

Continued Efforts to Regain Trust

Customer-first Business Operations

Based on our Management Philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” Japan Post Insurance provides simple and easy-to-understand life insurance products with smaller coverage amounts to 19.38 million ^(Note) customers through the nationwide post office network.

To pursue the best interests of each of our 19.38 million customers, we formed a vision for customer-first business operations, along with the measures needed to ensure its realization in terms of our framework and business operations. We announced this on April 7, 2017 as our Basic Policy for Customer-first Business Operations. Even thereafter, we conduct annual reviews and make revisions to the Policy as necessary, based on the standpoint of solicitation quality issues, the Medium-Term Management Plan, and the need to improve customer experience value (CX).

The entire Company will work as one in an effort to further improve and develop customer-first business operations based on the “Basic Policy for Customer-first Business Operations.”

Note: The number of customers is the sum of policyholders and insured persons (including individual insurance and individual annuities as well as Postal Life Insurance reinsured by us).

▣ Basic Policy for Customer-first Business Operations (in Japanese)
https://www.jp-life.japanpost.jp/aboutus/company/abt_cmp_fiduciary.html

We have established and published a Solicitation Policy that reflects our customer-first philosophy. This is to ensure the practice of the basic behavior based on the principle of providing insurance coverage founded on high ethical standards which take the original roles and mission of life insurance into account.

▣ Solicitation Policy of Japan Post Insurance Co., Ltd. (in Japanese)
https://www.jp-life.japanpost.jp/policy/pcy_sol_index.html

Initiatives for and Progress on the Business Improvement Plan

We received orders from the Financial Services Agency (FSA) of Japan to suspend business (from January 1, 2020 to March 31, 2020) and improve business operations based on Article 132, Paragraph 1 of the Insurance Business Act on December 27, 2019. We submitted a business improvement plan to FSA on January 31, 2020, and have since been making regular reports on our progress. We thoroughly implemented the preventive countermeasures listed in the business improvement plan (creation of a healthy corporate culture, establishing an appropriate sales promotion plan, strengthening solicitation quality control and strengthening governance by the Board of Directors, etc.) and completed all of the measures. We will continue to verify the effectiveness of these measures and improve operations, including by making the necessary changes based on the results.

In response to the JP Reform Execution Committee’s ^(Note) evaluation, we have decided to discontinue our activities relating to the “Pledge to Regain Customers’ Trust” that we have been implementing since September 2020. However, we will continue our broader efforts to regain and earn the trust of customers going forward.

Note: The JP Reform Execution Committee was established to seek advice from external experts from a fair and neutral standpoint in April 2020, with a view to restoring public confidence in the Japan Post Group, and finished its activities in March 2022.

Strengthening the Service Provision System for Individual Customers

Recognition of the Environment and Basic Strategy

With the spread of COVID-19, in addition to the shrinking population due to the declining birthrate and the progress of a super-aging society, we believe that our role of providing peace of mind in response to various anxieties and needs that change with the times will continue to grow.

In these circumstances, from April 2022, we have initiated a new Japan Post Insurance sales system in which consultants of Japan Post Co. belong to our Retail Service Division and act as employees of Japan Post Insurance. Consultants concentrate on the proposal and follow-up of life insurance products, and we also transitioned to a new system (account manager system) where employees provide high-quality, attentive after-sales follow-up services to individual customers. In order to conduct meticulous follow-up for every customer under the account manager system, we designate employees who are responsible for each customer, and we are working to strengthen relationships of trust with customers by providing a wider range of higher quality services to all customers.

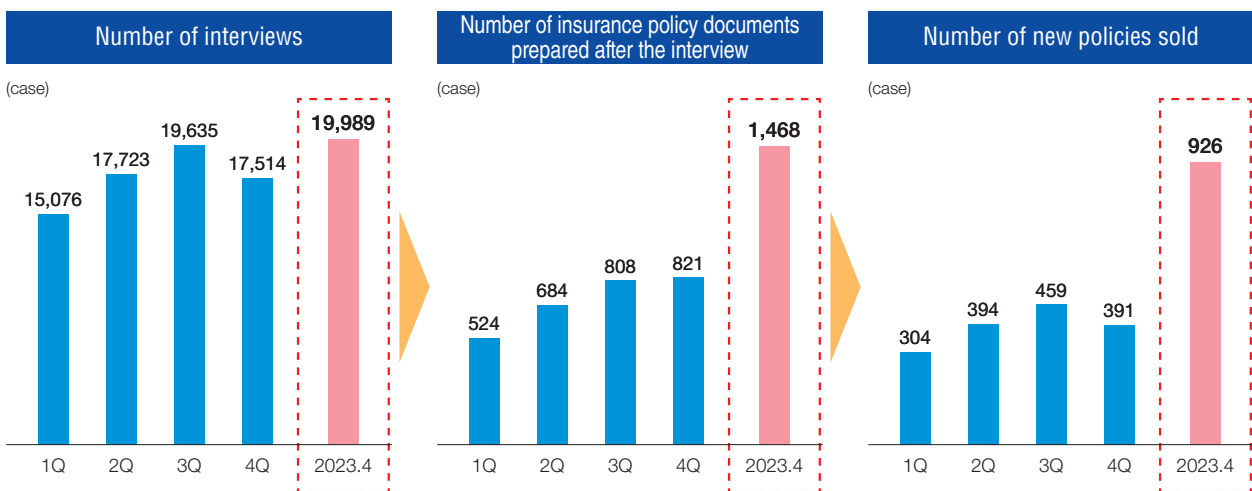
Through these efforts, we will build a true relationship of trust with our customers, and work to improve issues for each office and each consultant, and develop human resources. By doing so, we aim to provide better insurance services to our customers and continue to expand and grow the market.

Review of FY2022 and Initiatives for Future Sales Recovery

In FY2022, we worked to restore sales capabilities and the market by transitioning to and normalizing a new sales system, and rebuilding relationships of trust with customers by introducing an account manager system. Although we made progress in enhancing insurance services, such as by revising medical care riders, sales of new policies were limited to a moderate recovery.

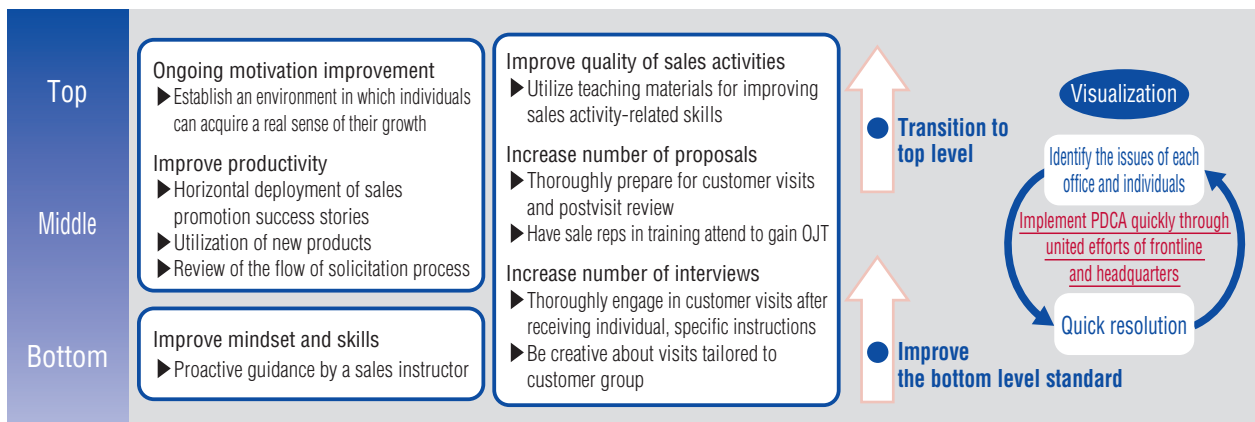
In early FY2023, while the number of cases related to the status of sales activities has increased from the previous fiscal year, there are still variations in the status of sales efforts depending on the office and consultant. Therefore, we will promptly implement measures according to the issues at each office, further raise the level of sales performance at all offices, especially those at mid-level, and work toward an early recovery in sales.

► Status of activities of the retail division (Retail Service Division)



Note: Average number of cases per business day in each month during the quarter. For April 2023, the average number of cases per business day in April.

► Support for consultants corresponding with the status of sales efforts



Efforts to Develop the Fundamental Strength of Our Sales Force

In order to strengthen the development of consultants, we will introduce a system that comprehensively and quantitatively evaluates the results and activities of consultants and visualizes their ability to build relationships of trust with customers and their degree of growth.

Furthermore, with the aim of establishing a company-wide sales promotion system and strengthening its functions, we will reorganize the sales divisions at the Head Office and reduce the functions of intermediate organizations, thereby shifting to a sales structure suitable for a direct management model.

By advancing reforms in personnel and organizational aspects through these initiatives, we will develop our fundamental strength of our sales force over the medium- to long term, which will lead to our further growth.

Introduction of a human resource development system to strengthen development

- Through comprehensive and quantitative evaluation of consultants' achievements and activity processes, visualize ability to build trusting relationships with customers and individual growth
- Pay incentives based on the grade. The system is also used to evaluate managers' skills in developing human resources

Restructuring of sales organization

- Restructure the sales organization at the headquarters to enhance functions such as marketing, etc.
- Established a department directly managing sales promotion at the headquarters along with reduction of the function of intermediary organizations (area headquarters), and establish a company-wide system. (Shift to direct management model)



- Restore the "Market" by promoting the growth of "People" and "Management"
- Increase the number of consultants with mid-tier sales performance, and allocate human resources according to the market by visualizing the sales capability at each operation base

Strengthen sales capability on a mid-to-long term basis and lead to further growth

We are working on sales activities that value our customers more than ever through our account manager system. SHIBAGUCHI Keita Retail Service Division, Osaka Fukushima Post Office, Osaka Branch

With the introduction of the account manager system, we are working on sales activities with the mindset of "We want to value every customer and want them to be happy." Because it is a manager system, we spend time together with our customers to resolve problems and concerns that they have.

One thing that made me happy while working to earn the trust of our customers was receiving letters of thanks from them. As an employee of the Retail Service Division, I think that there are still many things I can do for our customers, and I am working every day to that end. I will continue to do my best.



Strengthening the Service Provision System for Corporate Customers

Japan Post Insurance will contribute to sustainable growth of companies through close communication with managers, with the trust of corporate clients as the cornerstone of our activities.

We will also improve customer experience values based on reliable solicitation quality, by revising products to meet customer needs and improving business processes and systems.

Main initiatives

1 Enhancing human resource development and improving management capabilities

- We aim to provide useful help to managers through close communication with corporate clients, by strengthening our framework and offering better services. To this end, we will conduct employee training to further improve the expertise applicable to corporate management as well as manager training designed to enhance management capabilities of the organization.

2 Improving administration and systems

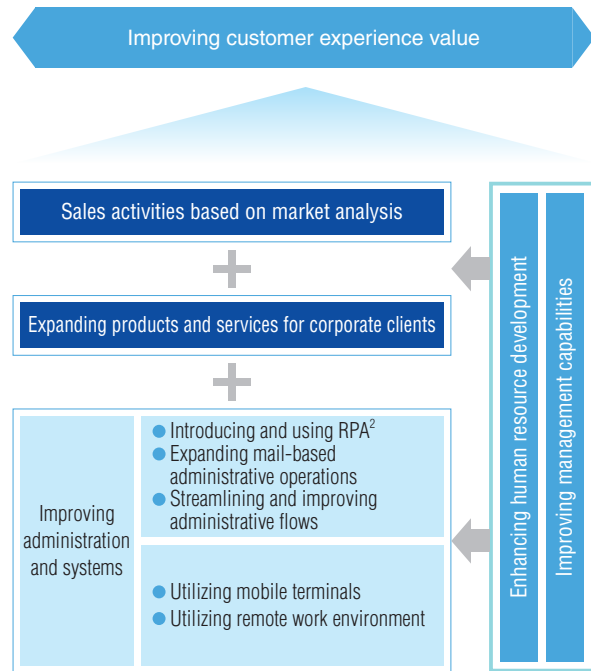
- We will improve customer services through DX¹ promotion and support the activities of sales personnel, to provide optimal solutions for customers.
- In October 2021, we began offering web-based interviews for our customers. This improves convenience by allowing them to conduct business negotiations and others in a remote environment without having to visit an office.

3 Expanding products and services for corporate customers

- We will revise current products to make them more useful, and enhance products and services in order to meet the diverse needs of managers. This will help companies in their efforts to boost benefits for employees and prepare funds for retirement allowances, among other efforts.

4 Sales activities based on market analysis

- We will provide beneficial information to customers through market analysis using database marketing, and perform sales activities with the aim of constantly providing optimal solutions.



Notes: 1. DX, an abbreviation for Digital Transformation, refers to transforming a company's products, services, and business models based on the needs of customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its operations, organizations, processes, corporate culture and climate to establish a competitive advantage.

2. RPA, an abbreviation for Robotic Process Automation, refers to the automation of operations by robots.

Vision of the Whole Sales Divisions

We have established the “Vision of the Whole Sales Divisions” as a foundation for the above activities. This vision sets the goals of the Whole Sales Divisions to be achieved, to fulfill our management philosophy.

All employees engaged in corporate sales are committed to customer-first activities to realize this vision.



Poster displayed in our offices

Every employee of the Whole Sales Divisions of Japan Post Insurance will continue the challenge of growing with customers and local communities

With the trust of customers as the foundation for all our activities, we will stay close to the intentions of managers through close communication, and continue to support sustainable growth of companies and the happiness of managers, employees, and their families.

We will take pride in our work, hone our expertise in life insurance, benefits, banking, tax affairs, and finance, and continue making every effort to consistently propose optimal solutions.

We will respect the corporate culture of valuing employees and keep contributing to the development of local economies and societies.

Enhancing Insurance Services

Recognition of the Environment and Basic Strategy

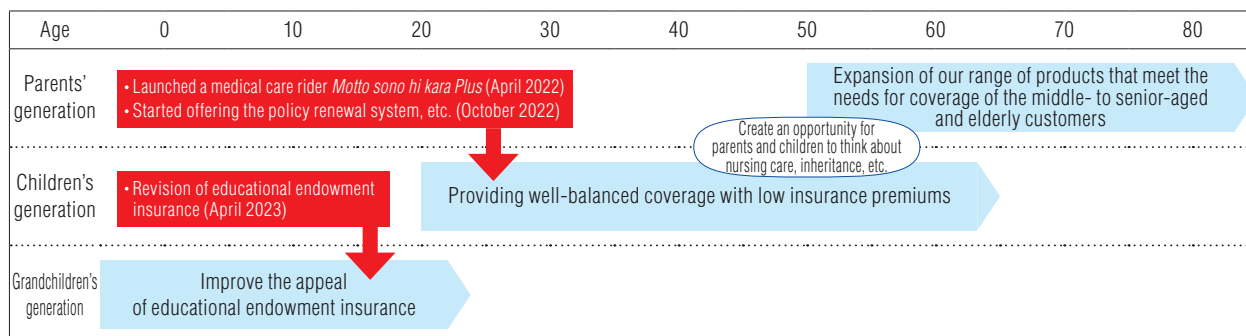
Japan Post Insurance is working to develop products mainly from the perspective of improving security and convenience, reflecting the conditions of social and economic environments and changes in customer needs.

For environmental changes, the average life expectancy is expected to keep growing, so we believe that needs will increase for healthy and rich post-retirement lives while preparing for longevity risks. The low-interest-rate environment is also expected to continue.

In light of this situation, in April 2022, we launched *Motto sono hi kara Plus*, a medical care rider that provides generous medical coverage at low insurance premiums. This product is the first new product that we have launched since June 2021, when Japan Post Holdings Co., Ltd. reduced the ratio of voting rights in the Company's shares to less than half and the additional restrictions on new operations under the Postal Service Privatization Act were relaxed and the system was shifted from a license system to a notification system. In October 2022, we introduced a policy renewal system that provides continuous coverage regardless of health conditions at the maturity of the policy term, and in April 2023, we changed the insurance premium rates of *Hajime no Kampo* (educational endowment insurance (H24)) to devise a plan with a return rate exceeding 100%. Going forward, we will provide well-balanced coverage with low insurance premiums to meet the needs of young and working-age customers. We will expand our products that meet the needs of coverage for the middle- to senior-aged and elderly customers in light of the age of the 100-year life. We will also research products to support customers' health promotion.

We will develop insurance services which meet the coverage needs of all generations and various scenes and provide insurance services connecting generations and services tailored to the lives of customers.

► Direction of insurance service development



Launch of *Motto sono hi kara Plus*, a medical care rider

We launched *Motto sono hi kara Plus*, a medical care rider, in April 2022.

Although recent advances in medical care have resulted in shorter hospital stays, some illnesses can result in lengthy hospital stays of several months. In addition, outpatient surgeries have become more established, accounting for about half of all surgeries. In response to this medical environment, we have enabled the provision of generous coverage for short-term hospitalization, long-term hospitalization, and outpatient surgery.

As of the most recent closing date (as of FY2023/3), the addition rate of medical care riders is approximately 90%. Approximately half of these customers are enrolled with an insurance amount for riders that exceeds the amount of the basic insurance policy.

This product has been well-received by customers, who have given feedback such as “I like that I can receive a lump-sum payment for 20 days even if I am hospitalized for only one day,” and “It is a good product with better coverage than past medical care riders.”

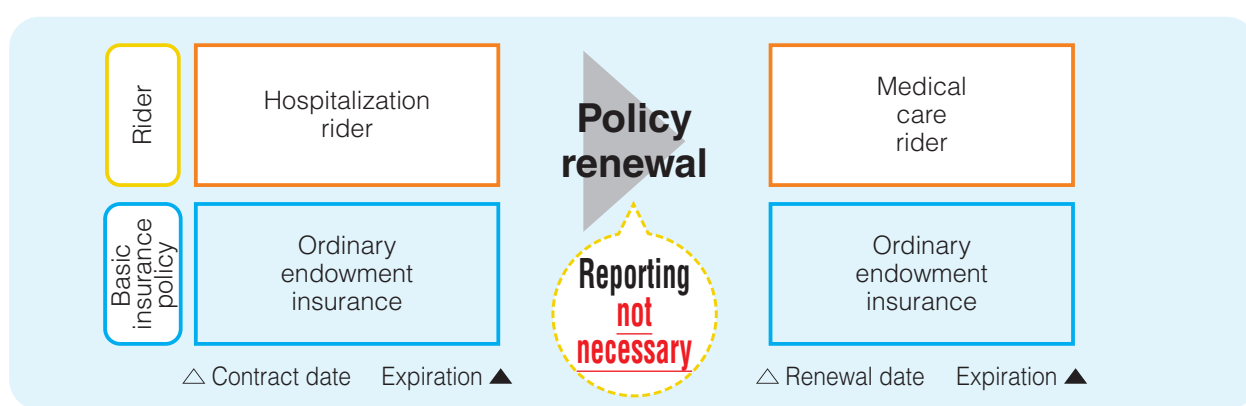


Started Offering the Policy Renewal System

In October 2022, we started offering a policy renewal system that allows customers to receive continued coverage without reporting their health status under certain conditions, when the policy term of applicable policies^(Note) expires. At the same time, we began offering ordinary term insurance (R04), which pays a fixed amount of death benefits until the expiration of the insurance period. We also started offering special endowment insurance, fivefold-type whole life insurance, and ordinary endowment insurance with relaxed underwriting criteria, with extended policy term or premium payment period, so that customers can receive long-term coverage at low premiums.

Note: Ordinary endowment insurance (including short-term payment type), special endowment insurance (twofold, fivefold, tenfold coverage types), ordinary term insurance, and ordinary term insurance (R04)

► Conceptual diagram of the policy renewal system



Revision of *Hajime no Kampo* (Educational Endowment Insurance (H24))

In April 2023, we revised *Hajime no Kampo* (Educational Endowment Insurance (H24)).

In response to the recent increase in educational expenses and customer demand, we changed the insurance premium rates and devised a plan with a return rate¹ exceeding 100%, to make it easier for parents to prepare for their children's educational funds.

Furthermore, in light of the current situation where many children go to prep schools as an after-school activity and the tendency² for prep-school costs to start increasing after a child turns 10, policyholders can now choose plans in which they can finish their premium payments by the time the child turns this age.

