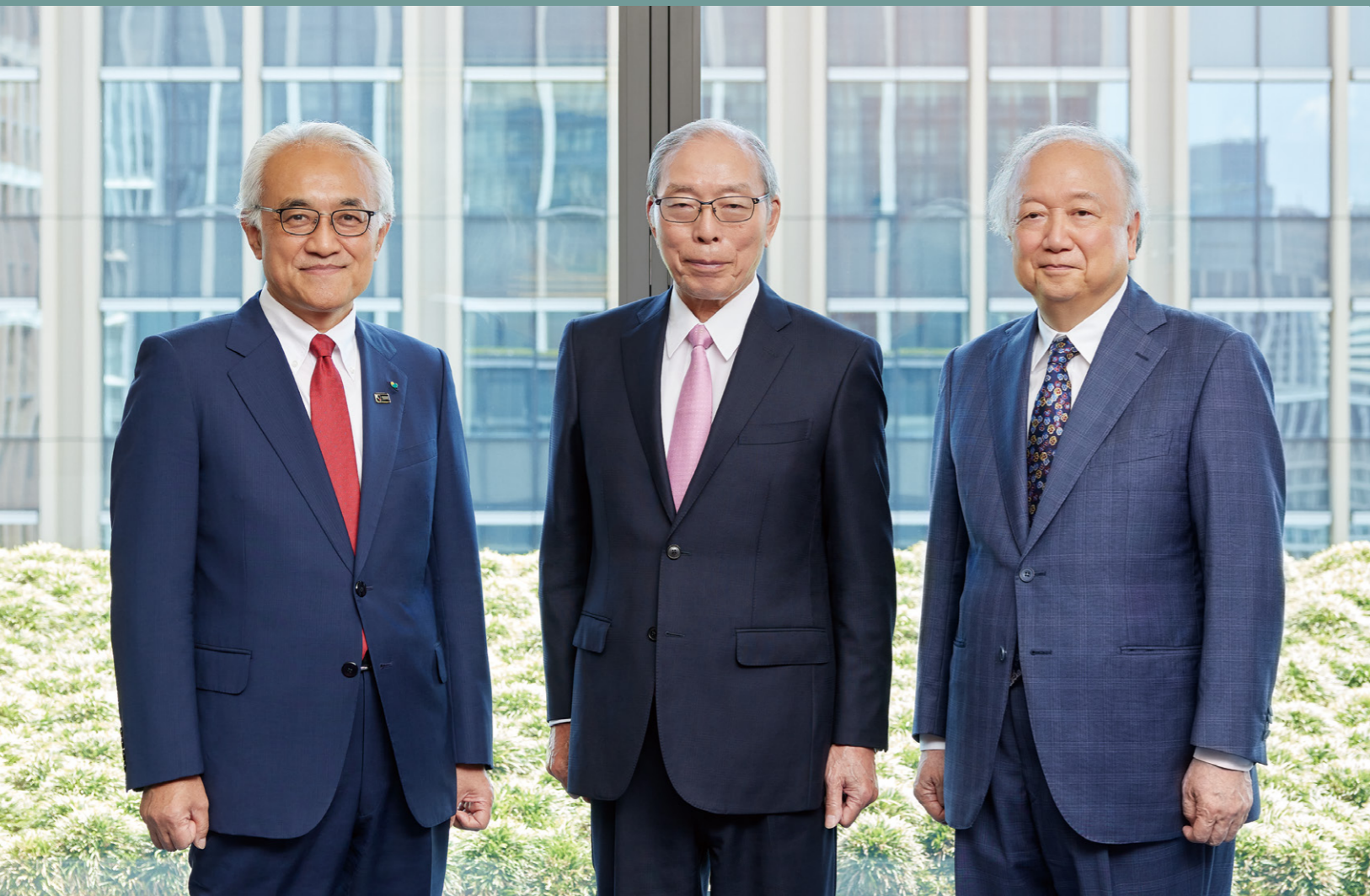
Name	Position	Total amount	Breakdown		
			Basic compensation	Performance-based compensation	Other
Akio Negishi	Chairman of the Board	¥127 million	¥99 million	¥23 million	¥4 million
Hideki Nagashima	Director, President, Representative Executive Officer	¥122 million	¥62 million	¥56 million	¥2 million

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 Chairman of the Board

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

Teruo Kise Outside Director

- 1970 Joined TOYO TOKI CO., LTD.
(current TOTO LTD.)
- 1996 Director, TOYO TOKI CO., LTD.
- 2000 Director, Executive Managing Officer,
TOYO TOKI CO., LTD.
- 2002 Director, Executive Senior Managing
Officer, TOYO TOKI CO., LTD.
- 2003 President, Chief Executive Officer,
TOYO TOKI CO., LTD.
- 2009 Representative Director,
Chairman of the Board, TOTO LTD.
- 2014 Director, Advisor, TOTO LTD.
Advisor, TOTO LTD.
Director, Meiji Yasuda Life Insurance
Company
- 2017 Senior Advisor, TOTO LTD. (incumbent)

Tatsuo Uemura Outside Director

- 1986 Professor, Department of Law,
Senshu University
- 1990 Professor, Department of Law,
Rikkyo University
- 1997 Professor, School of Law,
Waseda University
- 2002 Professor, Waseda Law School and
School of Law, Waseda University
- 2003 Director, Waseda Institute for
Corporation Law and Society
"The 21st Century COE and
Global COE"
- 2004 Professor, Faculty of Law,
Waseda University
- 2006 Dean, Faculty of Law and
School of Law, Waseda University
- 2008 Director, Waseda Institute for
Corporation Law and Society
"The Global COE"
- 2019 Emeritus Professor,
Waseda University (incumbent)
- 2020 Director, Meiji Yasuda Life Insurance
Company (incumbent)

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

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

In the following roundtable, Mr. Teruo Kise and Mr. Tatsuo Uemura, both of whom serve as outside directors at Meiji Yasuda, and Mr. Akio Negishi, Chairman of the Board, exchange opinions on initiatives undertaken by the Company to upgrade the way the Board of Directors operates, as well as its corporate governance.

Securing even clearer separation between management supervisory and business execution functions by appointing a non-executive director as Chairman of the Board

Negishi At Meiji Yasuda, six out of 11 directors are outside directors, making up the majority of the Board of Directors. Our ongoing efforts to enhance its supervisory functions and transparency resulted in this composition. At each meeting, Board members contribute diverse opinions, including those employing the perspective of policyholders and other stakeholders. Thus, Board discussions are active and involve the vigorous exchange of opinions.

The role of directors is to participate in the Board of Directors, which aims to operate as a "monitoring board," and to play their part in the Company's important decision making, with the aim of properly exercising supervision over management. From the standpoint of a corporate manager, directors are expected to fulfill check-and-balance functions especially when the manager is asked to handle a difficult decision that could lead to missteps. In July 2021, I became Chairman of the Board while stepping aside from the executive officer position. This was intended to secure even clearer separation between management supervision and business execution. Prior to that, I had served as President for eight years. Over the course of this period, including a couple of years in which I had concurrently served as Group CEO, I felt that the presence of outside directors has been quite helpful. As Chairman of the Board, I currently strive to take the lead in boardroom deliberation to make it constructive



by leveraging my experience as President and Group CEO. Specifically, I endeavor to clarify points to be discussed at each meeting and thereby enhance the quality of the Board of Directors' discussions.

Q Please share your thoughts on the operation of Meiji Yasuda's Board of Directors and its effectiveness.

Kise To date, Meiji Yasuda has undertaken a variety of initiatives to upgrade its corporate governance. The Board of Directors has maintained appropriate size in terms of its membership while engaging in unfettered discussions. I think that the effectiveness of the Board of Directors' operation is quite high and it has been able to robustly exercise supervisory functions. Moreover, the Outside Directors Council is involved in the deliberation of succession plans, discussions with top management of StanCorp Financial Group (the largest overseas Group company) regarding management strategies, and the formulation of the Medium-Term Business Plan. In these and other ways, outside directors effectively fulfill unique functions that can rarely be seen at other companies. Personally, I was especially delighted



about the appointment of President Nagashima in 2021 as our council has spent a considerable amount of time discussing succession plans. In addition, executive members robustly respond to diverse opinions voiced by outside directors. In sum, I find my duties as an outside director truly rewarding. At the same time, I have developed a strong sense of duty to seriously take on roles I am expected to perform.

Negishi In the past, Meiji Yasuda received administrative measures and, has since then, striven to regain public trust by heeding advice from a variety of stakeholders. This process has, in turn, fostered within us a corporate culture of listening sincerely to external voices and incorporating them to improve our mode of operations.

Kise In the course of the Effectiveness Evaluation undertaken by the Board of Directors, each director gives his/her evaluation of its effectiveness and subsequently takes part in interviews to identify issues to be tackled. These issues are then addressed by the Board of Directors via open exchange of opinions and constructive discussion involving all directors. These endeavors are focused on determining the direction of future initiatives aimed at making improvements. The Company also publicly discloses the summary of results of the Effectiveness Evaluation. Due to the operation of a PDCA cycle as described above, I feel the Board of Directors' effectiveness has been improving year by year.