Notes: 1. The ratio of educational funds that may be received to the total amount of insurance premiums paid

2. Source: Ministry of Education, Culture, Sports, Science and Technology, "Survey on Educational Expenditures of Children 2021"



Japan Post Insurance and educational endowment insurance: No. 1 for number of educational endowment insurance policies in force!^{3,4}

In response to the rising enrollment rates in higher education and the increasing need for insurance that will help prepare for future educational funds due to rising educational costs, educational endowment insurance was launched in 1971, the first in the industry, as an insurance product from the post office. Since then, educational endowment insurance has been watching over the growth of countless children for nearly half a century. As of March 31, 2023, there are approximately 2.6 million policies^{4,5} in effect. Going forward, we will continue to watch over the lives of our customers through our familiar post offices and consultants nationwide.

Notes: 3. Source: Japan Institute for Insurance Research "Statistics of Insurance Business in Japan, 2021"

4. Includes certain types of educational endowment insurance that are not currently available

5. Includes only educational endowment insurance sold after privatization

Achieving Greater Depth and Sophistication of Asset Management

Recognition of the Environment and Basic Strategy

FY2022 became a year of significant fluctuations, as central banks around the world continued to raise policy interest rates substantially against the backdrop of historical inflation, with interest rates rising both in Japan and abroad, and the dollar appreciating and yen depreciating in foreign exchange markets. Although the economies of major countries remained firm, there are signs of a slowdown, and the effects of monetary tightening in various countries, including the emergence of some concerns about the financial system, are gradually spreading to the real economy. In FY2023, the impact of monetary tightening in each country is expected to become even more pronounced. We recognize that the global economy may enter a recession due to the fact that post-pandemic pent-up demand has run its course and that highly sticky inflation has caused consumer and business sentiment to deteriorate.

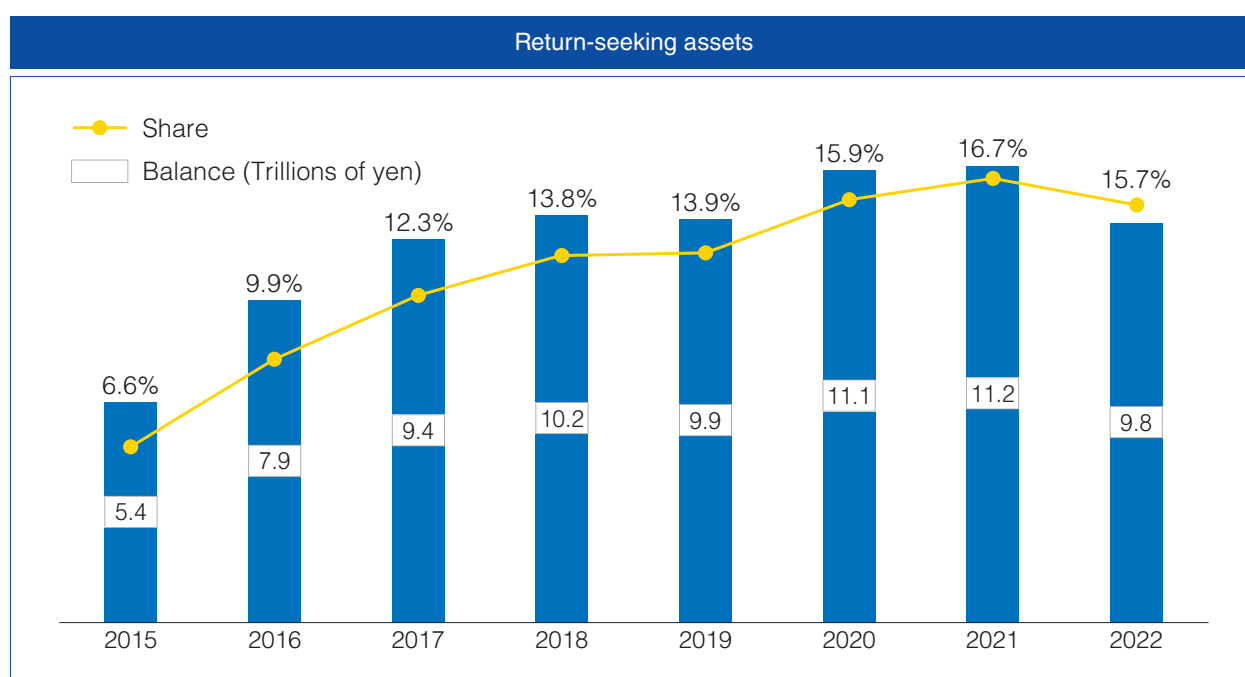
Under the enterprise risk management (ERM) framework, we will pay close attention to the market environment and continue to invest in return-seeking assets using rigorous risk management, while implementing ALM-based asset management through asset-liability matching, to ensure the payment of insurance claims to customers.

Initiatives in the Fiscal Year Ended March 31, 2023

In our current Medium-Term Management Plan (FY2021–FY2025), we have set a goal of achieving greater depth and sophistication of asset management, and we aim to secure stable profit through gradual expansion of investment in return-seeking assets and improvement of return relative to risk, while improving our organizational structure and recruiting and cultivating sophisticated investment professionals.

In FY2022, as the cost of hedging exchange rates rose sharply due to rapid interest rate hikes overseas, we implemented flexible asset allocation according to the market environment, such as by shifting funds to domestic bonds which had interest rates on an upward trend, while reducing the balance of hedged foreign bonds. We are implementing initiatives in anticipation of the new solvency regulations to be introduced in 2025, such as by introducing interest rate swaps for the purpose of controlling interest rate risk on insurance liabilities. We are also steadily strengthening our asset management base, including a capital and business alliance with Mitsui & Co., Ltd. in the asset management business with real estate and other assets.

As of the end of FY2022, the ratio of return-seeking assets to total assets was 15.7%, slightly down from the level at the end of FY2021 due to the reduction in the balance of foreign bonds with currency hedging.



Future Initiatives

With regard to asset management in FY2023, as the impact of monetary tightening by central banks around the world gradually becomes apparent, uncertainty continues to increase partly due to the impact of geopolitical risk. As such, we recognize the need to monitor the investment environment and take risks carefully.

Aiming to secure stable income, we will continue to strengthen investment in return-seeking assets, including alternative investment, under appropriate risk management. We will remain committed to achieving greater depth and sophistication of asset management, such as by promoting ALM in anticipation of new solvency regulations to be introduced in the fiscal year ending March 31, 2026, enhancing risk control methods, and improving our portfolio management system.

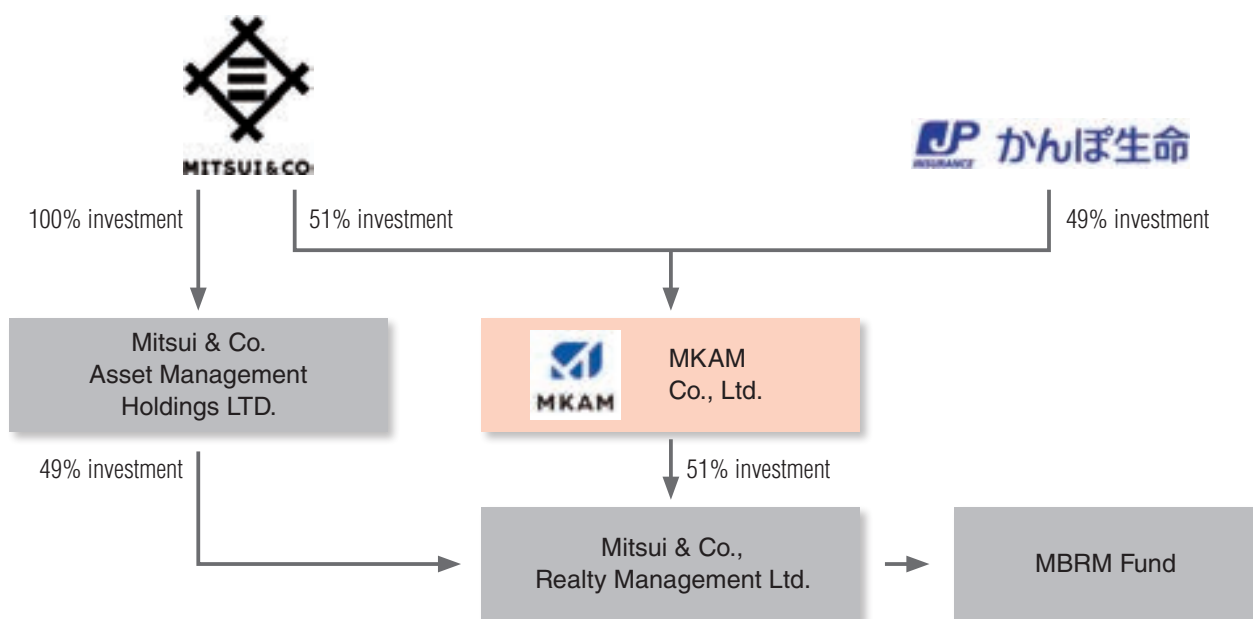
Initiatives to Secure Future Earnings

► Expansion of Alternative Investment

- We are accumulating balances while aiming to diversify strategies and regions in the four fields of private equity, real estate funds, infrastructure equity, and hedge funds.
- During the period of the current Medium-Term Management Plan (FY2021–FY2025), we plan to gradually build up balances according to our risk tolerance and investment opportunities. We expect to double the balance (compared to the end of FY2020) during the period of the Medium-Term Management Plan.
- We also promote ESG investment, such as investment in renewable energy facilities and impact investment.

► Initiatives to Invest in Real Estate Funds through a Capital and Business Alliance with Mitsui & Co.

- Based on our capital and business alliance with Mitsui & Co., Ltd., we underwrote a third-party allocation of new shares of MKAM Co., Ltd. (MKAM), making it an affiliated company with a 49% investment ratio.
- MKAM was established by Mitsui & Co., Ltd. for the purpose of collaborating between the two companies based on the above capital and business alliance, as an intermediate holding company that owns 51% of the outstanding shares of Mitsui & Co., Realty Management Ltd. (MBRM), which has experience and a network in the real estate asset management business.
- MBRM, which is an affiliate of MKAM, has formed the flagship fund MBRM Fund in which Japan Post Insurance invests as a limited liability partner. It is striving to create new investment opportunities by expanding the scale of investment targets and broadening the range of investment management strategies, aiming for an asset scale of hundreds of billions of yen in the future.
- Through our capital participation in MKAM, the Company is actively discussing further collaborative strategies with Mitsui & Co., such as joint establishment of new asset management companies including those related to ESG investment, and joint investment in existing asset management companies, among other matters.



Improving Customer Experience Value (CX)

Recognition of the Environment and Basic Strategy

The life insurance industry is going through a structural change, owing to factors such as the reformation of the life insurance market associated with the rapid progress of the falling birthrate and the aging population in Japan, as well as the entry of companies from other industries. Customer lifestyles and values are also changing and diversifying, partly due to the impact of COVID-19, and combined with the expanding means of communication alongside the spread of smartphones and social media, the life insurance business model itself is undergoing transformation.

Amid such changes in the environment, and given the increased choices available to customers, Japan Post Insurance believes that the value of the entire sequence of experiences is important in addition to the value of the products and services themselves. We will thoroughly review all services, including insurance proposals and procedures, from the perspective of improving the value of the customer experience (CX). Specifically, we will promote the digital transformation (DX) of our business model and quickly meet the expectations of each customer. In doing so, we will ensure that we fulfill our social mission and functions as a life insurance company and achieve sustainable growth as a company.

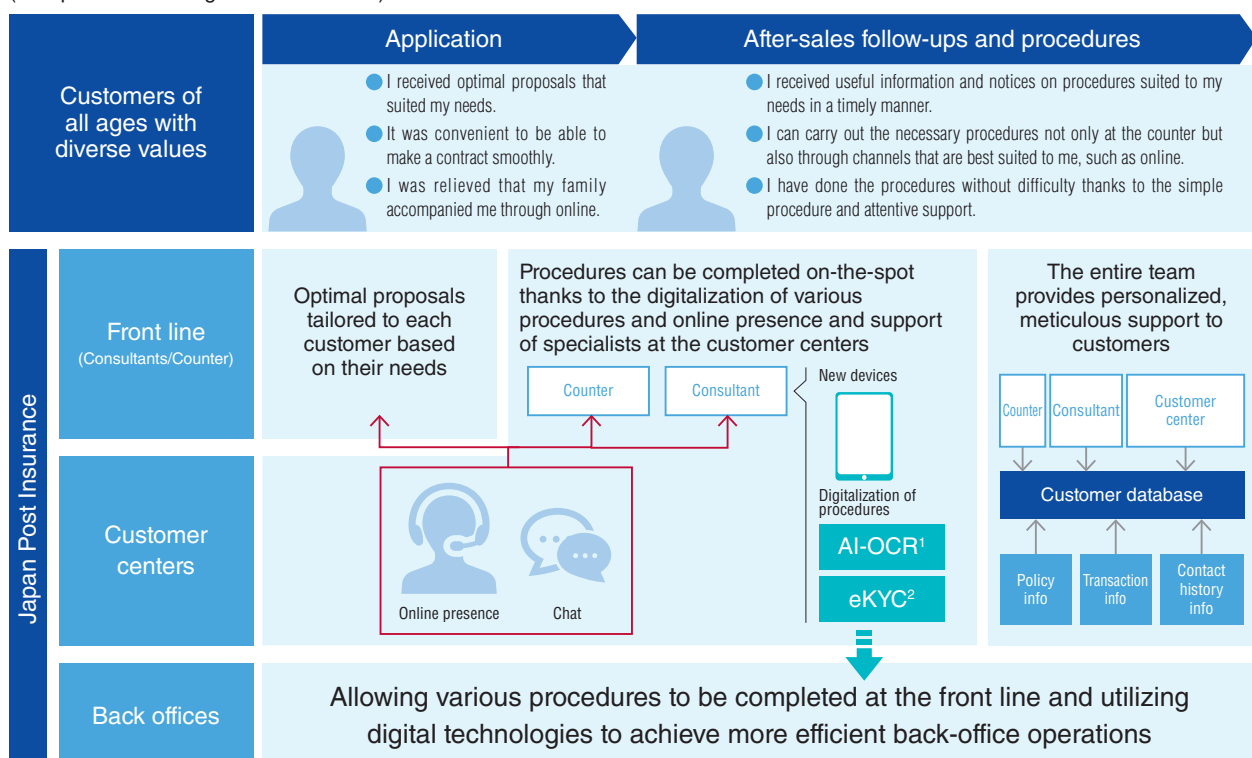
In particular, we recognize that it is essential to promote DX in a way that customers of diverse ages and values will feel warmth, by using the advantages of face-to-face communication with customers such as post office counters and consultants. We will provide services tailored to the needs of each customer, combining the warmth of in-person communication with the convenience of digital technology.

We intend to enhance CX by providing quality services that ensure customers feel truly glad they chose Japan Post Insurance, and aim to expand the customer base through family and friends, to communities and societies.

Priority Initiatives of the Medium-Term Management Plan (FY2021–FY2025)

Based on the above recognition of the environment and basic strategy, we aim to shift to a business model that prioritizes CX while promoting DX. This will include expanding our customer base using services that resonate with customers. We have set forth this basic policy in our Medium-Term Management Plan (FY2021–FY2025), announced in May 2021.

(Comprehensive image after realization)



Notes: 1. OCR (Optical Character Recognition) that uses AI for improved rate of recognition of handwritten text, etc.
2. Identification procedure by electronic means

Specifically, we will expand contact points with customers through e-mail, text messages, etc., and will provide optimal information and follow-up befitting the customer by effectively combining the warmth of in-person communication with the convenience of digital technology.

We will promote the digitalization of procedures, such as making it possible to select non-face-to-face channels including online according to customer needs, and provide simple procedures that can be completed on the spot. In addition, we will promote multi-channel customer contact points, and we will gradually begin initiatives aimed at improving customer convenience, such as having specialist staff at customer centers solve customer problems on the spot.

Initiatives to Improve Customer Convenience

April 2022	Launched a cashless payment service for payments, such as the amount equivalent to the first premium payment
	Launched an initiative to provide chat support from specialist staff at the Customer Center when customers make hospitalization/surgery benefit claims from their My Page
July 2022	Launched trial initiatives for Customer Center specialized staff to confirm customer intentions online during application procedures
September 2022	Enhanced loan repayment function on My Page
	Expanded insurance claims web service functions so that insured persons can claim hospitalization/surgery benefits even if the insured person is different from the policyholder
March 2023	Expanded functions for designating and changing beneficiaries of death, living, and maturity insurance benefits on My Page

Customer Satisfaction Survey/Real-time Surveys

We conduct a “Customer Satisfaction Survey (Customer Feedback Survey)” on an annual basis to directly receive opinions from customers and use them to improve services.

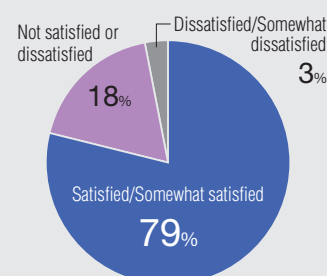
Results of the FY2023/3 Customer Satisfaction Survey

For total satisfaction with our services, about 80% of customers show satisfaction (total of “Satisfied” and “Somewhat satisfied”). We will work to improve customer services to gain the satisfaction of more customers.

Overview of the FY2023/3 Customer Satisfaction Survey

- Survey time: August 2022
- Survey targets: Customers who recently enrolled for our products, performed maintenance procedures, or claimed payment of insurance (maturity, hospitalization, death, etc.)
- Number of questionnaire forms sent: 30,065
- Number of forms collected: 11,478 (effective answers)

Notes: 1. We conducted a questionnaire about the reception of payments for our annuities, in addition to the abovementioned survey targets.
2. Survey forms received after the deadline (46 forms as of March 31, 2023) are not included in the aggregate, but we confirm all of the evaluations received.



In addition to the above-mentioned Customer Satisfaction Survey, a real-time survey conducted at each important contact point with customers, such as new enrollment procedures, has been launched in stages from January 2023, through short messaging using the CX survey system (on the cloud). We will continue to actively obtain customer evaluations on our services and customer feedback to accelerate the PDCA cycle that leads to service improvements.

Employee Roundtable Discussion

For the words “Thank you for being here”

— Reforming our business model to prioritize customer experience value (CX) —



In order to shift to a business model that prioritizes CX, we are promoting Digital Transformation (DX), and are fundamentally reviewing our insurance services, including various procedures and after-sales support. In order to promote our business model reform, it is necessary for the head office and front-line employees to work together to consider what services are truly valuable to customers. Employees involved in business model reform exchanged opinions on what they and the Company can do to improve CX.

Streamlining application process for insurance policies

“Online presence” by customer center staff during the application process

AMAGAI I am AMAGAI, the facilitator of the discussion. In our Medium-Term Management Plan (FY2021-FY2025), our basic policy is to promote DX and shift to a business



model that prioritizes CX so that customers can feel glad to be insured by Japan Post Insurance. Firstly, I will ask Ms. YAMAZAKI who works at a services center. Could you tell us what kind of reforms are being promoted in the application process for new insurance enrollments?

YAMAZAKI In the past, when a customer applied for a new enrollment, a back-office employee would call the customer at a later date after the application process to confirm that the customer was actually willing to apply and that he or she understood the policy details. Although this system was designed to ensure that the customer was satisfied with the application before enrolling, some customers said it was bothersome because the call was made at a later date after the application was processed.

In order to reduce the burden on customers, we have started an initiative to have customer center staff (specialized services center employees who are engaged in operations centering on customer support) be present online at the time of the application process to perform such confirmation at that time. This initiative began in Tokyo in July 2022 and is scheduled to be expanded nationwide subsequently.

NAKADAI What does that entail specifically?

YAMAZAKI After the application process is completed between the customer and consultant (an employee who mainly visits the customer's home to conduct activities), the consultant and customer center staff are connected via a web conference system, and the customer center staff makes the necessary confirmations on the spot, which takes 5 to 6 minutes per session.

KAJINUMA I work as a consultant and one of my colleagues actually used this online presence system. It is convenient for customers to complete the contracting process on the spot. Currently, the date and time of the online connection must be specified in advance. However, if we prioritize the customer's convenience, the time may vary. So I think it would be even better if the operation could be more flexible so as not to keep the customer waiting.



YAMAZAKI In the future, I believe it would be best to establish a system where we can respond immediately when a customer or consultant contacts us, without specifying a time.

AMAGAI In order not to keep customers waiting, we would like to further increase the number of employees who can respond to customers, such as by being present online during the application process.

YAMAZAKI Many services center staff have been mainly engaged in paperwork, and not many have had the experience of dealing with customers. I used to work in a department that took calls from customers, so I had opportunities to receive words of gratitude when responding to inquiries. I have the impression that many employees are nervous because they have no experience, but I think it would be a good idea for them to approach customer service in a positive manner without setting too high a hurdle.