Furthermore, during Board of Directors meetings, the Chairman often helps us by clarifying points to be discussed and providing supplementary explanations after executive members have answered our questions. In these undertakings, Mr. Negishi does leverage his insights, backed by experience as President; he strives, however, not to take sides with executive members. For example, he occasionally nudges the President to provide explanations on certain matters instead of speaking himself. I expect his approach to help the Company achieve further improvement in the aspect of corporate governance.



Uemura It has been three years since I took office as outside director at Meiji Yasuda, and I have concluded that its Board of Directors maintains a quite well-balanced composition. Outside directors include excellent corporate managers who provide advisory functions as well as academic experts who contribute specialist opinions. Since Meiji Yasuda is seriously striving to improve corporate governance, all of its outside directors share a sense of mission to seriously fulfill their expected roles. Thus, although the Board of Directors sometimes spends many hours for meetings, the quality of its discussions is pretty high.

Negishi Taking part in the Board of Directors and the Outside Directors Council myself, I can clearly see that all the outside directors respect the opinions of their peers, who bring keen insights and rich experience in differing fields, while frankly sharing what they really think in the course of discussions.

Uemura Outside directors are expected to do their best to fulfill their fiduciary duty as a good manager and provide robust monitoring. However, their monitoring cannot be effective unless they are well-versed in management information. To that end, an approval process backed by careful listening, accurate understanding and solid conviction is of the utmost importance. Moreover, the Board of Directors must always be positioned to receive timely reports on important issues and obtain relevant information. In this regard, Meiji Yasuda's Board of Directors assiduously studies actual cases of misconduct at other companies and focuses on utilizing takeaways from such cases. Because of these and other initiatives, I can assure that governance functions in place at the Company are robust.

In addition, the Chairman of the Board collects management information to aid in the operations of the Board of Directors and to support the advisory functions of outside directors. The Chairman also maintains frequent communications with executive members. Meanwhile, President Nagashima provides easy-to-understand explanations on such matters as underlying concepts behind various reforms. As a result, the quality of the Board of Directors' discussion is at a high level. I thus believe that the Board of Directors is properly assisting executive members in decision making and risk-taking.

For example, we were sufficiently informed about the MY Link Coordinator system prior to its introduction and had intensive discussion regarding the system's impact on Meiji Yasuda's business operations. This, in turn, enabled us to gain in-depth understanding of the system's unique nature as an integral component of the Four Major Reforms and the Two Major Projects. I think receiving trustworthy and reliable explanations from executive members is very important in a process of this kind. In this light, we were able to confirm their trustworthiness in the course of day-to-day engagement. I also believe that such trust also helps us enhance corporate governance.

Q What do you think important about Meiji Yasuda's initiatives to achieve sustainable improvement in corporate value?

Negishi In 2017, we renewed our corporate philosophy, establishing the Meiji Yasuda Philosophy consisting of the Management Philosophy, Corporate Vision and Meiji Yasuda Values. In the fiscal year ended March 31, 2022, we also engaged in discussion involving outside directors regarding the revision of the Corporate Vision. This discussion led us to a decision to add “relationship with future generations” to the conventional list of key stakeholder relationships (“relationship with customers,” “relationship with local communities” and “relationship with fellow workers”) in April 2022.

Although the external environment continues to be highly uncertain, we will strive to overcome our present challenges by using the Meiji Yasuda Philosophy as a compass.

Kise In the course of formulating the Meiji Yasuda Philosophy, the Board of Directors discussed this subject on a number of occasions, with outside directors proactively contributing their opinions. I am confident that the resulting philosophy is quite good. I also feel that the philosophy is steadily gaining the widespread support of employees. When I joined a meeting aimed at exchanging opinions with female managers in 2021, I found that many attendees spoke about the philosophy in their conversations. I believe that Meiji Yasuda can become an even better company should each officer and employee take time to reflect upon the significance of their jobs and discover how relevant the philosophy can be to them. I think this would naturally help the Company

enhance its corporate governance to the best possible level. Moreover, if MY Link Coordinators—frontline sales personnel who come into direct contact with customers—fully understand the philosophy and strive to embody it through their action, the philosophy would then be understood by customers. This will, in turn, result in the widespread public understanding of Meiji Yasuda's goodness and better position the Company to win new customers.

I, too, will do my best to support officers and employees who strive toward their targets, hoping to make Meiji Yasuda the best company in the world.

Uemura Meiji Yasuda's corporate governance is at a remarkably high level. The Company also adopts a number of cutting-edge governance practices. However, corporate governance can collapse overnight unless leaders stay vigilant, and rebuilding corporate governance requires grueling efforts.

I often state at Board of Directors meetings that the Board should take more time to discuss what can be done in “peacetime” in preparation for emergencies. The Company takes my input seriously and is responding accordingly. This is where I admire Meiji Yasuda. Looking ahead, I expect the Board of Directors to launch deliberations regarding the further upgrading of corporate governance via, for example, the redefinition of roles to be fulfilled by Chairman of the Board.

In addition, the Board of Directors is currently engaged in discussion over initiatives aimed at helping create a sustainable society and the status of their progress. As an insurer whose functions are expected to supplement the social security systems, Meiji Yasuda has been keenly aware of its mission of contributing to the public good and, therefore, has naturally chosen to take on the United Nations SDGs and address ESG issues. I believe that the Company could be confident about its track record in these endeavors, and I expect it to keep up the good work while striving to remain up-to-date in this area.

Negishi Taking heed of opinions and suggestions from outside directors, I will ceaselessly strive as Chairman of the Board to upgrade Meiji Yasuda's corporate governance. At the same time, I will continue to do my utmost to facilitate unfettered discussions between executive members and outside directors so that we can live up to the expectations of policyholders and other stakeholders.



Directors, Executive Officers and Operating Officers

(As of July 5, 2022)

Directors



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
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



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

* Representative Executive Officer
** Outside Director

(As of July 5, 2022)

Executive Officers

Executive Officers

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

Senior Managing Executive Officers

Teruki Umezaki	Group Chief Compliance Officer
Atsushi Nakamura	

Managing Executive Officers

Shinji Nakatani	Chief Executive, Public Marketing Division
Koichi Nagao	
Masanao Kawamura	Chief Executive, Corporate Marketing Division
Yasushi Ueda	Group Chief Risk Officer
Toshiyuki Sumiyoshi	
Kenji Fukui	Group Chief Actuary
Shinji Makino	
Nobuyuki Aoto	
Yoshiichi Asano	
Daisaku Shintaku	
Nobuhiro Nakamura	Chief Executive, Individual Insurance Marketing Division
Takeo Ueda	

(As of July 5, 2022)

Operating Officers

Managing Operating Officers

Shiro Kishimoto	Chief General Manager, Kanagawa Marketing Headquarters
Masanori Takano	Deputy Chief Executive, Public Marketing Division
Yoshiya Kato	Chief General Manager, Osaka Marketing Headquarters
Kenji Soejima	Chief General Manager, Tokyo Marketing Headquarters

Operating Officers

Shinji Misawa	Chief General Manager, Fukuoka Marketing Headquarters
Tsuyoshi Yasuda	Chief General Manager, Saitama Marketing Headquarters
Takeshi Kanayama	Chief General Manager, Nagoya Marketing Headquarters
Yasuhiro Nagata	General Manager, Digital Strategy Department
Yoshimasa Osaki	General Manager, Investment Planning & Research Department
Kenichi Arai	General Manager, Agency Department
Yutaka Taguchi	Responsible for the matters relevant to StanCorp
Takashi Moriguchi	General Manager, Corporate Market Development Department
Hiromasa Okada	Chief General Manager, Chiba Marketing Headquarters
Yoshiaki Kanazawa	General Manager, Customer Service Planning & Administration Department
Keiko Katayama	General Manager, Human Resources Department
Toshiya Watanabe	General Manager, Corporate Planning Department

Development and enhancement of the internal control system

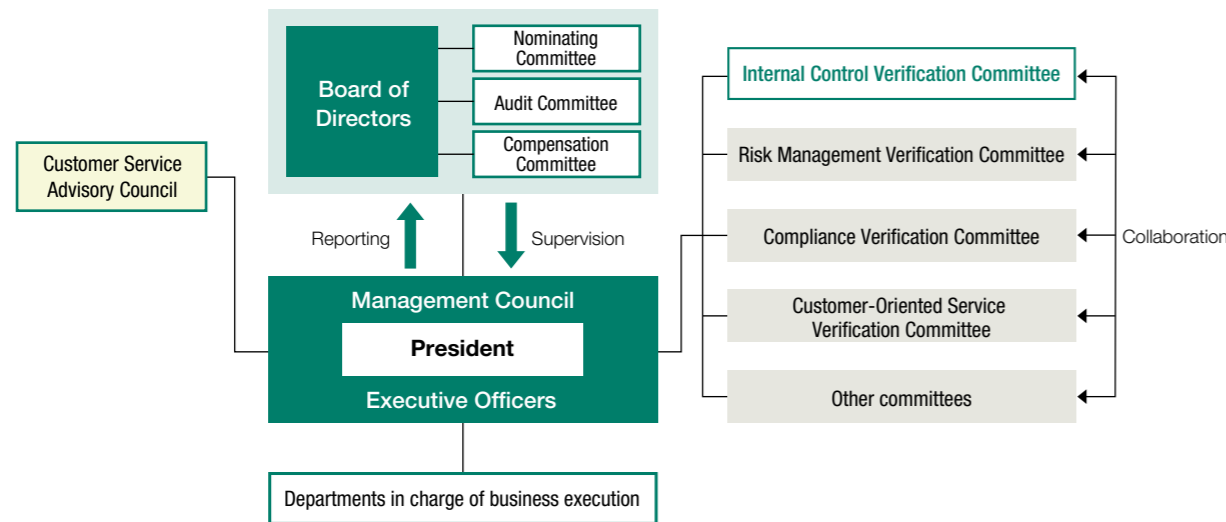
Meiji Yasuda established the Basic Policy of Group Internal Controls that guides its initiatives to develop and maintain sophisticated internal controls. Moreover, the Company set up the Internal Control Verification Committee, an advisory body to the Management Council with the aim of deliberating various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