MIKAMI Rather than separating consultants to handle customers and services center staff to handle paperwork, we want to provide services that transcend departments and positions, support customers as a unified team, and receive words of gratitude from customers.

Creating a system that allows procedures to be completed on the spot

Receipt of paperless claims from consultants' mobile devices

AMAGAI Next, I would like to ask you to talk about reform of the policy maintenance procedures that occur after insurance is purchased. We are currently considering the introduction of the "Japan Post Insurance Digital Procedure System" to simplify procedures such as changing insurance beneficiaries, right?

NAKADAI We often receive requests from customers that they have forgotten to complete the procedures for changing beneficiary of insurance benefits, or that they would like to change the beneficiary of insurance benefits on the spot (when the consultant visits the customer's home). Currently, the consultant must visit the customer's home on another day to prepare the documents required by the company, but from October 2023, the consultant will be able to change the beneficiary on the spot, without papers, using the Japan Post Insurance Digital Procedure System on his or her mobile terminal.

Procedures for identification documents such as driver's license will be improved so that the address and name can be read from the camera of the mobile device used by the consultant. The customer's insurance policy can be retrieved by the read address or name, and the procedure can be accepted as is. Basically, the customer only needs to confirm on the mobile terminal that the details of the procedure entered by the consultant are correct.

NARAHARA This reduces the burden on customers by eliminating the need to submit copies of identification documents and to fill in the details of the procedure.

NAKADAI Procedures accepted on the mobile terminal will be sent to the services center, and processed automatically on the system, so our customers can complete the procedures even faster.



NARAHARA So the burden is reduced for both the customer and the staff. That's good because it gives us more time to talk with customers.

AMAGAI The fact that the procedures are automatically processed on the system reduces the burden on services center staff, which means that they can focus even more on customer service.

NAKADAI In addition to “designation and change of beneficiary of insurance benefits,” “designation and change of designated proxy for a payment claim” and “registration and change of registered family members” will be available through the Japan Post Insurance Digital Procedure System from October 2023, and we intend to sequentially increase the number of other procedures that can be handled. For example, we would like to provide customers with easy, on-the-spot procedures when they change their surname or address.

Expansion of web services to meet non-face-to-face needs

Insurance claims via web service

AMAGAI One of the important tasks of insurance services is the payment of insurance claims to customers. Our procedures for insurance claims are also being reformed.



HOMMA My Page is a method of claiming insurance benefits online, but it is limited in that claims can only be made when the policyholder and the insured person are the same. Therefore, as a new service ahead of other companies, we launched a new service in September 2022 that allows the insured person to file claims for hospitalization, surgery, and radiation treatment insurance online, even if the policyholder and the insured person are different.

YAMAZAKI So we can meet the needs of customers who want to make a claim but not in person.

HOMMA The spread of COVID-19 infections rapidly increased such needs, so we rapidly proceeded with the development. From September 2022 to May 2023, we have received 22,416 claims through this new service. When My Page is included, 108,355 claims were received during the same period, and we feel that we are meeting the needs of many of our customers.

AMAGAI Some customers want the consultant they know to come to them, while others prefer to go to the post office counter on their own timing to complete the procedures in person, right?

HOMMA That's right. For elderly customers and others who are not accustomed to uploading documents online, but prefer to complete the procedures from their homes, we also offer the option of completing the procedures by mail. We are working to enable customers to complete procedures through the channel of their choice.

AMAGAI We hope to provide optimal insurance services tailored to each individual customer by simplifying procedures at warm, face-to-face, real contact points and expanding procedures at user-friendly, non-face-to-face, digital contact points.

Timely communication to customers

Building trust with customers through “Smart Follow-up Activities”

AMAGAI As I mentioned earlier about the web service for insurance claims, it would be nice if the consultant in charge could contact and follow-up with customers in a timely manner, precisely when they are in need of assistance.

MIKAMI From the perspective of strengthening after-sales follow-up, we are promoting a new initiative called “Smart Follow-up Activities.” Specifically, consultants will be notified of customers who have filed claims for hospitalization insurance, customers whose policies have been approved, and customers whose children's birthdays



are approaching, among other information. Based on this information, consultants will be able to make timely calls to customers, thereby increasing opportunities for customers to feel glad about our services.

KAJINUMA We get a list of customer information that should be followed up with and they are displayed on the business-use smartphone.

MIKAMI The Smart Follow-up Activities that Mr. KAJINUMA and Mr. NARAHARA are also involved in, are currently being implemented on a trial basis at 13 Retail Service Divisions (located at post offices) nationwide starting in May 2023, and will be rolled out sequentially throughout Japan starting in October 2023.

NARAHARA In the past, after-sales follow-ups were mainly conducted immediately after the policy was signed or once or twice a year to confirm policy contents, and it was somewhat difficult to further reach out to customers. The other day, based on information shared through the Smart Follow-up Activities, I actually asked the customer, “We just sent a hospitalization insurance payment. Are you feeling okay?” The customer was pleased not only with the insurance payment, but also with the fact that they received the call.

If our consultants are able to grasp customer information in a timely manner just like I said, we can be there for our customers not only when they are in need of help, but also during the events that lead to their celebrations. For employees as well, this will increase their opportunities to be close to the life events of the customers they are in charge of, which will make their jobs more rewarding.

KAJINUMA Timing is important for everything. For example, if it has been some time since the hospitalization insurance payment was received, the customer may already know this information. If a consultant can contact the customer in a timely manner at the time the payment is received, he or she will be able to provide more meaningful information to the customer, and the customer will be more pleased.



HOMMA In terms of payment of hospitalization insurance claims, we are working to satisfy our customers by making sure that the funds are deposited into their accounts as quickly as possible.

MIKAMI It is a valuable opinion that even a slight shift in timing can change the effectiveness of after-sales follow-up and customer satisfaction. In the invisible world of insurance products, a relationship of trust with customers is an extremely important factor, and we would like to further improve our measures to realize careful after-sales follow-ups.

KAJINUMA In one instance, before the Smart Follow-up Activities began, I received a call from a customer saying, “I received the insurance payment, thank you.” I felt happy to hear from the customer and could feel how the customer felt. Now, we are trying to do the opposite and contact the customer in a timely manner. Through this activity, I would like to make our customers happy and build a stronger relationship of trust with them.

AMAGAI If we can make our customers feel grateful that we are there or glad that they enrolled in Japan Post Insurance, not only will they be happy, but word of mouth about us will spread beyond the customer to their friends and family.

To make this happen, not only consultants in charge of customers, but also employees at back-office services centers and the Head Office need to proactively think about what they and the Company can do to improve CX and take action. Let us all continue to work together to reform our business model to place the highest priority on CX, so that we can “remain trusted and selected by customers, thereby protecting their lives by providing life insurance products.”

Engagement with Customers

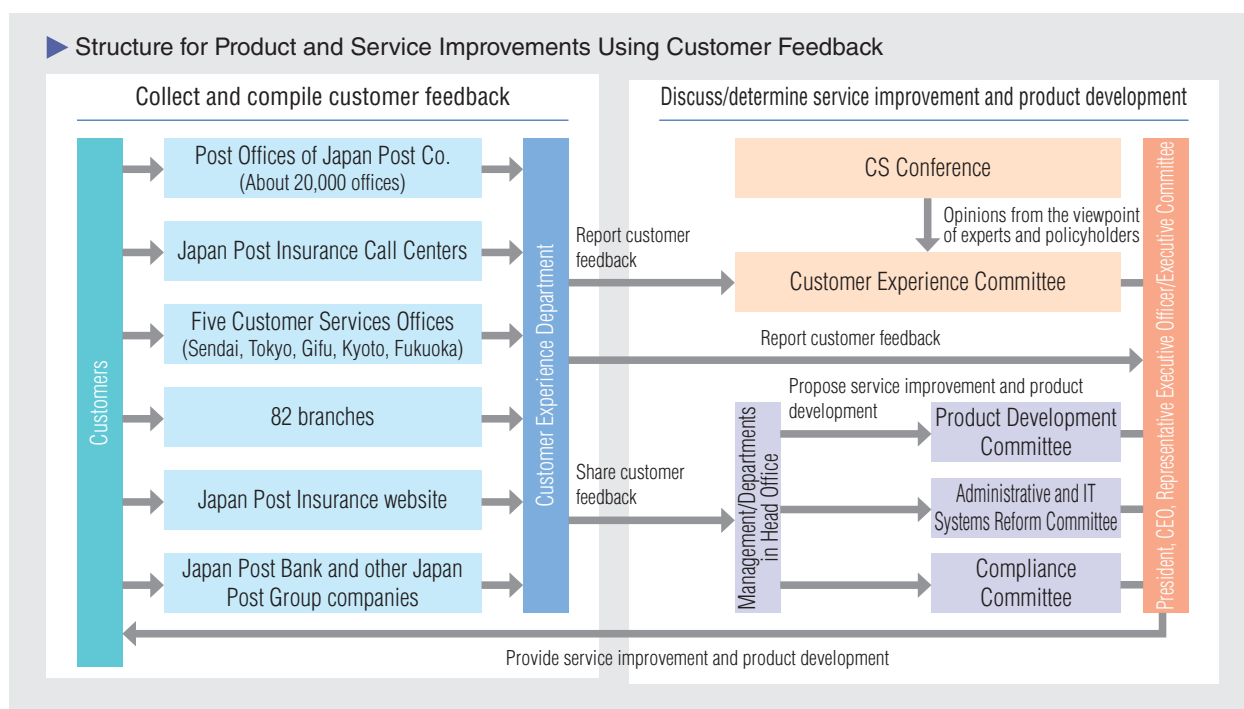
Japan Post Insurance recognizes that the voices of our customers are valuable assets. We value dialogue with customers, and will strive to develop a structure for the ceaseless creation of new convenience for customers and to pursue quality services. In addition, reviewing our services daily based on customer input in order to increase our customers' satisfaction is fundamental to improving our business.

Initiatives to Utilize “Customer Feedback” in Management

In addition to developing and improving products and services based on customer feedback, our Directors and Executive Officers, as well as our employees, give careful consideration to and act on customer feedback to ensure customer-first business operations.

We received approximately 1.31 million feedback comments from our customers in the fiscal year ended March 31, 2023 through the post offices and Japan Post Insurance Call Centers. The customer feedback is compiled and centrally managed by our Customer Experience Department. We analyze the feedback to improve our services and develop superior products with the aim of providing services that bring satisfaction to our customers.

We also held the “CS Conference” with external experts to receive opinions for improving customer satisfaction.




Quantity and Content of Customer Feedback (Complaints)

The number of complaints received from customers during the period from April 1, 2022 to March 31, 2023 was as follows.


Note: We define all expressions of customer dissatisfaction as “complaints.” The number of complaints includes complaints related to Postal Life Insurance management operations.

Content	FY2023/3		Key examples
	Number of complaints	%	
New policies (Enrollment in insurance policies)	21,648	24.8	<ul style="list-style-type: none"> • Dissatisfaction with explanation at time of enrollment • Dissatisfaction with underwriting examination
Collection of premiums (Payments of premiums, etc.)	3,765	4.3	<ul style="list-style-type: none"> • Dissatisfaction with bank account transfers and deposits
Policy maintenance (Procedures, dividends and other issues following enrollment in a policy)	15,845	18.2	<ul style="list-style-type: none"> • Dissatisfaction with surrender procedures • Dissatisfaction with change of name or address
Insurance benefits (Payments of insurance benefits)	36,608	42.0	<ul style="list-style-type: none"> • Dissatisfaction with benefit payment procedures • Dissatisfaction with payment procedures for maturity benefits
Other (Attitude and manners)	9,282	10.7	<ul style="list-style-type: none"> • Dissatisfaction with attitude and manners of sales personnel • Dissatisfaction with after-sales service
Total	87,148	100.0	


Cases of Product and Service Improvements Using Customer Feedback


 **Customer feedback** I am considering purchasing an educational endowment insurance and would appreciate any information that would be helpful to those raising children.

We have published the following two websites since April 2023 for the benefit of our customers of the child-rearing generation. We will continue to subsequently consider the provision of further information and services in the future.


 **Improvements**


- **Special website for educational endowment insurance**
This website provides information on the features of the educational endowment insurance, the required amount of education funds, preparation methods, advice from older parents and other useful information on educational endowment insurance. Campaign applications, requests for information materials, and online consultations are also available.
<https://www.jp-life.japanpost.jp/products/gaksi/special/index.html> (in Japanese)
- **Childcare support website**
For those customers of the child-rearing generation, we will provide contents that parents and children can enjoy together, such as recipes that parents and children can make together and coloring books for children to enjoy, helping to nurture a rich time for parents and children.
<https://www.jp-life.japanpost.jp/kosodate/index.html> (in Japanese)

 **Customer feedback** I want to prepare an education fund. Is there any good plan?

 **Improvements**


In response to the recent increase in educational expenses and customer demand, we have revised the *Hajime no Kampo* (educational endowment insurance (H24)) from April 2023. As a result, customers can now choose a plan with a return rate (the ratio of educational funds that may be received to the total amount of insurance premiums paid) exceeding 100%, to make it easier for parents to prepare for their children's educational funds.


 **Customer feedback** I would like to file a claim for hospitalization insurance, but the preparation of proof documents is overwhelming.

 **Improvements**


Under certain conditions, Japan Post Insurance does not require a certificate of hospitalization or surgery (medical certificate) upon submission of a receipt and medical statement issued by a medical institution. In April 2023, the scope of such treatment to simplify the submission of documents was significantly expanded to include claims for radiotherapy and surgical claims^(note) in special clauses sold before October 1, 2017, which were not previously covered. In addition, from May 15, 2023, the submission of medical statements is no longer required for claims for hospitalization insurance only, and only receipts issued by medical institutions are required, simplifying some of the submission documents.


(Note) Surgery for malignant neoplasms is not covered, except for radiotherapy and hyperthermia.

 **Customer feedback** It would be convenient to be able to perform various procedures on the Internet, and it would be great if there were a wide variety of procedures that could be performed.

 **Improvements**

Japan Post Insurance is expanding the My Page functions for more procedures. Claims for hospitalization insurance benefits due to the COVID-19 have been made available on the My Page since May 2022, and from September in the year, claims for hospitalization and surgical insurance benefits have been made available even if the policyholder and the insured are different people.

 **Customer feedback** I have registered as a new user on My Page, but I would like to be able to perform procedures straight away.

 **Improvements**

As of April 2023, "My Page" can be used for the following procedures on the same day, even if the new registration is made on non-business days (weekends and holidays) and weekday evenings (after 7:00 p.m.).

- Change of address or phone number
- Registration or change of registered family members
- Designation or change of designated proxy for a payment claim

Quantity and Content of Customer Feedback (Gratitude and Compliments)

The total number of customer feedback that was gratitude/compliments that we received from customers between April 1, 2022, and March 31, 2023, was 678,188.

<Customer feedback>

- Thank you for your help with my insurance claim the other day. During the procedure, my mind was completely blank because my husband had just passed away, but you expressed your condolences to me and carefully explained the necessary documents to me so that I would not be confused. Thanks to you, I was able to go through the procedures with peace of mind.
- I am very much looking forward to using the money from this maturity policy for my husband, who is very frail. I have not had any major illnesses, so this insurance may have protected me. Thank you very much for your help.

Sustainability

We have supported our customers in times of need and protected their lives by providing insurance services through our nationwide network of post offices. Recognizing that our business activity itself is an effort to realize sustainability, we have set a “Sustainability Policy” as follows.

To fulfill our social mission and address various issues related to sustainability, we have identified five Social Challenges (Materiality) to Address with Priority and are promoting various initiatives by establishing a Sustainability Implementation Plan in line with the materiality items.

The Sustainability Implementation Plan is also linked to the Fiscal Year Management Plan to achieve the Medium-Term Management Plan, and the entire company is working on it.

Sustainability Policy

Japan Post Insurance will aim to realize sustainable growth and SDGs by contributing to resolving social issues related to sustainability through the embodiment of our management philosophy and fulfillment of our social mission to protect customers’ lives with the power of insurance.

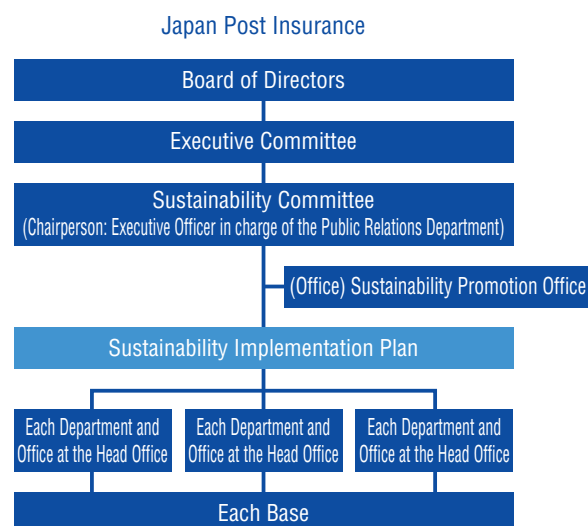
Social Challenges (Materiality) to Address with Priority	Sustainability Implementation Plan (FY2023)
Provide insurance products and services through the network of post offices, etc.	I: Efforts to protect customers with the power of insurance
Contribute to the development of communities and society; and environmental conservation	II: Efforts for ESG promotion, respect for human rights, and social contribution III: Efforts for decarbonization and other environmental protections
Extend healthy life expectancy through health promotion, etc. - Increase well-being	IV: Efforts to improve customers’ well-being and health management
Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself	V: Efforts to strengthen human capital
Corporate governance supporting the meaning of our business and social mission	VI: Efforts to improve and strengthen compliance

Sustainability Promotion System

The Sustainability Committee, chaired by the Executive Officer in charge of the Public Relations Department, discusses sustainability strategies, formulates the Sustainability Implementation Plan, reports on progress, and promotes initiatives to resolve Social Challenges (Materiality) to Address with Priority.

The status of on-going Sustainability Committee discussions is reported to the Executive Committee in a timely manner, and important issues are discussed and decided by the Executive Committee and reported to the Board of Directors.

In order to promote company-wide sustainability activities, we have appointed a sustainability KP (key person) at each business site.



Sustainability Promotion Initiatives

The sustainability KP plays a central role in promoting initiatives based on the Sustainability Implementation Plan and action plan for the fiscal year formulated at each business site, as well as holding regular “small meetings” for the purpose of promoting sustainability. Each and every employee implements initiatives aimed at the realization of a sustainable society and corporate growth.

Examples of small meeting themes

- Sharing of awareness and future activities to improve CX
- Importance of dialogue in human resource development
- Understanding of diversity (e.g., support for balancing childcare, nursing care and work)
- Review and discussion of sustainability promotion activities

Climate Change and Biodiversity Initiatives

Climate Change Initiatives (Initiatives for the TCFD Recommendations)

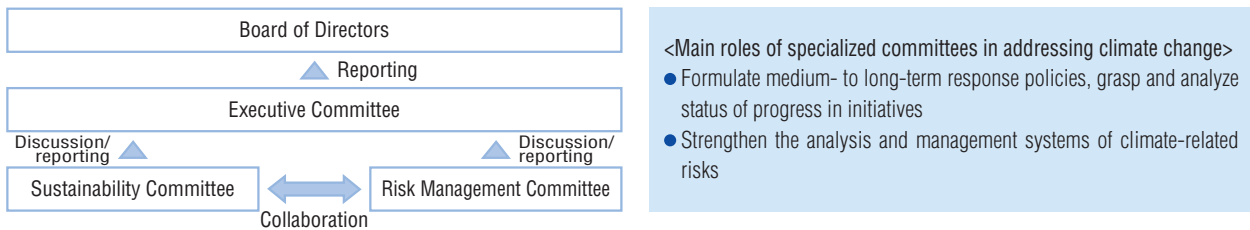
In April 2019, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB).

We recognize that climate change issues pose both risks and opportunities for the company, and that we need to address them company-wide. As one of the basic policies of our Medium-Term Management Plan, we have set the promotion of ESG management (contribution to solving social issues) and are working to solve social issues related to sustainability, including climate change issues.

Going forward, we will further promote our existing initiatives related to climate change and work on further information disclosure.

Governance

At the Company, various issues related to climate change are examined and discussed by the Sustainability Committee, chaired by the Executive Officer in charge of Public Relations Department, and the Risk Management Committee, chaired by the Chief Risk Officer (CRO). The status of examinations and discussions is reported to the Executive Committee, and particularly important issues are discussed at the Executive Committee and decided by the President, CEO, Representative Executive Officer. In addition, reports are made to the Board of Directors on a quarterly basis, and a framework has been established in which the Board of Directors appropriately monitors the status of climate change response and, as necessary, supervises related policies, targets, strategies, and plans.