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

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

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

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



📖 Basic Policy of Group Internal Controls

In accordance with the revision of the Insurance Business Act following the enforcement of the Company Act in May 2006, the Company's Basic Policy of Group Internal Controls is defined as a matter that should be resolved at its Board of Directors meeting. Within this policy, Meiji Yasuda has established basic policies governing such matters as its Audit Committee 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 internal audit structure so that auditors, who take a risk-based, forward-looking approach, can proactively provide audited departments with audit findings in a way that helps them improve organizational performance and operational quality.

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

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

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

Initiatives to maintain and enhance the quality of internal audits

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

Also, we have striven to constantly enhance the quality of internal auditing, to this end carrying out the periodic evaluation of audit quality. In 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 (FY2018).

ERM and Risk Management Structure

Our position on ERM and risk management

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

Enterprise risk management (ERM)

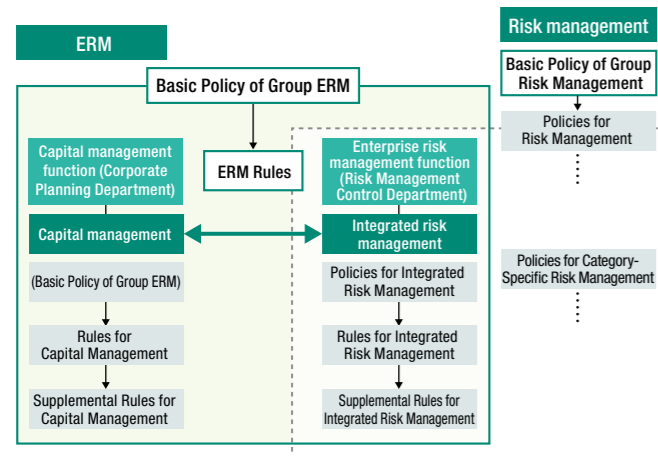
A business management method aimed at quantitatively controlling risk, return, and capital for the entire corporation on an economic value basis via the formulation of basic policies for risk aversion. ERM also defines the types of risks a corporation is willing to take. Through these activities, ERM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

ERM structure

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

In the fiscal year ended March 31, 2022, we formulated and announced the “Management Policy Aligned with the Level of Financial Soundness.” We have also established the “ERM Operational Meeting,” a body tasked with deliberating important matters related to ERM. In these ways, we have secured a robust structure for assessing the outlook for the financial environment and ESR so that we deliberate and implement risk control measures accordingly.

ERM and risk management policies and rules



The ERM framework in operation

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

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

Positioning of the ERM Operational Meeting



Economic solvency ratio (ESR)

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

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

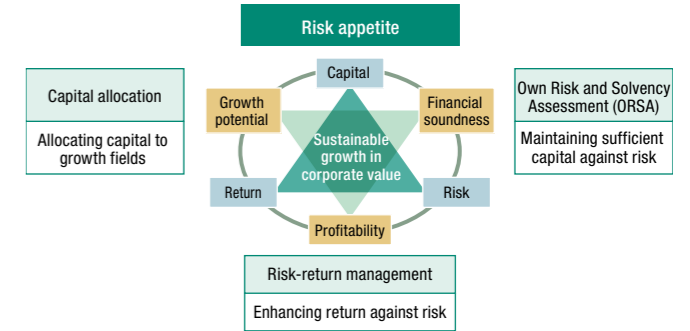
the types and levels of acceptable risk, the Company engages in capital allocation, risk-return management and Own Risk and Solvency Assessment (ORSA) in an integrated manner.

Our Group ESR stood at 211% as of March 31, 2022, indicative of a sufficient level of financial soundness. This was due to the effect of the Company’s efforts to curb domestic interest rate risks and other risk control measures, as well as the external financing of capital.