Strategy

1. Risks and opportunities that climate change poses to our business

We recognize the impact (risks and opportunities) of climate change on the Company both as a life insurance company and an asset owner, as follows.

Life Insurance Company

Type	Content	Timeline of impact
Physical Risks	Rise in insurance claim payment due to increased damage from natural disasters, etc.	Short to long term
	Rise in insurance claim payment due to changes in mortality and morbidity rates over the medium to long term due to the impact of rising average temperature and abnormal weather	Long term
Opportunities	Changes in consumers' insurance needs such as rising demand for products and services related to maintaining health, etc.	Medium to long term

Asset Owner

Type	Content	Timeline of impact
Physical Risks	Impaired value of invested assets due to expanding loss incurred by investees upon increased damage from natural disasters, etc.	Short to long term
Transition Risks	Impaired value of investees due to the impact of changes in regulations in line with the shift to a low-carbon society, stricter regulations and changes in consumer preference.	Short to long term
Opportunities	Expanding green finance market and increasing investment opportunities including investments in renewable energy business (infrastructure)	Short to medium term

Notes: 1. In identifying the risks and opportunities mentioned above, we disclose risks and opportunities with high degree of impact based on their importance to the Company's business after identifying large and small potential risks.

2. We assume that the timeline of impact will be as follows: short term: 5 years, medium term: 15 years, long term: 30 years.

2. Analysis of the impact of climate change on our business

The following scenario analysis was conducted to understand the impact of climate change on our business. We will continue to conduct scenario analysis to improve the accuracy of the analysis, and will take steps toward decarbonization and risk management based on the results of this analysis.

Note: For details on each scenario analysis, please see "Initiatives for the TCFD Recommendations" on our website. <https://www.jp-life.japanpost.jp/english/aboutus/sustainability/environment/tcfd.html>

(1) Analysis of the impact of climate change on the Company's Life Insurance Business

Increase in the number of individuals who suffer from heat stroke due to higher temperature in summer, increase in the number of patients who suffer from tropical infectious diseases due to the expansion of areas where vector mosquitos of infectious disease can be active, etc., and damages to health due to increased and prolonged damage from flooding, etc., can be considered to have an impact on the Company's life insurance business (claims payment) as events that could lead to a significant increase in the amount of claims payment.

In the fiscal year ended March 31, 2023, we conducted a quantitative analysis of heat-stroke deaths based on certain assumptions as follows, and confirmed that the increase in claim payments will have a limited impact on our financial soundness, given the extremely small amount compared to the Company's actual death benefit payments and the fact that we are able to make payments from the policy reserves we have built up in preparation for future payments. We have also confirmed that the results of the analysis conducted in the fiscal year ended March 31, 2022 for (ii) and (iii) below will not have a material impact on our results, as there are no significant changes in our assumptions.

We believe that there are many challenges regarding the accuracy and reliability of our analysis of the impact of climate change on the Company's life insurance business, as there are no generally established measurement models and climate change itself has a high degree of uncertainty, such as its occurrence over a long period of time. In the future, we will continue our efforts to understand risks through analysis such as further research, stress testing, etc.

(i) Increase in heat-stroke deaths	We have made an estimate projecting an increase in heat stroke deaths in Japan assuming an increase in average temperatures throughout Japan, when the RCP8.5 ¹ scenario based on the Fifth Assessment Report of IPCC ² is applied as the temperature. As a result of analysis by age group, we estimate that insurance claims and other payments will increase by approximately ¥7.0 billion on a cumulative basis from the fiscal year ending March 31, 2032 to the fiscal year ending March 31, 2051, particularly in the elderly age group.
(ii) Expanding damage of tropical infectious diseases	Based on an estimate that rising temperatures will cause infectious diseases spread by mosquitoes to be active over larger areas and periods, we analyzed the increase in insurance claims and other payments due to mosquito-borne tropical infectious diseases (dengue fever and malaria). We applied the RCP8.5 scenario based on the Fifth Assessment Report of IPCC as the temperature increase and, referring to recent outbreaks of tropical infectious diseases in tropical regions and the sanitary conditions in Japan, assumed that dengue fever would spread in Japan, resulting in hospitalization or death of customers. As a result, assuming that the disaster will occur every year, we calculated that the increase in insurance claims and other payments would be up to around ¥15.0 billion on a cumulative basis over the 20-year period from the fiscal year ending March 31, 2032 to the fiscal year ending March 31, 2051.
(iii) Occurrence of unknown infectious diseases	Development in tropical forests, thawing of permafrost, and other factors may cause unknown infectious diseases to emerge and new infectious diseases (pandemic) to emerge. While the occurrence of an unknown infectious disease could cause a downturn in operating performance due to difficulties in conducting face-to-face sales activities, we have confirmed that the impact on our financial soundness would be limited, assuming a probability of occurrence of once in a few decades.

Notes: 1. The RCP8.5 scenario is a Representative Concentration Pathway (RCP) scenario, which includes time series of emissions and concentrations of the full suite of greenhouse gases (GHGs) and aerosols associated with human activities.
 2. Intergovernmental Panel on Climate Change, or IPCC, is an intergovernmental organization established in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP).

(2) Analysis of the impact of climate change on the Company as an asset owner

(i) NGFS's Climate Scenarios Analysis	<p>We expect that the assets owned by the Company will be affected by changes in the economic environment as we transition to a decarbonized society. We have analyzed how our assets would be affected by these changes by 2050 under several financial market scenarios¹ and carbon price scenarios published by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS²). We believe that there are many challenges regarding the accuracy and reliability of our analysis of the impact of climate change on the Company's asset management, as there are no generally established measurement models and climate change itself has a high degree of uncertainty, such as its occurrence over a long period of time. In the future, we will continue our efforts to understand risks through analysis such as further research, stress testing, etc.</p> <ul style="list-style-type: none"> ● Scenario analysis related to our investment income We analyzed the impact of climate change on our interest margin under the NGFS scenario (financial market scenario). We used a scenario in which long-term interest rates in Japan and abroad increase moderately, and therefore, we expected an increase in interest gains from our holdings of yen-denominated interest bearing assets such as Japanese government bonds. ● Scenario analysis for assets owned by the Company Under the NGFS scenario (carbon price scenario), we analyzed the decline in the value of securities (the increase in the future carbon cost burden of investee companies). In our portfolio, especially for bonds with long maturities of over 10 years, a certain decline in value was expected. In practice, we believe that the impact on our financial condition will be limited, given the fact that the deterioration in the earnings of investee companies and the decline in their market value will surface gradually and that the assets we own can be sold during the course of our investment.
(ii) Impact analysis on investment income focusing on key sectors	<p>We analyzed the impact of 2°C and 4°C scenarios³ on the following three sectors: electric utilities, steel, and energy, which were selected as the most important sectors that have a large impact on climate change and in which we have a large amount of investments and loans. As a result, we found that the introduction of a carbon tax, the spread of renewable energy, and other social changes may have a significant impact on the performance and finance of each sector under the 2°C scenario.</p> <p>We will conduct engagement with investees in these sectors, taking the results of the analysis into full consideration. We will hold dialogues with investees regarding the specific impacts indicated by the analysis and encourage them to take action to improve our investment performance.</p>

(iii) Analysis on the impact of carbon cost on investee companies

As the world transitions to a decarbonized society, our investee companies may be affected by increased carbon costs through carbon pricing, such as the introduction of carbon taxes by national governments. Therefore, we conducted a quantitative analysis of our domestic and international equity and corporate bond portfolios to determine the impact of increased carbon costs on the investee companies. As a result, carbon cost burdens through carbon pricing increased for all domestic and international equity and corporate bond asset classes. In addition, the carbon cost burden is higher for domestic corporate bonds than for other assets. This is due to the fact that domestic corporate bonds have the highest investment balance among the four assets, as well as a relatively large share of holdings in sectors with high carbon costs. Based on the analysis, we will seek to mitigate the impact on our portfolio by strengthening our engagement with investee companies that have a potential of significant financial impact and encourage them to transition to decarbonization.

- Notes: 1. Scenario published in 2022 (scenario model: REMIND-MAGPIE 3.0-4.4). The scenario does not take into account the impact of the recent war in Russia and Ukraine and the resulting energy crisis.
2. Network for Greening the Financial System, or NGFS, is an international network of central banks and financial supervisors to examine financial supervisory responses to climate change risks. The Financial Services Agency and the Bank of Japan joined the network in June 2018 and November 2019, respectively. The scenarios used are: (i) Current Policies scenario in which global warming will progress as a result of no further action on climate change being taken by countries than they are currently implementing (global temperature will rise by more than 3°C), (ii) Net Zero 2050 scenario in which countries will achieve the 2050 carbon neutrality and 1.5°C temperature rise targets in a coordinated and systematic manner; and (iii) Delayed Transition scenario, in which climate change measures are taken rapidly after 2030.
3. References are made to scenarios from the International Energy Agency (IEA) "World Energy Outlook," IEA reports, and "Synthesis Report on Observations, Projections, and Impact Assessments of Climate Change (2018): Climate Change and Its Impacts in Japan" from the Ministry of the Environment, et al.

3. Decarbonization initiatives

We will implement initiatives related to the transition to a low-carbon society to achieve carbon neutrality and enhance the resilience of our business.

(i) Initiatives as an operating company	<ul style="list-style-type: none"> ● Energy conservation in facilities and vehicles ● Use of renewable energy
(ii) Initiatives as an institutional investor	<ul style="list-style-type: none"> ● ESG integration^(Note) of the climate change factor ● Implementation of stewardship activities that focus on climate change measures ● Measurement and management of GHG emissions from the investment portfolio ● Promoting investments that contribute to the decarbonization of society

(Note) ESG integration means that ESG factors are considered in addition to financial information in investment decisions. The Company applies this process to all assets under management.

Risk Management

In the fiscal year ended March 31, 2023, we conducted a company-wide identification and risk assessment of climate change risk and reported the results to the Risk Management Committee. Going forward, we will continue to identify and assess climate change risks at least once a year, continue and upgrade scenario analyses, and sophisticate a climate change risk management system. These results were also reported to the Sustainability Committee as part of our efforts to address climate change.

Metrics and Targets

1. GHG emission reduction target¹

We have set the following interim targets for reduction of GHG emissions in Scope 1 (direct emissions from the company) and Scope 2 (emissions from the use of electricity, etc. supplied by other companies) with the aim of achieving carbon neutrality by 2050.

Item	Target	Base year emissions	FY2022/3 results	FY2022/3 reduction rate
Scope 1 and Scope 2	46% reduction by FY2031/3 compared to FY2020/3	18,940 tCO ₂ e	14,877 tCO ₂ e	21.5% reduction compared to FY2020/3

For Category 15 in Scope 3 (GHG emissions from the investment portfolio), we are aiming to achieve carbon neutrality in 2050 as well and setting an interim target of a 50% reduction by the end of the fiscal year ending March 31, 2030 compared to the end of the fiscal year ended March 31, 2021 as part of our decarbonization efforts².

- Notes: 1. The above targets are based on the current future outlook and may be revised along with changes in social trends and technological innovations.
2. The target for Category 15 of Scope 3 is the total of the Scope 1 and Scope 2 emissions of the portfolio company multiplied by our shareholding ratio. Target assets include domestic and foreign listed equities and domestic and foreign credits (including corporate loans).

2. KPIs for total power generation output from renewable energy facilities that the Company lends money to and invests in

The Company has established KPIs for total power generation output from renewable energy facilities that we lend money to and invest in during the period of its Medium-Term Management Plan (FY2021-FY2025)

Item	Target ¹	FY2023/3 results ²
Total power generation output ³	1.5 million kW during the Medium-Term Management Plan	953,000 kW

Notes: 1. The above targets are based on the current future outlook and may be revised along with changes in social trends and technological innovations.

2. The FY2023/3 results are preliminary figures and may be updated in the future.

3. Limited to power output from renewable energy facilities that we lend money to and invest in, in proportion to our holdings

Biodiversity Initiatives

Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum

The TNFD, conceived at the 2019 World Economic Forum (Davos) and officially launched in June 2021, is an international initiative to establish an information disclosure framework for nature-related risks.

We support the philosophy of TNFD and joined the TNFD Forum in June 2023 to support its activities.



Initiatives to reduce plastic use

With regard to the issues of plastics, which is a global issue, we are also promoting initiatives to reduce the amount of plastic used in our corporate activities. This initiative is part of our initiatives toward the realization of one of our materialities, “Contribute to the development of communities and society; and environmental conservation.” First, we will switch some plastic clear folders distributed to customers to environmentally friendly materials, and for plastic clear folders used by employees, we will reduce their use and gradually transition to paper files. Through these measures, we are working toward de-plasticization.

Promotion of investment and financing for biodiversity conservation

We recognize the following nature-related risks and opportunities in our asset management activities. We will continue to analyze and incorporate nature-related issues into our investment decisions, conduct appropriate nature-related engagement with the companies in which we invest, and make investments that contribute to the maintenance and improvement of the natural environment.

<Nature-related risks and opportunities in investment and financing activities>

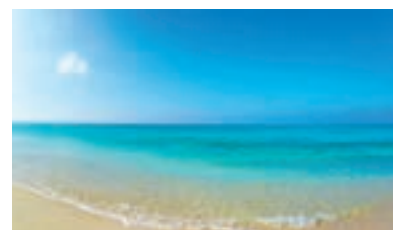
Physical Risks	Increased costs for portfolio companies due to the decline, deterioration, and depletion of natural assets and ecosystem services on which portfolio companies depend, such as water resources, and loss of value of portfolio assets due to production disruptions
Transition Risks	Increased costs for portfolio companies due to stricter environmental protection laws and social demands, litigation risk, and loss of value of investment assets due to increased reputational risk
Opportunities	Increase in the value of portfolio companies and expansion of investment and financing opportunities due to the need for environmentally protective technologies and alternative products and services with a smaller environmental impact

▶ Investment in Blue Bonds issued by the Republic of Indonesia (May 2023)

We invested in Blue Bonds^(Note) issued by the Republic of Indonesia, the world’s largest island nation.

The funds raised through this bond issue will be used for projects that contribute to the development of the blue economy as defined in the SDGs Government Securities Framework developed by the Government of Indonesia.

(Note) Bonds whose use of funds is limited to projects related to the water environment, such as improvement and conservation of the marine environment, sustainable fishing, and prevention of marine pollution.



Respect for Human Rights

Basic Concept

Japan Post Insurance recognizes that respect for human rights is an important social responsibility in realizing its management philosophy of “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” and has established the “Japan Post Insurance Human Rights Policy.”

Japan Post Insurance Human Rights Policy

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/social/human_rights.html

Human Rights Due Diligence

We have initiated human rights due diligence initiatives based on the United Nations Guiding Principles on Business and Human Rights, among others.

This is an ongoing process to prevent and mitigate negative impacts on human rights in our corporate activities. We will strive to achieve respect for human rights and sustainable business by implementing this process on a regular basis, taking into account the opinions of outside experts.



Identifying and assessing negative impacts on human rights

We identify risks of negative human rights impacts that could occur not only on our officers and employees, but also on our customers, suppliers, and investees.

Stopping, preventing, and mitigating negative impacts

We are undertaking various initiatives to mitigate negative impacts related to human rights.

Employees	<ul style="list-style-type: none"> ● Training to raise awareness of human rights and prevent harassment, etc. In addition to various level-specific training programs for officers, executives, all managers, and new employees, we also provide video training for all employees, e-learning training, study sessions at workplaces, and training for harassment counselors to improve their consultation response skills. ● Initiatives to promote diversity (see pages 51 to 52 for details)
Customers	<ul style="list-style-type: none"> ● Privacy protection (information management) We have established a fundamental policy for protecting personal information (Japan Post Insurance Privacy Policy), and are committed to the appropriate protection and handling of personal information. ● Handling of policy procedures, etc. To ensure that people with disabilities and others can complete procedures with ease, we provide braille, substitute reading, and written communication services.
Suppliers	<ul style="list-style-type: none"> ● Supply chain management We have formulated the “Japan Post Group CSR Procurement Guidelines,” which include contents such as respect for human rights and occupational health and safety, and have informed our suppliers of the specific initiatives we require of them. We are also working to strengthen our supply chain management by including sustainability clauses on human rights, labor conditions, environmental protection, etc. in our contracts with suppliers. ● Questionnaires for suppliers We have conducted a questionnaire survey of some of our suppliers, asking them to answer questions about the status of their efforts to respect human rights and encourage them to promote various initiatives.
Investment and loan recipients	<ul style="list-style-type: none"> ● Investments and loans with respect for human rights As a responsible institutional investor, we promote initiatives that take human rights into consideration when making investment decisions and in dialogue with investee companies.

Relief Measures

We have established a consultation desk on harassment and other human rights issues in the workplace. In addition to consultation desk at each workplace, we have also established consultation desk provided by outside specialists.

Health Promotion and Increasing Well-Being

Popularization and Promotion of “Radio-Taiso”

“Radio-Taiso” is familiar to many people as an exercise that can be done easily anytime, anywhere, by anyone.

Postal Life Insurance Bureau of the Ministry of Communications, the predecessor of Japan Post Insurance, established “Radio-Taiso” in 1928, and 2028 will mark the 100th anniversary of its establishment.

In this age of 100-year life, we are making various efforts to help solve social issues related to health and community revitalization.

We provide information on “Radio-Taiso” through our “Radio-Taiso” portal site (<https://www.radio-taiso.jp/>) and our official Twitter account, Minna de “Radio-Taiso” (@radio_kampo).



▲ Portal site of “Radio-Taiso” (in Japanese)



▲ Official Twitter (in Japanese)



“Radio-Taiso” events are held throughout Japan.

“Radio-Taiso” and “Minna no Taiso” Tour; Festival of 10 Million People’s “Radio-Taiso” and “Minna no Taiso”

We hold “Radio-Taiso” and “Minna no Taiso” Tour and Festival of 10 Million People’s “Radio-Taiso” and “Minna no Taiso” as local events throughout Japan, with participation by people of all ages. They are broadcast live nationwide on NHK Radio 1.

All-Japan Elementary School “Radio-Taiso” Competition

With the aim of contributing to children’s physical fitness, we hold the All-Japan Elementary School “Radio-Taiso” Competition. Launched in 2014, the fiscal year ending March 31, 2024 marks the 10th anniversary of the event.



“Radio-Taiso” one-point lessons for companies

In response to the growing interest in health management, the “Radio-Taiso” one-point lessons, which explain the correct movements of “Radio-Taiso,” is offered throughout Japan to companies that are actively promoting the health of their employees.



“Radio-Taiso” Attendance Cards

Every year we distribute “Radio-Taiso” Attendance Cards to a large number of people, mainly elementary school students, through post offices and Japan Post Insurance branches nationwide. In the fiscal year ending March 31, 2024, the cards will have Lucario, which Japan Post Insurance appointed as a Pokémon to support “Radio-Taiso” on its surface.



©2023 Pokémon. ©1995-2023 Nintendo/Creatures Inc. /GAME FREAK inc.

Collaborative Research of “Radio-Taiso”

We have been conducting collaborative research with the Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology, Tokyo Metropolitan University, and the NPO Japan Radio-Taiso Federation since October 2021 to verify the health benefits of “Radio-Taiso.”




Providing Services through a Health Support App

With the advent of the super-aging society, the role expected of life insurance is no longer limited to conventional services. For example, we make insurance payments in cases such as hospitalization due to illness or injury, but include providing services for preventing illness and injury, and for promoting and maintaining health. To fulfill such a role, we are vigorously supporting healthy and affluent lifestyles, and as a measure of this support, we have launched the Sukoyakanpo health support app which helps people pursue health with ease. The app is available for free, and features both the Standard menu for everyone, and the Premium menu with more enhanced content for policyholders and insured people, as well as policyholders' families.

○ Main Functions of the Sukoyakanpo Health Support App

Standard menu Free

Support 1 Enjoy "walking"

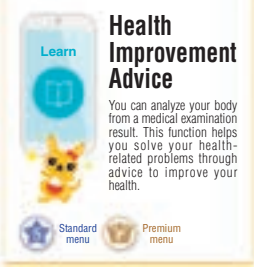


Step count management/Radio Exercise

The basis of health maintenance is to do physical exercise every day. Easy step count management and useful Radio Exercise functions support your healthy lifestyle.

Standard menu Premium menu

Support 2 "Learn" your body



Health Improvement Advice


You can analyze your body from a medical examination result. This function helps you solve your health-related problems through advice to improve your health.

Standard menu Premium menu

*In the "Health Improvement Advice" function, "Disease Risk Check" and "My Column" are available only via the Premium menu.