In the three-year program launched in April 2021, we continuously utilize our ERM framework by focusing on pursuing risk-taking in line with the level of ESR and practicing our policy for the payout of policyholder dividends. At the same time, we will strive to enhance the effectiveness of our ERM-based business management in preparation for the introduction of economic value-based capital regulations scheduled for the fiscal year ending March 31, 2026.

Risk appetite

At Meiji Yasuda, risk appetite designates the types and levels of risk the Company is willing to take. It clarifies the Company’s targets for risk and returns, which, in turn, are utilized to direct its decision making and manage its business activities. The Company’s Risk Appetite Policy is set forth in its Basic Policy of Group ERM and serves as a key element supporting business plan formulation and operations management. In addition, the



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

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

Outline of Meiji Yasuda’s risk appetite

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

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

Capital allocation

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

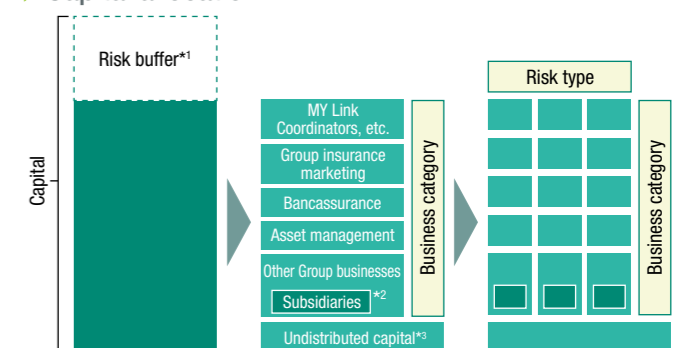
Risk-return management

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

Own Risk and Solvency Assessment (ORSA)

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

Capital allocation



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

*2 Directly allocate capital to important subsidiaries

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

Utilizing ERM in Group management

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

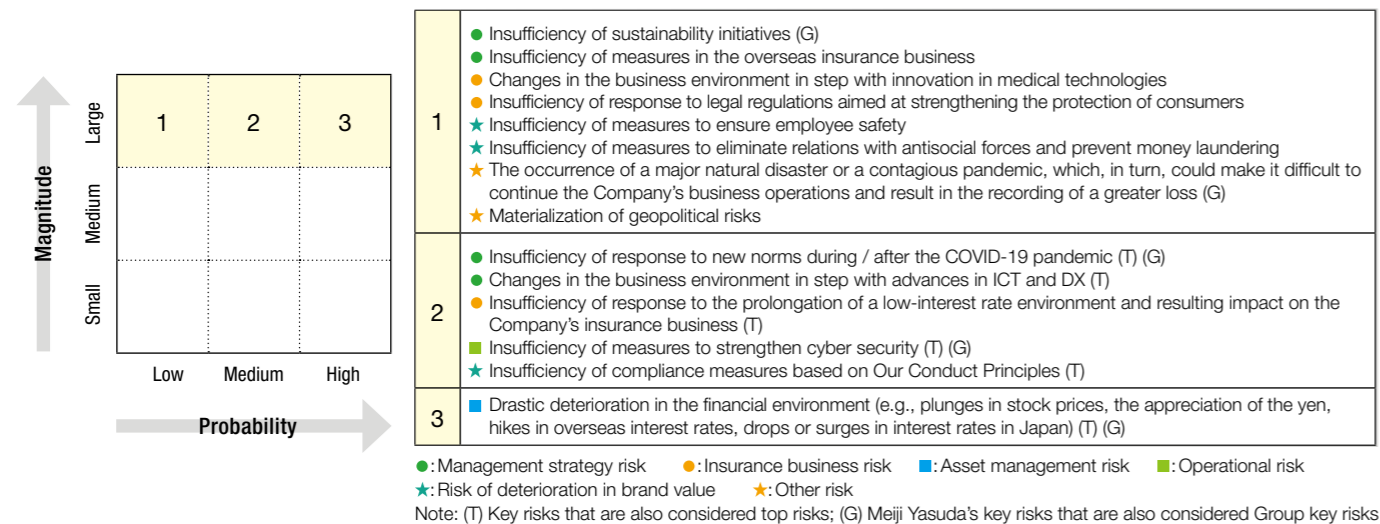
Top risks

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

Our responses to these top risks are stipulated as priority measures, which constitute key components of the annual business plan. Moreover, we monitor the status of our response to such risks, with the aim of ensuring robust risk control through the preemptive implementation of necessary countermeasures and securing our ability to take flexible action whenever a top risk materializes. The following table lists the top risks that we have identified and are responding to during the fiscal year ending March 31, 2023 (as of May 2022).