Premium menu Free

Support 3 Know the "rhythm of your body"

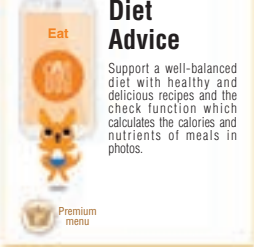


Body Rhythm Advice

Support the correct cycle of meals, exercise, and sleep. Summarize the next goal and the past results in an easy-to-understand way to raise your motivation.

Premium menu

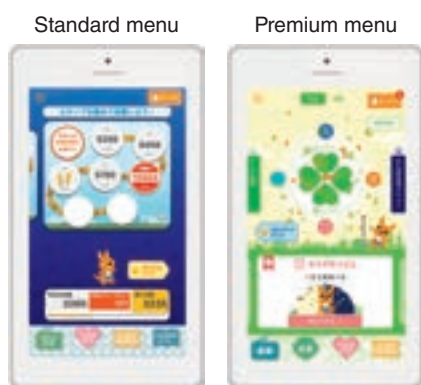
Support 4 Support "eating"



Diet Advice

Support a well-balanced diet with healthy and delicious recipes and the check function which calculates the calories and nutrients of meals in photos.

Premium menu



Promotion of Kampo Platinum Life Service

We are conducting a companywide initiative called "Kampo Platinum Life Service" to win the favor of our growing number of elderly customers by offering age-friendly services based on a sense of security and trust that has been enabled by improving contacts with all customers from the perspective of our elderly customers.



Provision of health and medical information

- Free telephone consultation service for policyholders, etc. Consultation line for health, medical, nursing care and childcare
- Information line for "taxes in life"



Establishment of systems friendly to elderly customers

- Establishment of a dedicated call center for elderly customers

Development of Local Communities and Society

Support for wheelchair tennis and boccia

By supporting parasports including wheelchair tennis and boccia, we aim to achieve a society where all people can play an active part in their own ways.

Wheelchair tennis

Japan Post Insurance has been supporting wheelchair tennis as a top partner of the Japan Wheelchair Tennis Association (JWTA) since the fiscal year ended March 31, 2019. We sponsor wheelchair tennis competitions and wheelchair tennis events for the junior generation nationwide.



Training Camp for U22 Next-Generation Developmental Athletes, supported by Japan Post Insurance



Japan Post Insurance Cup 2022 (1st Japan Wheelchair Tennis Junior Championship)

Support for athlete employees

Starting in the fiscal year ended March 31, 2020, we have been supporting OHTANI Momoko, a wheelchair tennis player who is active on the world stage, as an athlete affiliated with Japan Post Insurance, and welcomed her as an employee in the fiscal year ended March 31, 2021. OHTANI competed in the Tokyo 2020 Paralympic Games (held in the fiscal year ended March 31, 2022), winning a bronze medal in the women's doubles competition, and in the fiscal year ended March 31, 2023, she competed in four major tournaments, demonstrating her high level of performance.



Wheelchair tennis player
Employee of Japan Post Insurance
OHTANI Momoko

Boccia

For some time, Japan Post Insurance has engaged in activities to popularize and promote “Radio-Taiso” as a exercise that is easily accessible “anytime, anywhere, for anyone,” with the aim of helping promote the health of the population. We have similarly supported Boccia, another sport that can be enjoyed together by all people, regardless of age, gender, abilities and disabilities as a gold top partner of the Japan Boccia Association since the fiscal year ended March 31, 2023.



Boccia Tokyo Cup 2023, supported by Japan Post Insurance

Social Contribution Activities at Each Base

Based on the management philosophy “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we carry out community-based social contribution activities at our branches, regional headquarters, and service centers throughout Japan.



Cleaning activities at Naha Branch, Okinawa Regional Headquarters



Volunteer flower planting at Aomori Branch

ESG Investment

Under our management philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we consider ESG factors in all of our assets under management. At the same time, we are committed to making investments and loans that contribute to the achievement of the SDGs and the resolution of social issues in a broad range of areas. As a universal owner^(Note) that manages a wide range of assets over the long term based on the precious premiums entrusted by our customers, we aim to fulfill our social responsibility to all our stakeholders, realize a sustainable society, and improve long-term investment results.

(Note) An institutional investor investing large amounts and diversifying broadly across overall capital markets.

Priority Initiative Themes of ESG Investments

We focus on the “enhancement of well-being,” “development of local communities and society,” and “contribution to environmental protection” as priority initiative themes and make investments with “warmth” unique to Japan Post Insurance.



ESG Investment History

- 2014 Accepted Japan’s Stewardship Code
- 2017 Signed “Principles for Responsible Investment (PRI)” ①
- 2019 Announced the ESG Investment Policy
Declared support for TCFD and its recommendations
- 2020 Started negative screening in asset management
- 2021 Introduced ESG integration for entire asset portfolio, set KPIs for the Medium-Term Management Plan
Signed the Japan Impact-driven Financing Initiative and the Social Impact Management Initiative
- 2022 Set GHG emissions reduction targets for investment portfolio ②
Joined the PCAF, Climate Action 100+, CDP and Advance^(Note) ③
Launched the Impact “K” Project to promote impact-driven investment
- 2023 Disclosed results of analysis of natural capital risk in investment portfolio

① **Initiatives on the Principles for Responsible Investment (PRI)**
We promote ESG investments in accordance with the PRI and report the status of the initiatives once a year. We also designate the results of the PRI’s assessment of these reports as a key indicator in our initiatives to further enhance ESG investing.

② **GHG emission reduction targets for investment portfolio**
In addition to aiming to be carbon neutral by 2050, we have set an interim target of a 50% reduction from the end of the fiscal year ended March 31, 2021 by the fiscal year ending March 31, 2030 (end of March 2030), and are working to achieve this.

③ **Participation in initiatives**
In order to promote and advance initiatives for ESG investment, climate change response, impact investment, human rights, etc., we participate in domestic and international initiatives that share the same objectives and awareness of the issues, and gather information, engage in discussions, and disseminate opinions.

(Note) Japan Post Insurance is an Advance endorser and does not participate in any engagement activities in Advance.

Governance structure for promoting responsible investments

At Japan Post Insurance, we work to promote responsible investment, including ESG investment and stewardship activities, under the governance structure on the right.

Through participation in the Responsible Investment Advisory Sectional Meeting, which includes outside experts, as well as other initiatives, we fully utilize outside perspectives and continue to promote and advance responsible investment.



Framework for ESG Investments

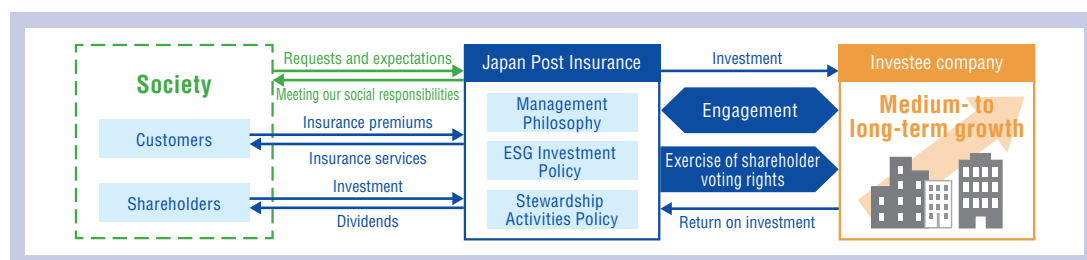
We are committed to ESG investment with a focus on the following methods.

ESG integration	When making investments and loans in all our assets under management ¹ , we comprehensively evaluate the ESG initiatives of our investees based on each asset's characteristics and incorporate them into our decision-making process.
Engagement and exercising voting rights	We accurately identify the status of ESG-related issues and management strategies of investee and conduct engagement (purposeful dialogue). Our voting activities are based on our Policies on the Exercise of Shareholders' Voting Rights. When exercising voting rights, we take into consideration non-financial information and information gained from dialogues with companies.
ESG-themed investments and impact investments²	We actively promote ESG-themed investments and impact investments and loans in accordance with our priority initiative themes of ESG investment initiatives.
Negative screening	We do not invest in any manufacturers of controversial weapons or new domestic or overseas project financing for coal-fired power generation, which emits a lot of CO ₂ and is known to have an adverse impact on climate change.

Notes: 1. Including externally managed assets. For externally managed assets, we review and evaluate the initiatives for ESG investments when selecting and interviewing investment managing organizations and fund managers.
 2. Investment activities intended to generate positive and measurable social and environmental impact in parallel with financial returns.

Stewardship Activities

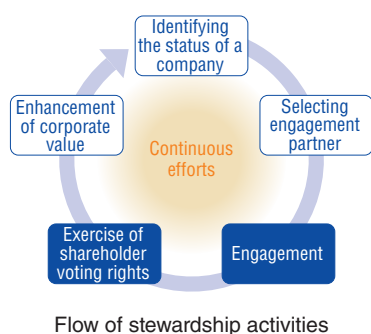
As a responsible institutional investor, we promote stewardship activities in order to respond to social demands such as support for Japan's Stewardship Code and to increase medium- to long-term investment returns by promoting value enhancement and sustainable growth of the investees in which we invest and finance.



We believe that medium- to long-term growth of a company is important for improving long-term investment performance and realizing a sustainable society through ESG investment.

We fulfill our stewardship responsibilities through ongoing “engagement” and “exercise of shareholder voting rights” based on an accurate understanding of corporate conditions through research activities and dialogue.

We are also active in initiatives and collaborative engagement with domestic and international investment managers.



■ Engagement

We will seek enhanced disclosure of non-financial information, including sustainability-related matters, and will continue to engage in constructive “purposeful dialogue” that encourages medium- to long-term improvements in corporate value.

Sustainability-related issues:
 Realization of a decarbonized society, preservation of biodiversity, respect for human rights and human capital, etc.

■ Exercise of shareholder voting rights

We exercise shareholder voting rights in all investee companies.

In determining whether to approve or disapprove of shareholder voting rights, we make careful judgement by not only making uniform decisions, but also carefully considering non-financial information, the content of dialogue, and other factors, as well as whether shareholder interests will be maximized over the long term.

For more information on our ESG investment/stewardship activity initiatives, please visit our website.

<https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/stewardship.html>

ESG Investment Examples – Investments with “warmth” unique to Japan Post Insurance

We invest in projects that can broadly contribute to achieving the SDGs goals and resolving issues, after confirming the relevance to the priority initiative themes of ESG investment and the use of funds.

Enhancement of well-being	Development of local communities and society	Contribution to environmental protection
		
<p>Real estate fund whose main tenants are licensed nursery schools in urban areas with a large number of children on waiting lists</p> <p>The fund aims to both generate long-term stable earnings and solve the social issue of children on waiting lists. The fund strives to create a positive impact on the balance between work and family life, and on the contribution to the advancement of women.</p>	<p>Fund that invests in companies that contribute to impact creation such as revitalizing local economies</p> <p>Through investments in small and medium-sized domestic enterprises, venture companies, and regional development projects, the fund aims to revitalize regional economies and create a positive impact on society through the circulation of funds to local regions.</p>	<p>Renewable energy projects such as solar power generation, wind power generation, biomass power generation, etc.</p> <p>As a Medium-Term Management Plan KPI, we aim to increase the total generation output of renewable energy facilities in which it invests and loans to 1.5 million kW^(Note) by the end of March 2026. (Note) Equivalent to the electricity demand of approximately 525,000 regular households</p>

Promoting the Impact “K” Project



In order to expand impact investments that contribute to solving social issues in addition to securing economic returns, we have launched Impact “K” Projects, an investment framework uniquely defined by Japan Post Insurance, from the fiscal year ended March 31, 2023.

In this project, we are promoting impact-oriented investments and loans for all of our assets, focusing on the relationship with the priority initiative themes of our ESG investment and working toward the future society we wish to realize and the solutions to social issues that will lead to such society.

Investment example A domestic listed equity fund that aims to achieve both economic and social returns by investing in companies that are actively engaged in creating social impact.

Addressing sustainability issues

In order to realize a sustainable society, we are committed to contributing to the resolution of global sustainability issues through our investments, and we emphasize the following themes in our engagement with the investee companies.

<p>Climate change</p> <ul style="list-style-type: none"> ● Set GHG emissions reduction targets for our investment portfolio ● Proactively make investments and loans that contribute to the realization of a decarbonized society by setting KPIs for the total power output of the renewable energy facilities in which we invest and loan
<p>Natural capital</p> <ul style="list-style-type: none"> ● We perform initial analysis of natural capital risk in investment portfolio and disclose a summary
<p>Human rights</p> <ul style="list-style-type: none"> ● We participated in the collaborative stewardship initiative “Advance” as an Endorser
<p>Human capital</p> <ul style="list-style-type: none"> ● We encourage companies to enhance disclosure and other initiatives

Industry-Academia Collaboration

We signed a memorandum of understanding for collaboration and cooperation to actively promote investment in innovative technological developments and businesses held by academia. Currently, we are discussing funding for venture companies that utilize research results from academia, with a focus on the area of impact investment.



Achieving a sustainable society through the Impact “K” Project

During my tenure in the Alternative Investment Department, I gained practical experience in the certification of Impact “K” Project by investing in a real estate fund whose primary tenants were licensed nursery schools.

Real estate has a high affinity with “S” (society) due to its characteristics of creating places for people to gather, and within this context, I believe that nursery schools have a great impact on solving social issues such as the problem of children on waiting lists and women entering society. In the process of obtaining certification, we identified social issues and organized KPIs, which helped us further clarify our efforts to “realize a sustainable society.”

Currently, I belong to the Investment Planning Department, where I am working on developing the overall ESG investment framework.

I will continue to contribute to the realization of investments with “warmth” unique to Japan Post Insurance.

KOHAMA Akira
Investment Planning Department



Human Capital Management

Message from the officer in charge

Becoming a corporate entity where every employee grows with the Company with job satisfaction



TACHIBANA Atsushi

Senior Managing Executive Officer,
responsible for Human Resources Department
and Human Resources Strategy Department

At Japan Post Insurance, we aim to achieve sustainable growth by becoming a company that is trusted and chosen by our customers and by providing insurance services that impress customers. The growth of our employees is essential for the sustainable growth of the Company, and we need to work from the perspective of human capital management to ensure that both the Company and our employees grow together.

We have been working on various measures to reform our corporate culture, reform the way we work, and promote diversity. In addition to further focusing on human capital management in the future, we have newly formulated the “Three Basic Principles of Human Capital Management” to solve three major issues in our management strategy: “developing the fundamental strength of our sales force,” “transforming our business model,” and “creating and increasing the number of employees who can act independently.”

<Basic Principle 1> is to “establish a corporate culture in which employees act independently.” We aim to improve employee engagement and create a corporate culture that encourages employees to act independently by firmly establishing the corporate culture reform initiatives we have been working on, ensuring that all employees share and sympathize with our vision for the future, managing employees in a way that encourages their independence, and providing opportunities for them to take on the challenges of a variety of careers. We expect to see even more employees who think autonomously about their own careers and work toward achieving the careers they aspire to.

<Basic Principle 2> is to “secure human resources in a strategic manner.” By formulating a human resource portfolio that visualizes the quantity

and quality of the current and future human resources needed, and by securing human resources for the areas that we will focus on strengthening in the future, we aim to solve our management strategy issues, grow our employees, and strengthen our organization.

<Basic Principle 3> is to “promote the active participation of diverse human resources and flexible work styles.” We are committed to meeting the needs of an increasingly diverse society and improving employee and customer satisfaction by promoting further reforms in work styles and diversity, with the aim of becoming a company where employees of various backgrounds can work in a comfortable environment and where each and every employee can make full use of his or her abilities with peace of mind.

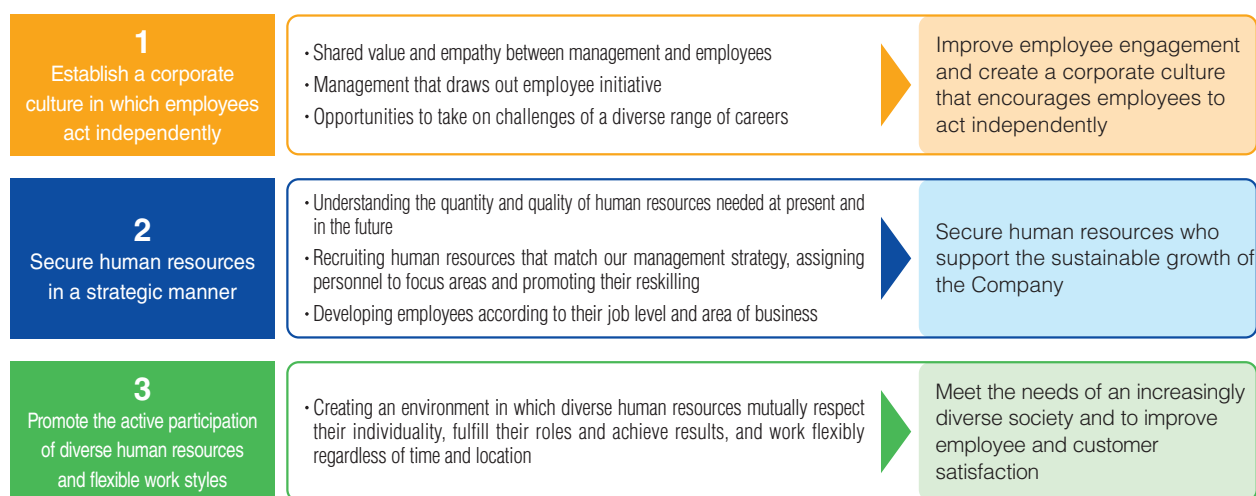
As a future challenge, we believe it is necessary to further foster a sense of unity throughout the Company with the transition to a new sales structure in the fiscal year ended March 31, 2023. In order for all employees to work together to implement various initiatives based on our basic philosophy, we have further embodied our management philosophy of “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” and formulated “Thank you for being here” as a common value on which all employees base their day-to-day thoughts, decisions and actions. We will work toward further reform of our corporate culture by working toward human capital management based on our three basic principles and shared values, aiming to become a company where each and every employee can think and act independently on his or her own initiative, and grow with the Company while feeling a sense of fulfillment.

Our Vision

We aim to achieve sustainable growth by enhancing our competitiveness, becoming a company trusted and chosen by our customers, and providing insurance services that impress customers. To this end, we believe it is essential to secure diverse human resources who can act independently and deliver high value-added results.

In order to realize this vision, we have newly established the “Three Basic Principles of Human Capital Management” to boost human capital management.

Three Basic Principles of Human Capital Management



The “Three Basic Principles of Human Capital Management” are linked to our management strategy, and we aim to realize our management strategy and increase our corporate value by promoting the following initiatives in line with this philosophy.

[Basic Principle 1] Establish a Corporate Culture in Which Employees Act Independently

Stimulate communication between management and employees

To stimulate communication between management and employees, we are developing measures for information dissemination from management, information dissemination from employees, and mutual understanding between management and employees, and between the Head Office and front lines.

Main initiatives

- President’s Message (regular messages from the President to all employees)
- Direct Suggestions to the President of Japan Post Insurance (a system for employees to make proposals directly to the President)
- Front-line Meetings (discussions between management and employees)
- Collaborative projects between the head office and the front lines (collaboration involving the front line in each area)



Meetings for exchange of opinions between the management, Head Office and Retail Service Division for increasing customer contact points

Management that draws out employee initiative

In addition to ensuring validity and objectivity in personnel evaluations, we hold human resource development meetings to discuss each employee’s development policy, etc., based on the employee’s own career-related wishes.

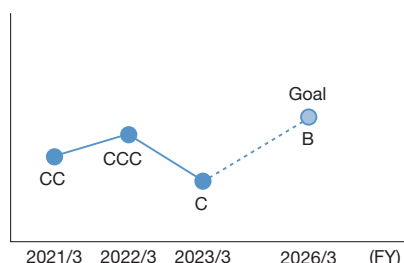
Furthermore, by clarifying the roles required of managers and improving management methods through the introduction of coaching training, we are encouraging employees to act independently.

Support for Diverse Career Formation

We have introduced a career challenge system that allows employees to take on the challenge of new tasks in a job or environment away from their current one for the purpose of encouraging autonomous growth. This system allows employees to take on new tasks on their own, improve their skills and broaden their perspectives in that area, thereby enhancing their ability to solve problems through new ideas, and also promotes mutual understanding between organizations by stimulating personnel exchanges.

ES Surveys

In order to objectively assess employee engagement, we carry out the engagement score (ES) survey twice a year to identify issues and problems related to the workplace environment at each site and make ongoing improvements. We set a target of achieving “B” or above on average of other companies in the fiscal year ending March 31, 2026.

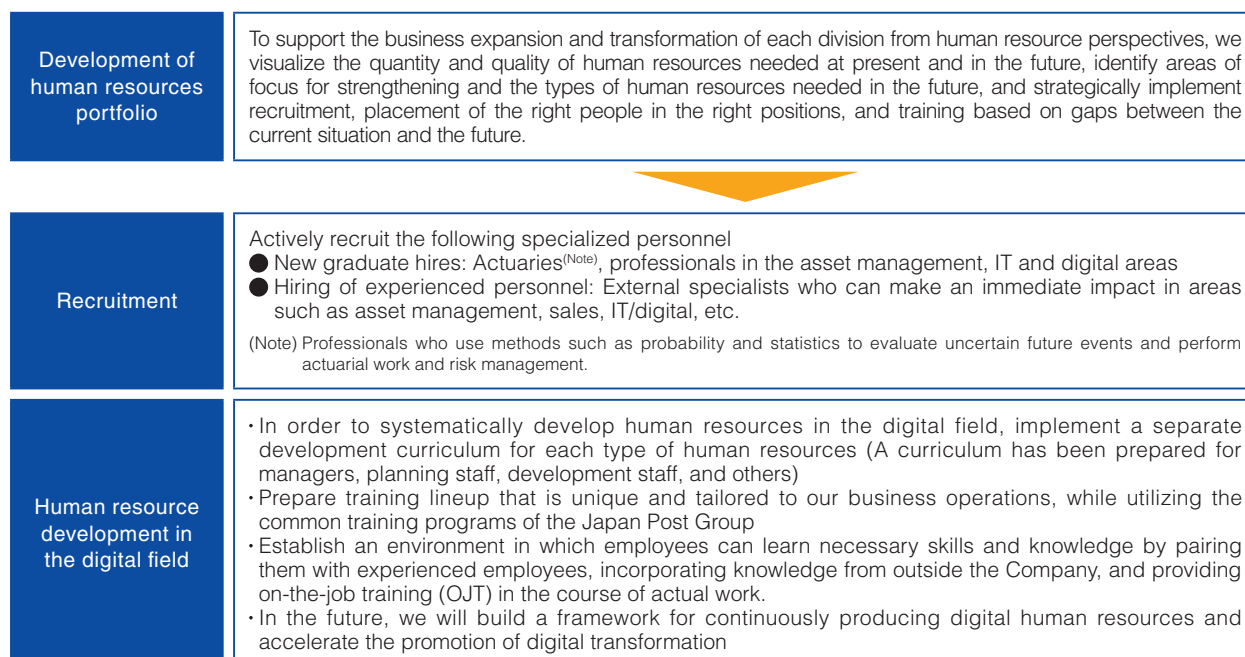




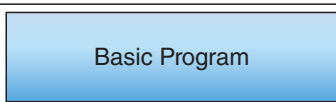


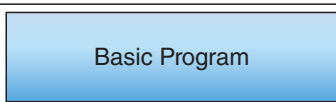


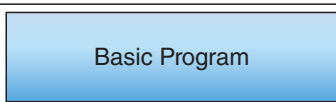
Although the engagement score improved in the fiscal year ended March 31, 2022 due to initiatives including the revitalization of internal communication, this score declined year on year in the fiscal year ended March 31, 2023. We believe this is due to challenges in building company-wide cohesion and a sense of unity, as approximately 13,000 employees, equivalent to half of all employees post-transition, newly joined the Company as a result of the transition to the new Japan Post Insurance sales system starting in April 2022. Going forward, we aim to improve engagement by continuing to revitalize communication between management and employees through front-line meetings, which are currently being conducted, and by continuing to work on a mechanism to utilize employee opinions in management through Direct Suggestions to the President.

(Note) C is the 9th from the top of all 11 levels, CC is the 8th from the top, CCC is the 7th from the top and B is the 6th from the top.

[Basic Principle 2] Secure Human Resources in a Strategic Manner

As a tool to support the business expansion and transformation of each division from the organizational and human resource perspectives, we are developing a human resources portfolio that visualizes the quantity and quality of the human resources needed at present and in the future. This will enable us to identify the human resources required for each department and organization, and to strategically secure human resources through recruitment, placement of the right person in the right position, and training based on this understanding.



Developing next generation leaders	<p>We implement employee training tailored to each level, with an eye to the future by establishing a next-generation leader development program for the purpose of strategically developing employees in the context of a long-term plan to continuously produce management leaders who will support the Company's growth.</p> <p>Overview of the Next Generation Leader Development Program</p>									
	<table border="1"> <tr> <td>Management positions</td> <td>  <p>Management Leadership Development Program</p> </td> <td> <p>We provide employees who are candidates for management leadership positions with strategic assignments and selective training to strengthen management skills, based on career paths with a view to promotion to management leadership positions.</p> </td> </tr> <tr> <td>Executive positions</td> <td>  <p>Core Human Resource Development Program</p> </td> <td> <p>We conduct training and other programs to "improve management skills and management literacy" and "raise awareness among young and mid-career employees."</p> </td> </tr> <tr> <td>General employees</td> <td>  <p>Basic Program</p> </td> <td> <p>We implement training programs by year for the purpose of "forming a foundation of business skills."</p> </td> </tr> </table>	Management positions	 <p>Management Leadership Development Program</p>	<p>We provide employees who are candidates for management leadership positions with strategic assignments and selective training to strengthen management skills, based on career paths with a view to promotion to management leadership positions.</p>	Executive positions	 <p>Core Human Resource Development Program</p>	<p>We conduct training and other programs to "improve management skills and management literacy" and "raise awareness among young and mid-career employees."</p>	General employees	 <p>Basic Program</p>	<p>We implement training programs by year for the purpose of "forming a foundation of business skills."</p>
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General employees	 <p>Basic Program</p>	<p>We implement training programs by year for the purpose of "forming a foundation of business skills."</p>								
Deployment	<p>As a result of transforming our business model through means such as streamlining back-office operations, including document screening and data entry of billing details at branches and service centers, we will appropriately reskill them and gradually shift them to divisions that handle customer service.</p>									

[Basic Principle 3] Promote the Active Participation of Diverse Human Resources and Flexible Work Styles

We are committed to creating a diverse and vibrant organization, respecting the human rights of all people involved in our business activities, ensuring a safe and comfortable work environment, and creating a rich workplace where individual employees can exercise their independence and creativity.

Promoting Expanding Roles of Female Employees

We are creating an environment in which employees can play an active role regardless of gender by providing career development support training for female employees in management candidate positions, mid- to long-term career development support for female employees through networking among employees, training on unconscious bias, and other programs.

▶ Please refer to pages 78 and 80 for the ratio of female managers.



Social gathering for female employees in corporate sales (more than 100 people attended, including web participation)

Support for Balancing Work with Childcare and Nursing Care

To ensure that employees can continue to work with peace of mind while raising children or caring for family members, we are working on thorough implementation of a return-to-work program for employees who have taken childcare leave and hold seminars to support employees in balancing work and childcare. In addition, a "Work-Life Balance Guidebook" that describes various support systems for childcare and nursing care has been created for the entire Japan Post Group to promote understanding and awareness among employees.

▶ Please refer to pages 78 and 80 for the rate of taking childcare leave.



Guidebooks and handbooks related to childcare and nursing care common to the Japan Post Group

Promoting Telework

We promote telework as an option for flexible work styles. In addition to formulating a telework handbook (internal rules) to promote management and smooth communication during telework, we are also working to improve hardware, such as enhancing storage service functions.

Promoting Support and Employment for People with Disabilities

We actively promote the employment of people with disabilities, recognizing that fairly evaluating their work skills and providing work opportunities for a diverse population is a part of our corporate social responsibility. Moreover, we support the retention of employees with disabilities in the workplace by holding regular dialogues and roundtable discussions with them, establishing a dedicated consultation service, and assigning leaders who promote the employment of people with disabilities to lead these efforts.

▶ Please refer to page 78 for the ratio of employees with disabilities.



Employees with disabilities engaged in administrative support work on the "Administrative Support Team" within the Diversity Promotion Office

LGBT Friendly

In order to create a company friendly to LGBT, we have been certified as Gold in the PRIDE INDEX for six consecutive years through ongoing efforts in training to deepen understanding of diverse genders and promotion measures to expand LGBT allies who consider LGBTQ+ as an involved party.



Our trademarked LGBT ALLY logo

Promotion of Health Management

In line with the policy that physical and mental health is important for each and every employee to fully demonstrate his or her abilities and work vigorously, we have established the Japan Post Group Health Management Promotion System. We work on measures to maintain and promote health, such as curbing long working hours, health guidance to prevent and improve lifestyle-related diseases, and mental health care.

Japan Post Group Health Management Promotion System



Japan Post Group Declaration on Health

The Japan Post Group believes that the foundation of our management lies first and foremost in the physical and mental well-being of our employees in order to realize our Management Philosophy, which aims for the happiness of our customers and employees.

The employees will personally maintain and enhance their "healthy minds and bodies" and the Japan Post Group will work to build work environments that support such endeavors.

Furthermore, each individual employee will take full advantage of his or her skills and work energetically and, in turn, aim to realize the happiness of the customers.

With the aim of curbing the number of employees who are unable to work normally due to health issues, we have set KPIs over the medium term to evaluate the status of employee health-related initiatives.

Japan Post Group Health Management KPI

	Group goals for FY2025/3	FY2023/3 Japan Post Insurance results
Percentage of employees requiring medical care 1 and 2	1% or less	0.78%
Escape rate for specific health guidance	23% or more	24.00%

TOPICS: Japan Post Group Personnel Policy

The Group Human Resources Policy has been formulated as a basic direction to realize the management and human resources strategies based on the JP Vision 2025, the Medium-Term Management Plan of the Japan Post Group. The policy identifies four elements that the Group should focus on: "pride and fulfillment" as the goal, three axes for achieving the goal, "recognizing each other's differences," "enhancing capabilities," and "demonstrating strengths," and identifies specific indicators and targets for each of these elements.

Key Indicators and Targets	Consolidated results of 4 Group companies (FY2023/3)
Periodic quantitative assessment of employee "pride and satisfaction"	—
Average number of childcare leave days taken by male employees: over one month	30.5 days
Ratio of female managers at head offices: 30% (by FY2031/3)	—
Establishment of new indicators for the right person in the right place	—
Average number of days off taken per year: 18 days or more	18.9 days

ERM and Capital Policy

Message from the officer in charge

We aim to achieve sustainable growth and increase corporate value while ensuring the soundness of business operations.



ONISHI Toru
Deputy President Representative Executive Officer,
responsible for Corporate Planning Department

Based on the concept of ERM, we aim to achieve sustainable growth and improve corporate value while ensuring the soundness of our business operations through measures such as heightening risk sensitivity. In the Medium-Term Management Plan (FY2021–FY2025), we are aiming for EV growth (RoEV) of 6% to 8%, which exceeds the assumed cost of capital. In FY2022, we set a target range (appropriate level 150% to 220%) for ESR (economic value-based solvency ratio) based on the new capital regulations (economic value-based capital regulation) that will be introduced from FY2025. We will continue to work on disciplined ERM and capital policies.

Recognition of the Environment and Basic Strategy

The Risk Appetite Statement stipulates that we shall realize sustainable growth and enhancement of the Company's corporate value over the medium to long term while securing soundness in business management based on ERM. We will aim to secure revenues considering efficiency with respect to capital and risks, while securing financial soundness.

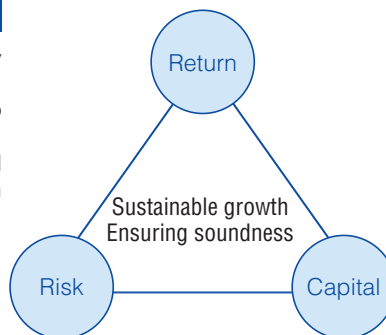
On top of that, we will position returning profits to shareholders as an important measure for management effectiveness. We will secure revenues while maintaining financial soundness based on ERM, aiming to steadily return profits to shareholders.

Key Initiatives

We intend to improve the risk return ratio and capital efficiency while maintaining financial soundness under the ERM framework.

Improvement of return against risk

- Develop insurance services to satisfy protection needs of customers of all generations and shift to a portfolio centering on protection-type products
- Engage in deeper and more sophisticated asset management to maximize return against risk
- Invest in DX while promoting improved efficiency in business operation



Improvement of capital efficiency

- Aim for growth exceeding estimated capital costs in the medium- to long-term (RoEV of 6% to 8%^(Note) Assumed capital cost ratio: around 6%)
- Pay due consideration to costs and quality in the capital composition and maintain soundness of the financial base
- Aim for an increase in per-share dividends and never reduce dividends, in principle, during the Medium-Term Management Plan
- Aim for an average total payout ratio from 40% to 50% in the medium term

Note: A value obtained by excluding the "difference between the economic assumption and actual results" from the EV variance factors.

Maintaining financial soundness

- Establish and maintain the minimum financial soundness and the assessment criteria (Maintain financial soundness: The minimum solvency margin ratio of 400%, the standard solvency margin ratio of 600%, and ESR (economic solvency ratio) of 150%)
- Aim for the medium- to long-term stability and improvement of ESR while refining measurement methods in anticipation of the introduction of the new solvency regulations
- Implement responses to the introduction of the new solvency regulations, including controlling interest rate risks

Risk Appetite Statement

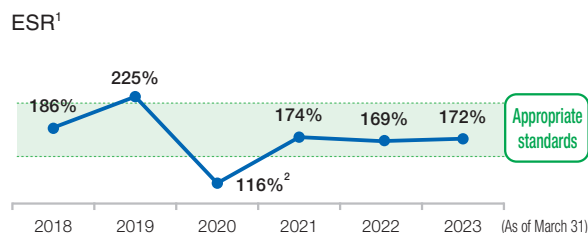
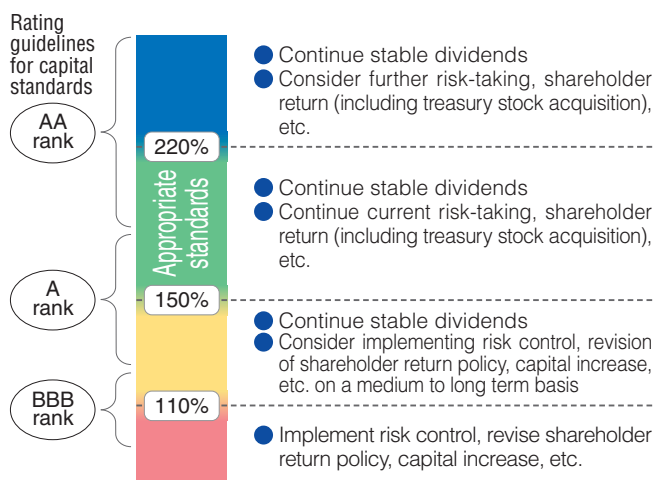
The Risk Appetite Statement stipulates our risk-taking policies in terms of which risks to take in order to achieve our goals. We categorize our risk appetite into “qualitative risk appetite” and “quantitative risk appetite.”

	Risk Category	Statement
Qualitative	Overall Policy	<ul style="list-style-type: none"> ● Be active in universal services through the post office network while cultivating a corporate culture where every employee can grow with job satisfaction as the base for sustainable growth of the Company and pursue effective customer-first business operations. ● Achieve sustainable growth while maintaining sound business operations based on ERM. Aim to stabilize ESR in the medium to long term.
	Insurance Underwriting Risk	<ul style="list-style-type: none"> ● Underwrite insurance products based on sales activities with solicitation quality and respond to the diversification of insurance needs.
	Investment Risk	<ul style="list-style-type: none"> ● The basic approach is to promote asset-liability matching while taking into account surrender risk and profitability. ● Seek to improve investment income by promoting the achievement of greater depth and sophistication of asset management while taking into account market constraints and soundness, serving as one of Japan's largest institutional investors.
	Operational Risk	<ul style="list-style-type: none"> ● Prevent operational risk from materializing by strengthening internal control systems and establishing a system to perform all operations from underwriting to claim payment in a simple, prompt and accurate manner. ● Prevent actualization of human risks by improving communication between management and employees, supporting diverse career development, and strengthening management capabilities. ● Prevent actualization of compliance risks by detecting risk using high risk sensitivity as well as embedding behavior to respond to the expectations of society in every employee.
Quantitative		<ul style="list-style-type: none"> ● Secure sound business management, set the minimum level for financial soundness that the Company should observe, and establish a management system to keep the indicators above that level. <ul style="list-style-type: none"> • Minimum level Solvency margin ratio of 400% ● Manage the balance between risks and capital, and aim to secure profitability by maintaining the minimum level for financial soundness.

ESR target range

In order to clarify capital evaluation and increase the transparency of risk-taking (risk elimination), shareholder return, etc., the Company established appropriate ESR standards (target range) and management behavior corresponding to the said standards.

Bearing rating guidelines for capital standards in mind, we set an appropriate standard of 150 to 220% in order to secure a capital standard of A rank higher and aim for a capital standard equivalent to AA rank for the medium to long term.

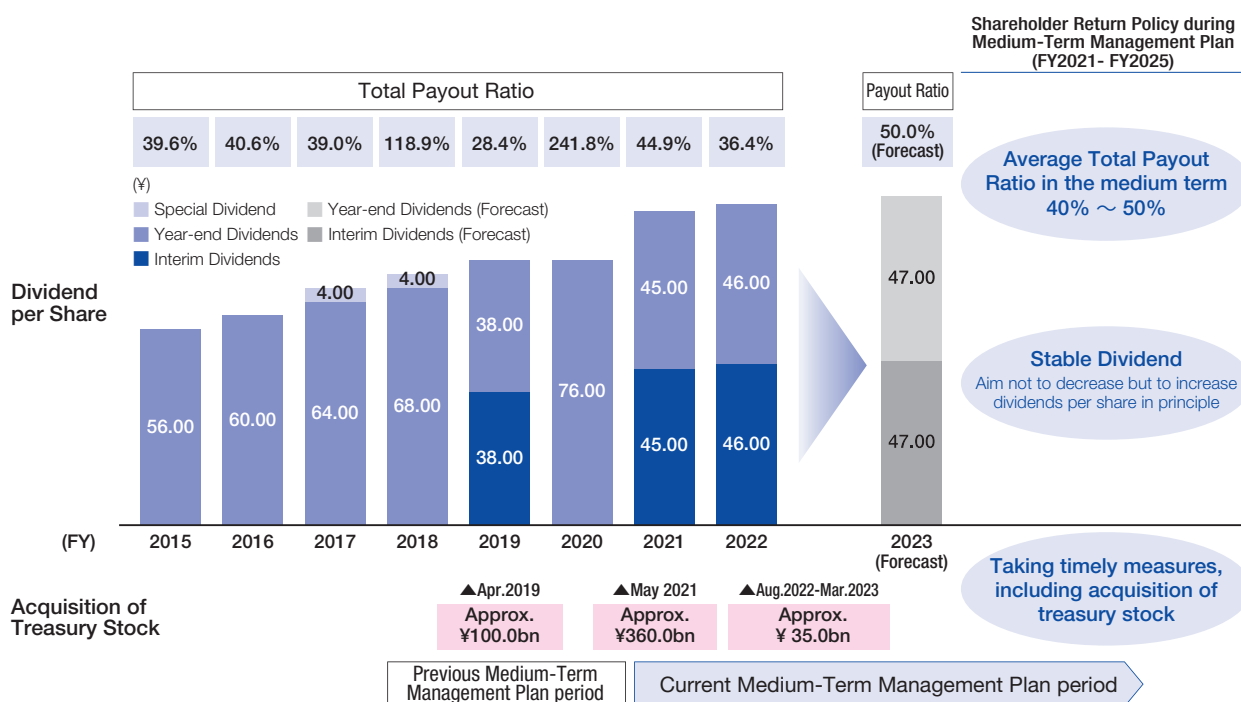


Notes: 1. Figures for March 31, 2021 and onwards are the amounts after the change in the ESR measurement model.
 2. Capital amount decreased and risk amount increased due to changes in the assumed EV operating costs.

Shareholder Return

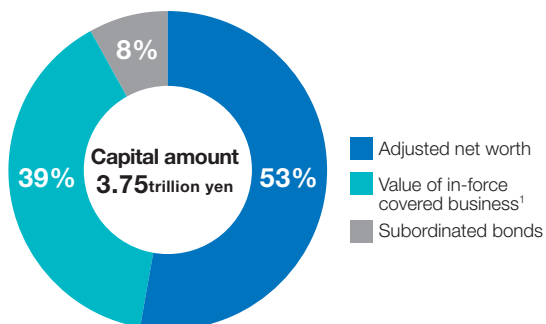
We recognize that the distribution of profit to shareholders is an important policy of management, and distributes profits to shareholders stably, while securing management soundness.