Top risks	Corresponding key risks
<ul style="list-style-type: none"> Insufficiency of response to changes in customer awareness and behavior in the wake of the COVID-19 pandemic 	<ul style="list-style-type: none"> Insufficiency of response to new norms during / after the COVID-19 pandemic
<ul style="list-style-type: none"> Insufficiency of response to changes in the financial environment 	<ul style="list-style-type: none"> Insufficiency of response to the prolongation of a low-interest rate environment and resulting impact on the Company's insurance business Drastic deterioration in the financial environment (e.g., plunges in stock prices, the appreciation of the yen, hikes in overseas interest rates, drops or surges in interest rates in Japan)
<ul style="list-style-type: none"> Insufficiency of measures to achieve the elimination of compliance violations, a goal for the MY Link Coordinator system 	<ul style="list-style-type: none"> Insufficiency of compliance measures based on Our Conduct Principles
<ul style="list-style-type: none"> Insufficiency of response to the acceleration of the digital shift across society and other changes in the business environment 	<ul style="list-style-type: none"> Changes in the business environment in step with advances in ICT and DX Insufficiency of measures to strengthen cyber security

Magnitude and probabilities of key risks (fiscal year ending March 31, 2023)



Risk management structure

The department in charge of overall risk management (Risk Management Control Department) develops and promotes the overall risk management system, integrating our risk management structure. It monitors and supervises the overall status of risk management while also providing expert advice to departments in charge of category-specific risk control and departments in

charge of risk management, both of which are established to handle category-specific risk. Moreover, the Risk Management Verification Committee serves as an advisory body for the Management Council, with the aim of ensuring regular monitoring and appropriate control of all manner of risks. To enhance the effectiveness of our risk management, the Audit

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

Integrated risk management

In addition to maintaining an integrated risk management framework to handle all category-specific risks, Meiji Yasuda pays close attention to the risk associated with its entire operations. More specifically, the Company performs risk management employing a PDCA cycle, in which it undertakes the quantitative and qualitative evaluation of risk, including potential risks that may significantly impact its business operations, while monitoring and controlling for such risk. The Company also employs Own Risk and Solvency Assessment (ORSA), a process for verifying the appropriateness of its risk-taking strategies, as a core methodology to promote integrated risk management.

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

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

ALM risk management

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

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

Key risk management

Meiji Yasuda identifies key risks that can cause significant loss to the Company, taking into account the impact of these events

on its business operations based on their magnitude and probabilities. These risks include drastic deterioration in the financial environment (e.g., plunges in stock prices, the appreciation of the yen, hikes in overseas interest rates, drops or surges in interest rates in Japan) as well as the occurrence of a major natural disaster or a contagious pandemic, which, in turn, could make it difficult to continue the Company's business operations and result in the recording of a greater loss. 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.

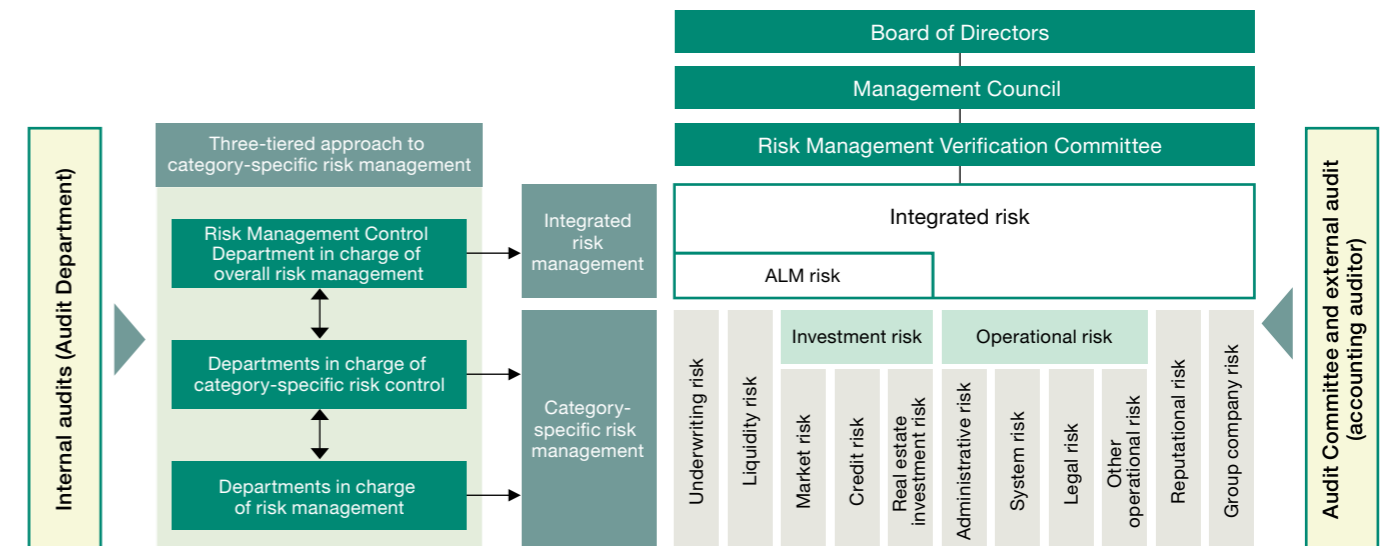
Stress tests

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

Countermeasures to major disasters, etc.