Specifically, with regard to shareholder dividends, we in principle aim not to decrease but to increase dividend per share for the period of the Medium-Term Management Plan up to FY2025, while considering earning prospects and financial soundness. Furthermore, with the primary aim of returning profits to shareholders flexibly, we will strive to achieve an average total payout ratio from 40% to 50% in the medium term by engaging in the agile acquisition of treasury stock and other means.



Capital and Risk Amount (as of March 31, 2023)

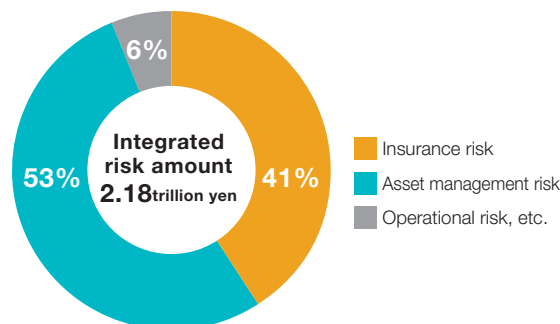
Capital amount



- Aim for EV growth exceeding estimated cost of shareholder's equity in the long term by securing stable profit (RoEV² 6% to 8%)

Notes: 1. Excluding costs to maintain required capital from the value of in-force covered business in EV
2. A value obtained by excluding the "difference between the economic assumption and actual results" from the EV variance factors

Integrated risk amount³



- Maintain risk appetite for insurance risk by shifting to a portfolio centering on protection-type products
- Asset Management risks will be addressed by:
 - Controlling interest risk, etc. (promotion of ALM, etc.)
 - Maintain other risk appetite based on return against risk

Notes: 3. Before considering diversification effect etc. between risks

Risk Management Systems

Outline of Risk Management Systems

In accordance with the “Basic Risk Management Policy,” we have set up and regularly convene the Risk Management Committee headed by the Chief Risk Officer (CRO), while formulating rules of risk management.

The Risk Management Committee deliberates on risk management policies and matters concerning the establishment and operation of risk management systems as well as on matters concerning the implementation of risk management. This committee also performs appropriate risk management by monitoring and analyzing the status of each risk and other related matters. The CRO submits and reports on important matters to the Executive Committee, the Audit Committee, and the Board of Directors for discussion.

Also, the CRO controls the Company’s risk management and builds, verifies and upgrades risk management systems in accordance with changes in risk management circumstances and the operating environment. The Risk Management Department is in charge of overall control of risk management and under the direction of the CRO executes affairs concerning building, verifying and upgrading risk management systems. At the same time, it regularly verifies the status of risk management by monitoring, analyzing and managing the state of risk management in sections responsible for performing risk management in each risk category (“risk management sections”).

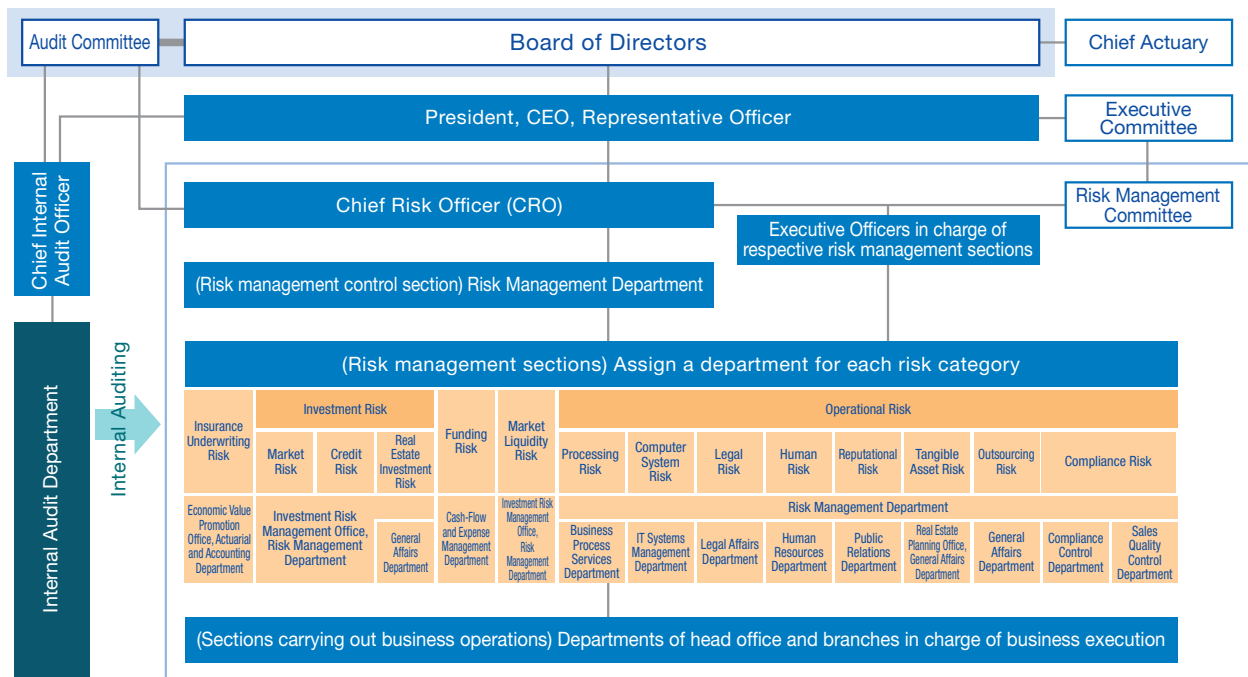
Each of the Executive Officers in charge of risk management sections operate and upgrade the systems for managing their respective assigned risks by ascertaining the presence, types and profile of risk, as well as the risk management techniques and systems as prescribed by the Basic Risk Management Policy.

While operating a mutual checks and balances system with departments of the head office and branches in charge of business execution, risk management sections appropriately fulfill their monitoring role and manage their assigned risks in accordance with risk management standards. As investment risk and operational risk have multiple subcategories, we have designated a department for handling comprehensive risk management in conjunction with the risk management sections for respective subcategories.

In order to strengthen our risk management systems, the Internal Audit Department conducts internal audits and examines the maintenance and operational status of our risk management systems.

In enforcing risk management, we collaborate with the risk management departments of Japan Post Holdings Co., Ltd. and JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd., the Company’s subsidiary.

Risk Management Structure



Principal Risk Categories and Definitions

We classify and define types and details of managed risks into the following categories, and have established a management system and rules in accordance with each characteristic and are appropriately carrying out risk management.

Insurance Underwriting Risk	The risk of losses due to changes in economic conditions, incidence rates of insured events or other factors contrary to the projections made at the time when premiums were set.	Operational Risk	The risk of losses due to improper business processing, inappropriate behavior by executives and employees, improper computer system operations or external events.
Investment Risk	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities.	Processing Risk	The risk of losses due to executives, employees and others neglecting to conduct proper operations, resulting in accidents or engagement in unlawful activities.
Market Risk	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities as well as the risk of losses resulting from fluctuations in profits generated by assets and liabilities due to fluctuations in various market risk factors such as interest rates, foreign exchange rates and stock prices.	Computer System Risk	The following types of risk are included: a) the risk of losses due to system failures or malfunctions, system defects or any other causes. b) the risk of losses due to unauthorized use of computers. c) the risk of losses due to delayed computer system development.
Credit Risk	The risk of losses resulting from a decline or elimination in the value of assets including off-balance-sheet assets due to deterioration in financial conditions of borrowers or a counterparty.	Legal Risk	The risk of losses resulting from any legal conflicts associated with our business activities or due to our improper response to the establishment of or revisions to any relevant laws and regulations.
Real Estate Investment Risk	The risk of losses due to a decline in profitability of real estate caused by factors such as change of rents or due to a decrease in the value of real estate itself caused by factors such as changes in market conditions.	Human Risk	The risk of losses due to unequal, unfair or discriminatory actions, in terms of personnel management.
Funding Risk	The risk of losses due to overdue payment of insurance claims and others, or being forced to carry out transactions at a price extremely lower than normal as a result of a deterioration in cash management caused by factors such as a decrease of premium income following the decline of new policies caused by factors such as worsening financial conditions, an increase in payments of termination refunds following a large amount of policy surrenders and lapses and cash outflows following a significant natural disaster.	Reputational Risk	a) The risk of losses due to the spread of vague information such as rumors, speculations or reputation with regard to the Company, and the spread of misunderstandings, misperceptions or exaggerated interpretations associated with an accident or unlawful acts among policyholders or the mass media. b) The risk of losses due to negative evaluations. For example, there is a great gap between the business activities of the Company and the expectations/trust of stakeholders.
Market Liquidity Risk	The risk of losses due to being forced to conduct transactions at extremely unfavorable prices compared to normal or being unable to conduct market transactions due to factors including market turmoil.	Tangible Asset Risk	The risk of losses due to damage to tangible assets caused by disasters or other events.
		Outsourcing Risk	The risk of losses due to default of an outsourcing agreement and/or unlawful acts, etc., committed or conducted by an outsourcee (including any re-outsourced party) with regard to an operation outsourced externally.
		Compliance Risk	The risk of loss of corporate value due to the loss of trust of stakeholders including customers caused by violations of laws and regulations, rules, and in-house regulations, acts deviating from social norms, acts violating commercial practices and market practices, and acts against social expectations such as acts that do not consider the customer's perspective.

Implementation of Stress Tests

We implement periodic stress testing to ascertain the impact of an event that has a low but certain probability of occurring and could have a significant effect on the Company.

In establishing stress scenarios we undertake the following:

- We cover all risk categories that could have a significant impact on the Company taking into consideration the Company's risk profile status.
- Besides historical scenarios that have occurred in the past, we simulate forward-looking hypothetical scenarios that could occur in the future.
- We consider the impacts on the Company under a combined (comprehensive) stress scenario.

Specifically, it is a combination of events such as significant fluctuations in financial markets such as interest rates, exchange rates and stock prices, the occurrence of a major earthquake or a pandemic. In addition, we are working on estimates and analyses of the impact of climate change (long-term global warming) on assets owned, insurance claim payments, etc.

Based on the analysis of the impacts on loss situation and soundness under the stress scenarios, the results of stress tests are periodically reported to the Risk Management Committee and the Executive Committee to be used in management judgments.

Outline of the Corporate Governance Structure

Basic Concept of Corporate Governance

The Company is working to strengthen corporate governance through our Board of Directors and other bodies. We have established the “Basic Policy Regarding Corporate Governance,” which lays out our basic concept of corporate governance, its framework and operations, and the corporate governance structure is developed accordingly.

Basic Policy Regarding Corporate Governance
https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/corporate_governance.html

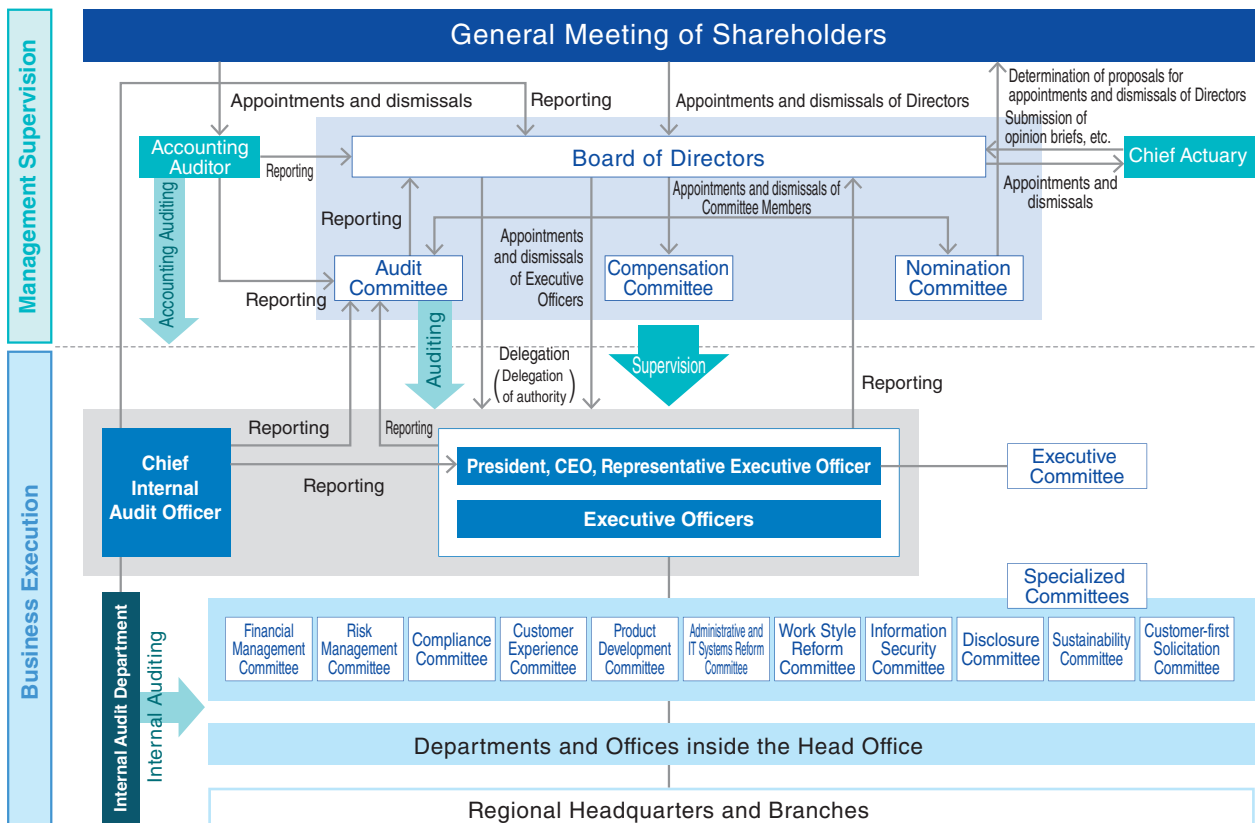
(Basic Concept of Corporate Governance)

- The Company shall continue to create new convenience for customers and pursue the provision of high-quality services, while generating consistent value by providing life insurance services through the post office network.
- Fully recognizing its fiduciary responsibility to its shareholders, the Company shall give consideration to effectively secure rights and equal treatment of shareholders.
- The Company shall place emphasis on dialogue with all stakeholders including customers and shareholders with an aim to ensure appropriate collaboration and sustainable coexistence. To this end, the Company shall strive to secure management transparency and commit to appropriate disclosure and provision of information.
- The Company shall carry out swift and decisive decision-making and business execution under the effective supervision by the Board of Directors, in order to promptly cope with changes in social and economic environment and meet the expectation of all stakeholders.

Outline of the Corporate Governance Structure

To speed up decision-making and enhance the transparency of management, we have adopted a company with a three-committee structure, under which the Board of Directors’ role of management supervision is separated from the Executive Officers’ role of business execution, thereby clarifying responsibilities with respect to corporate management.

Corporate Governance Structure



Board of Directors (Management Supervision)

The Board of Directors of the Company determines matters such as the basic management policy of the Company, segregation of duties of Executive Officers and the fundamental policy for establishment of internal control systems and has the authority of supervising the execution of duties by Executive Officers. Meanwhile, the Board of Directors promotes the development of a framework that enables supervision of management from the external and broader perspective by appointing lawyers and corporate managers as Outside Directors. The three committees, the Nomination Committee, the Audit Committee and the Compensation Committee, have been established to fully utilize external views on the management of the Company and ensure the transparency and fairness of decision-making of the management. The specific roles of these committees are as follows:

<ul style="list-style-type: none"> ● Nomination Committee The committee determines proposals for general meetings of shareholders concerning the election and dismissal of Directors. Committee Chair: HARADA Kazuyuki (Outside Director) Members: TANIGAKI Kunio, MASUDA Hiroya, SUZUKI Masako (Outside Director), YAMAZAKI Hisashi (Outside Director) ● Audit Committee The committee audits the execution of duties by Directors and Executive Officers, prepares audit reports, determines the content of proposals regarding the election and dismissal of the accounting auditor to be submitted to general meetings of shareholders and approves the compensation for the accounting auditor. Committee Chair: SUZUKI Masako (Outside Director) Members: NARA Tomoaki, TONOSU Kaori (Outside Director), TOMII Satoshi (Outside Director), OMACHI Reiko (Outside Director) 	<ul style="list-style-type: none"> ● Compensation Committee The committee formulates compensation policies for Directors and Executive Officers and determines detailed compensation for each individual. Committee Chair: TOMII Satoshi (Outside Director) Members: MASUDA Hiroya, HARADA Kazuyuki (Outside Director), SHINGU Yuki (Outside Director)
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(Membership composition as of July 1, 2023)

Nomination Criteria for Candidates for Directors / Designation Criteria for Independent Officers

The Nomination Committee has formulated the “Nomination Criteria for Candidates for Directors” that stipulates our philosophy regarding balance of knowledge, experience and skills, as well as the diversity and scale of the Board of Directors as a whole, along with qualifications the Company requires of Directors. Based on these standards, the Nomination Committee selects candidates for Directors. The Nomination Committee also formulates the “Designation Criteria for Independent Officers” stipulating the Company’s requirements for Outside Directors with no concerns of risk of conflict of interest with shareholders, and designates Independent Officers from among the Outside Directors.

▢ **Nomination Criteria for Candidates for Directors**

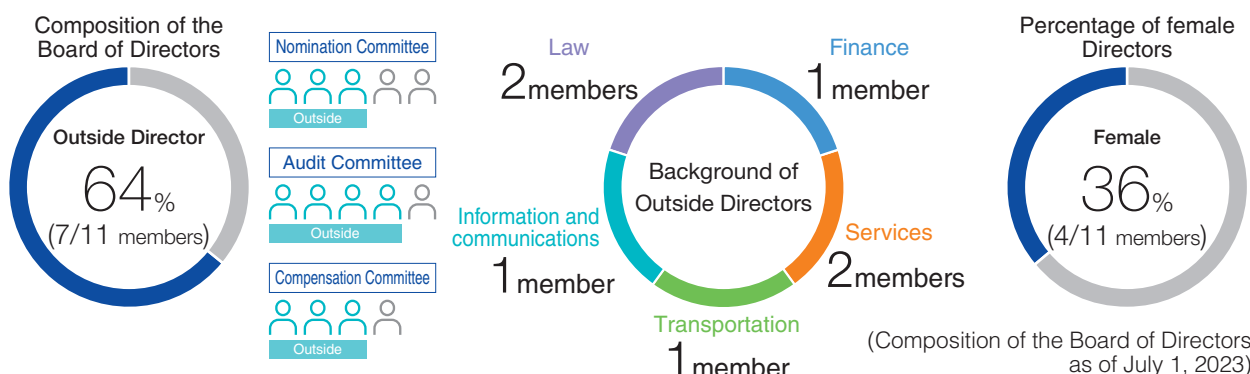
https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_directors.pdf

▢ **Designation Criteria for Independent Officers**

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent_officers.pdf

Composition of the Board of Directors

The Company’s Board of Directors has a high level of independence and diversity, with a majority (7 out of 11 members) of Outside Directors from a wide range of backgrounds and including four female Directors.



Skills Matrix for Directors

The table below lists the skills representing the areas in which the Company expects Directors to demonstrate their competencies and shows the skills and experience that Outside Directors possess and available skills and experience, as well as expected skills, of Inside Directors, based on differences in the Nomination Criteria for Candidates for Directors.

To contribute to resolving social challenges related to sustainability, the areas in which the Company expects Directors to demonstrate their competencies in realizing the Sustainable Development Goals (SDGs) are included in the skills of “corporate management,” “personnel affairs/human resources development,” “community/society,” and “asset management.”

Name	TANIGAKI Kunio	ONISHI Toru	NARA Tomoaki	MASUDA Hiroya	SUZUKI Masako	HARADA Kazuyuki	YAMAZAKI Hisashi	TONOSU Kaori	TOMII Satoshi	SHINGU Yuki	OMACHI Reiko
Corporate management ¹	●	●	●	●	●	●	●	●	●	●	
Financial affairs/ Accounting	●	●	●						●		
Legal/ Risk management/ Compliance	●	●	●	●	●	●	●	●	●	●	●
Human resources/ Human resources development	●	●	●	●	●	●	●	●		●	
Sales/Marketing	●	●			●	●				●	
ICT/DX ^{2,3}		●	●		●			●		●	
Community/Society	●	●	●	●	●	●	●	●	●	●	●
Finance/Insurance	●	●	●	●				●	●		●
Asset management			●						●		●

Notes: 1. We consider the “corporate management” skill item to include areas such as organizational management necessary for supervising management.