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

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

fulfill our public and social responsibilities as a life insurer. These BCPs assume the disruption of functions provided by Meiji Yasuda's headquarters in Tokyo, the suspension of the Company's main system and other incidents involving grave and serious damage.

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

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

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

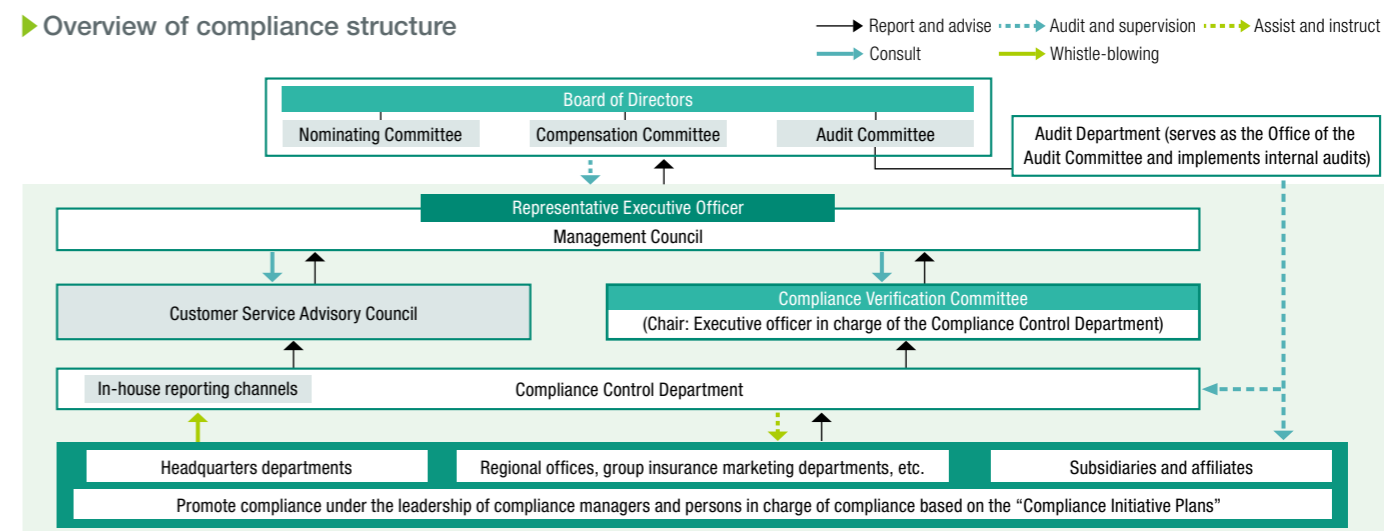
Meiji Yasuda has put the Compliance Control Department in place to carry out integrated management of compliance issues throughout the Meiji Yasuda Life Group. In addition to spearheading the development and updating of the Group's compliance structure, this department maintains cooperation with compliance 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 Link Coordinators, 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



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 com-

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

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

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

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

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

We are striving to upgrade our management structure in accordance with in-house rules governing countermeasures against and responses to money laundering and the financing of terrorism while referring to the Financial Services Agency’s Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism and other inputs published by supervisory authorities.

In addition, we have established “Basic Policy of Group Managing Conflicts of Interest.” These policies are intended to ensure the appropriate management of transactions that may

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

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

Our response to antisocial forces

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

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

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, we actively maintain a solid IT governance structure, with the Management Council and other important bodies engaging in the formulation of relevant rules and the Board of Directors receiving reports as necessary to exercise supervision on these matters.

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

In the fiscal year ended March 31, 2022, we invested around ¥30.0 billion in IT system development projects, especially those aimed at acquiring competitive advantages in and promoting expansion into growth fields.

Specifically, we developed IT systems associated with the upgrading of functions offered via “MY *Hoken* Page,” a no-physical-contact service platform. These systems included those supporting the expansion of web-based procedures that can be completed through this platform and the updating of its web-based enrollment scheme. In these and other ways, we have striven to further enhance customer convenience via the integration of human and digital capabilities. 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 Link Coordinators) retain no customer information, restricting the use of electronic recording media and executing the encryption of data transmitted to external entities via networks. 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.

Disclosure

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/>