2. ICT is an acronym for Information and Communication Technology and collectively refers to technology relating to information and communications.

3. DX, or Digital Transformation, refers to transforming a company’s products, services, and business models based on the needs of customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its operations, organizations, processes, and corporate culture and climate to establish a competitive advantage.

Status of Operations of the Board of Directors, etc.

Japan Post Insurance has established opportunities to enhance the exchange of opinions among Directors. They include conducting the “deliberation” process that will leverage the expertise of Outside Directors from the resolution drafting stage as well as the resolution and report in order to discuss management issues in advance, holding extraordinary meetings of the Board of Directors as necessary, and meetings of Outside Directors.

We are also working to ensure effective and smooth operations of the Board of Directors such as by providing Directors with accurate information as needed, providing thorough explanations on the details of proposals in advance, and ensuring that there is time for prior discussion and question-and-answer sessions at the Board of Directors.

The operations of the Board of Directors and the committees in the fiscal year ended March 31, 2023 were as follows.

<p>■ Board of Directors</p> <p>Number of meetings held: 14 Attendance rate: 100% Average length of meeting: 1 hour and 22 minutes</p> <p>Major matters resolved by Board of Directors in the fiscal year ended March 31, 2023</p> <ul style="list-style-type: none"> ● Capital and business alliance in domestic real estate asset management business with Mitsui & Co., Ltd. ● Revision of FY2022 consolidated results forecast ● Management Plan for the fiscal year ending March 31, 2024 	<p>■ Nomination Committee</p> <p>Number of meetings held: 4</p>	<p>■ Audit Committee</p> <p>Number of meetings held: 17</p>	<p>■ Compensation Committee</p> <p>Number of meetings held: 6</p>
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Evaluation of the Effectiveness of the Board of Directors

The Board of Directors analyzes and evaluates the effectiveness, etc. of the Board of Directors as a whole every year through specific actions, such as confirming the opinions of every Director regarding the Board of Directors' effectiveness and uses the results to improve operations.

A summary of the evaluation results is posted on the Company's website.

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/effectiveness_evaluation.html

Process for evaluating effectiveness of the Board of Directors for the fiscal year ended March 31, 2023

Formulation of evaluation items for the survey

01	Survey conducted (February 2023)	All ten Directors were surveyed regarding the Board of Directors for the fiscal year ended March 31, 2023
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Compilation of surveys

02	Evaluation and analysis (March 2023)	The survey results and opinions received were evaluated and analyzed, and outcomes and issues were identified
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03	Discussion at meeting of Outside Directors (March 30, 2023)	The evaluation and analysis, as well as measures to address issues in the future, were discussed at a meeting of Outside Directors
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Drafting of resolution proposal

04	Resolution by the Board of Directors (April 17, 2023)	Based on 01-03, the Board of Directors made a resolution on the results of the evaluation of their effectiveness for the fiscal year ended March 31, 2023, including future action plans of Directors
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[Main evaluation items on survey]
Eleven items in total

- (1) **Composition, operation, etc. of the Board of Directors and committees**
Number of members, diversity, qualities and focused operation (whether the necessary matters are submitted, whether time is invested into important matters, etc.) of the Board of Directors and committees, etc.
- (2) **Recognition of tasks and improvement measures related to the operation of the Board of Directors**
Set up for a wide range of projects using deliberation items and social gatherings, and holding meetings to exchange opinions with frontline employees, etc.
- (3) **Self-evaluation**
Self-evaluation of the roles and responsibilities of each Director, etc.

Note: We are advised by a third-party lawyer regarding the formulation of evaluation items for the survey and the results of the evaluation of the effectiveness of the Board of Directors.

Initiatives for FY2023/3 and their evaluation

The Company evaluated that the effectiveness of the Board of Directors in FY2023/3 was ensured and improved by implementing the following initiatives. Through the above survey, etc., we received meaningful suggestions to further improve effectiveness, which will be reflected in our efforts for FY2024/3.

- To systematically provide opportunities for discussing business strategies
- To hold study sessions and provide opportunities for opinion exchange with front-line personnel in order to deepen the understanding of the insurance industry and our own characteristics
- To review the contents of meeting materials to clarify key discussion points such as matters explored in greater depth in Executive Committee meetings, etc.
- To prepare systems that enable Outside Directors to more easily grasp a wider range of information

Initiatives for FY2024/3 based on the effectiveness evaluation

- To systematically set up projects to discuss the medium to long-term management direction and outlook for changes in the environment
- To expand opportunities to exchange opinions with frontline employees, including service center staff
- To set up (expand) opportunities for exchanging opinions among Outside Directors and exchanging opinions with Executive Officers
- To make thorough efforts to improve materials, such as structuring materials with a focus on key points

Executive Compensation

Compensation Policies for Directors and Executive Officers

With respect to compensation for our Directors and Executive Officers, the Compensation Committee has established the “Compensation Policies for Directors and Executive Officers by Individual” and determines compensation based on these policies.

Compensation for Directors shall comprise a fixed monetary compensation of a certain level commensurate with their positions based on the primary role of supervising management.

Compensation for Executive Officers shall comprise basic compensation (fixed monetary compensation) of a certain level commensurate with their duties in light of the differences in responsibilities depending on position, as well as performance-linked stock compensation that reflects factors such as the degree of achievement of management plans.

☐ Compensation Policies for Directors and Executive Officers by Individual

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/compensation_policies.pdf

Amount of Compensation for Directors and Executive Officers (fiscal year ended March 31, 2023)

Total Compensation, etc., Total Compensation, etc. by Type, and Number of Eligible Directors/Executive Officers by Officer Category

Category	Total compensation, etc. (Millions of yen)	Total compensation, etc. by type (Millions of yen)			Number of eligible Directors/Executive Officers (Persons)
		Fixed compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (excluding Outside Directors)	27	27	—	—	1
Outside Directors	61	61	—	—	7
Executive Officers	797	671	126	—	31

Notes: 1. As the Company does not give compensation, etc. for Directors who concurrently serve as an Executive Officer of the Company or the parent company, etc., the number of eligible officers in the Directors category in the chart above does not include three officers who concurrently serve as an Executive Officer of the Company or the parent company, etc.

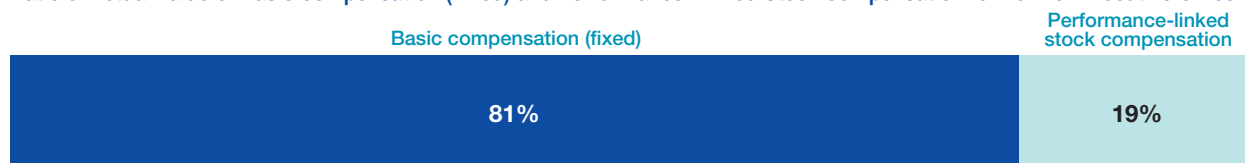
2. The amount recorded as performance-linked stock compensation is the amount recorded in the fiscal year ended March 31, 2023. In principle, we record the amount assumed to have been incurred during the fiscal year at the end of every fiscal year as an allowance and reverse these allowances at the time of officers' retirement (payment). The finalized amount could differ from the recorded amount of allowances.

3. No bonuses are paid.

☐ For details regarding executive compensation, please refer to our website.

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/corporate_governance.html

Ratio of Actual Value of Basic Compensation (Fixed) and Performance-Linked Stock Compensation for Former Executive Officers



Notes: 1. Basic compensation (fixed) is calculated based on the actual payment in the fiscal year ended March 31, 2023.

2. Performance-linked stock compensation is calculated by multiplying the points granted based on the actual performance in the fiscal year ended March 31, 2023 by the stock price on the date of point grant for those in office and by the stock price on the date of retirement for those retiring.

Internal Control Systems (Business Execution)

Japan Post Insurance considers the establishment of strong internal control systems to be extremely important to increasing our corporate value and to our goal of becoming the “No. 1 Japanese insurance company selected by customers.” We have established systems for the execution of our business based on the principle of self-responsibility and have continued our efforts to enhance our organization and systems.

Outline of Organization and Systems

Important management decisions related to business execution are first discussed by the Executive Committee and then made by the President, CEO, Representative Executive Officer. The Executive Committee is comprised of the President, CEO, Representative Executive Officer and the Executive Officers in charge of the respective business operations. In addition, we set up the following 10 specialized committees to serve as advisory bodies to the Executive Committee. Among the items subject to approval of each Executive Officer, cross-divisional issues are discussed by the respective specialized committees.

- | | |
|-----------------------------------|---|
| 1. Financial Management Committee | 6. Administrative and IT Systems Reform Committee |
| 2. Risk Management Committee | 7. Work Style Reform Committee |
| 3. Compliance Committee | 8. Information Security Committee |
| 4. Customer Experience Committee | 9. Disclosure Committee |
| 5. Product Development Committee | 10. Sustainability Committee |

Furthermore, in order to promptly and reliably implement measures under the leadership of management and improve solicitation quality, we have established a Customer-first Solicitation Committee and hold discussions.

Initiatives for Internal Control

We have resolved the “Fundamental Policy for Establishment of Internal Control Systems” at a meeting of the Board of Directors as a fundamental policy related to the establishment of a system for ensuring proper operations (revised on March 25, 2020).

Pursuant to the aforementioned policy, the Company is striving to establish appropriate internal control systems, including the development of the following systems:

- System for ensuring the execution of duties by the Executive Officers and employees of Japan Post Insurance is in compliance with laws and regulations and the Articles of Incorporation
- System for retaining and managing information concerning the execution of duties by the Executive Officers
- System and rules for managing the risk of loss to Japan Post Insurance
- System for ensuring the efficient execution of duties by the Executive Officers
- System for ensuring proper operations within the corporate group comprising Japan Post Insurance and Japan Post Holdings, and subsidiaries of Japan Post Insurance
- System for ensuring effective audits by the Audit Committee

Internal Audit System

We have established the Internal Audit Department, which is independent from our executing departments, to contribute to sound and appropriate business operations. The Internal Audit Department carries out internal audits of the head office, regional headquarters, branches, our subsidiaries, and agencies to review the execution status of management activities and the design and operation of each Internal Control System including compliance, and risk management in accordance with the “International Standards for the Professional Practice of Internal Auditing” developed by the Institute of Internal Auditors (IIA). The Internal Audit Department directly reports the results of internal audits to the President, CEO, Representative Executive Officer, the Audit Committee, and the Board of Directors, thereby ensuring the effectiveness of internal audits.

The Internal Audit Department has also taken steps to strengthen the Internal Audit System through efforts such as improving internal audit quality, enhancing internal audit framework and awareness, securing and developing human resources, and further cooperating with the Audit Committee, executives and business-executing departments.

Directors and Executive Officers (As of July 1, 2023)

Directors



TANIGAKI Kunio

Director and President, CEO, Representative Executive Officer

Number of shares of the Company held 1,500 shares
Number of years and months in office as a Director - years
Status of attendance at the Board of Directors -% (-/- meetings)

Significant concurrent positions:

Director of Japan Post Holdings Co., Ltd.

Past experience, positions and responsibilities

Apr. 1984 Joined the Ministry of Posts and Telecommunications
Jan. 2006 Senior General Manager of Japan Post Holdings Co., Ltd.
Oct. 2007 Senior General Manager of General Affairs/Human Resources Department of Japan Post Holdings Co., Ltd.
Jun. 2008 Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.
Jun. 2009 Managing Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.
Jan. 2013 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.
Jun. 2016 Deputy President, Executive Officer of the Company
Jan. 2017 Deputy President, Executive Officer of Japan Post Co., Ltd.
Apr. 2019 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.
Nov. 2021 Deputy President, Executive Officer of Japan Post Bank Co., Ltd.
Jun. 2023 Director and President, CEO, Representative Executive Officer of the Company (current position)
Jun. 2023 Director of Japan Post Holdings Co., Ltd. (current position)



ONISHI Toru

Director and Deputy President, Representative Executive Officer

Number of shares of the Company held 1,300 shares
Number of years and months in office as a Director - years
Status of attendance at the Board of Directors -% (-/- meetings)

Significant concurrent positions:

Managing Executive Officer of Japan Post Holdings Co., Ltd.

Past experience, positions and responsibilities

Apr. 1990 Joined the Ministry of Posts and Telecommunications
Apr. 2008 Senior General Manager of Corporate Planning Department Public Relations and Research Office of the Company
Apr. 2009 General Manager of Corporate Planning Department of the Company
Jul. 2009 Senior General Manager of Legal Affairs Department of the Company
Jan. 2010 General Manager of Human Resources Department of the Company
Jun. 2012 General Manager of Corporate Planning Department of the Company
Jul. 2013 Senior General Manager of Corporate Planning Department of the Company
Jun. 2015 Executive Officer, Senior General Manager of Corporate Planning Department and Senior General Manager of Affiliated Business Office of the Company
Apr. 2018 Executive Officer, Senior General Manager of Kinki Regional Headquarters of the Company
Jul. 2019 Executive Officer of the Company
Apr. 2020 Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., LTD.
Jun. 2020 Managing Executive Officer of the Company
Jun. 2023 Director and Deputy President, Representative Executive Officer of the Company (current position)
Jun. 2023 Managing Executive Officer of Japan Post Holdings Co., Ltd. (current position)



NARA Tomoaki

Director

Number of shares of the Company held 5,100 shares
Number of years and months in office as a Director 2 years
Status of attendance at the Board of Directors 100% (14/14 meetings)

Significant concurrent positions:

None

Past experience, positions and responsibilities

Apr. 1984 Joined the Ministry of Posts and Telecommunications
Oct. 2007 General Manager of the Company
Dec. 2007 Head of Office of Task Force Payment Services Improvement of the Company
Jun. 2010 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Head of Office of Task Force Payment Services Improvement of the Company
Oct. 2010 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Senior General Manager of Payment Services Office of the Company
Jan. 2012 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Senior General Manager of Payment Services Office and Senior General Manager of Representative Office for Future Claim Payment Processing of the Company
Feb. 2013 Executive Officer of the Company
Jul. 2013 Executive Officer and Senior General Manager of Investment Planning Department of the Company
Jun. 2017 Managing Executive Officer of the Company
Jun. 2020 Senior Managing Executive Officer of the Company
Jun. 2021 Director of the Company (current position)



MASUDA Hiroya

Director

Number of shares of the Company held - shares
Number of years and months in office as a Director 3 years
Status of attendance at the Board of Directors 100% (14/14 meetings)

Significant concurrent positions:

Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd.
Director of Japan Post Co., Ltd.
Director of Japan Post Bank Co., Ltd.

Past experience, positions and responsibilities

Apr. 1977 Joined the Ministry of Construction
Apr. 1995 Governor of Iwate Prefecture
Aug. 2007 Minister for Internal Affairs and Communications
Aug. 2007 Minister of State for Decentralization Reform, Cabinet Office, Government of Japan
Apr. 2009 Adviser, Nomura Research Institute, Ltd.
Apr. 2009 Visiting Professor, Graduate School of Public Policy, The University of Tokyo
Jan. 2020 Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd.
Jun. 2020 Director of the Company (current position)
Jun. 2020 Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd. (current position)
Jun. 2020 Director of Japan Post Co., Ltd. (current position)
Jun. 2020 Director of Japan Post Bank Co., Ltd. (current position)



SUZUKI Masako

Outside Director

Number of shares of the Company held 3,700 shares
Number of years and months in office as a Director 7 years
Status of attendance at the Board of Directors 100% (14/14 meetings)

Significant concurrent positions:

Outside Audit & Supervisory Board Member of Unite and Grow Inc.
Outside Director of NIPPON SIGNAL CO., LTD.

Past experience, positions and responsibilities

Jul. 1983 Joined Temporary Center Inc.
Apr. 1999 Executive Officer of Pasona Inc.
Sept. 2004 Senior Managing Director of Pasona Inc.
Dec. 2007 Senior Managing Director of Pasona Group Inc.
Jun. 2010 Director, Vice President of Benefit One Inc.
Aug. 2010 Director of Pasona Group Inc.
May 2012 Auditor of Benefit one Health care Inc.
Jan. 2016 President and Representative Director of Benefit one Health care Inc.
Jun. 2016 Director of the Company (current position)
Jun. 2018 Director, Executive Vice President of Benefit One Inc.
Jul. 2019 Executive Advisor of Pasona Group Inc.
Dec. 2019 President and Representative Director of Pasona Force Inc.
Mar. 2023 Outside Audit & Supervisory Board Member of Unite and Grow Inc. (current position)
Jun. 2023 Outside Director of NIPPON SIGNAL CO., LTD. (current position)



HARADA Kazuyuki

Outside Director

Number of shares of the Company held - shares
Number of years and months in office as a Director 5 years
Status of attendance at the Board of Directors 100% (14/14 meetings)

Significant concurrent positions:

Chairman of the Board, Representative Director of Keikeyu Corporation
President and Representative Director of Yokohama Shintoshi Center Corporation

Past experience, positions and responsibilities

Apr. 1976 Joined Keikeyu Corporation
Jun. 2007 Director of Keikeyu Corporation
Jun. 2010 Executive Director of Keikeyu Corporation
Jun. 2011 Senior Executive Director of Keikeyu Corporation
Jun. 2013 President and Representative Director of Keikeyu Corporation
Jun. 2015 Outside Director of Japan Airport Terminal Co., Ltd.
Jun. 2018 Director of the Company (current position)
Jun. 2019 President and Executive Officer of Keikeyu Corporation
Apr. 2022 Chairman of the Board, Representative Director of Keikeyu Corporation (current position)
Jun. 2022 President and Representative Director of Yokohama Shintoshi Center Corporation (current position)



YAMAZAKI Hisashi

Outside Director

Number of shares of the Company held 1,500 shares
Number of years and months in office as a Director 3 years
Status of attendance at the Board of Directors 100% (14/14 meetings)

Significant concurrent positions:

Attorney-at-law
Supervisory Board Member, National Federation of Agricultural Cooperative Associations
Outside Director of Sumitomo Corporation

Past experience, positions and responsibilities

Apr. 1974 Assistant Judge, Osaka District Court
Apr. 1995 Presiding Judge, Tokyo District Court
Dec. 2000 Chief, Training and Research Institute for Family Court Probation Officers
Dec. 2002 Chief, Family Bureau, General Secretariat, Supreme Court
Dec. 2005 Chief Judge, Maebashi District Court
Feb. 2007 Chief Judge, Yokohama Family Court
Dec. 2008 Presiding Judge, Tokyo High Court
Aug. 2009 Chief Judge, Tokyo Family Court
Feb. 2011 President, Sapporo High Court
Mar. 2013 Commissioner, Japan Fair Trade Commission
Aug. 2016 Registered as attorney-at-law of Kikuchi Sogo Law Office (current position)
Jul. 2017 Supervisory Board Member, National Federation of Agricultural Cooperative Associations (current position)
Jun. 2018 Outside Director of Sumitomo Corporation (current position)
Jun. 2020 Director of the Company (current position)



TONOSU Kaori

Outside Director

Number of shares of the Company held - shares
Number of years and months in office as a Director 1 year
Status of attendance at the Board of Directors 100% (11/11 meetings)

Significant concurrent positions:

Outside Director of Internet Initiative Japan Inc.

Past experience, positions and responsibilities

Apr. 1985 Joined The Fuji Bank, Limited
Jun. 2001 Joined Tohmatsu & Co.
Jun. 2006 Partner of Tohmatsu & Co.
Jul. 2009 Partner of Deloitte Touche Tohmatsu LLC
Nov. 2015 Board Member of Deloitte Tohmatsu LLC
Jun. 2018 Board Member of Deloitte Touche Tohmatsu LLC
Jun. 2022 Director of the Company (current position)
Jun. 2022 Outside Director of Internet Initiative Japan Inc. (current position)



TOMII Satoshi

Outside Director

Number of shares of the Company held 100 shares
 Number of years and months in office as a Director 1 year
 Status of attendance at the Board of Directors 100% (11/11 meetings)

Significant concurrent positions:

Chairman of DBJ Investment Advisory Co., Ltd.
 Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd.

Past experience, positions and responsibilities

Apr. 1985 Joined The Japan Development Bank May 2010 Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Jun. 2011 Managing Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Apr. 2012 Managing Executive Officer, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Jun. 2012 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Mar. 2014 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Department of Development Bank of Japan Inc. Oct. 2014 Managing Executive Officer, General Manager of Investment Division of Development Bank of Japan Inc. Jun. 2015 Director, Managing Executive Officer, Chief Investment Officer of Development Bank of Japan Inc. Jun. 2016 Outside Member of the Board of World Co., Ltd. Apr. 2019 Director of Japanese Association of Turnaround Professionals (current position) Jun. 2020 Chairman of DBJ Investment Advisory Co., Ltd. (current position) Jun. 2022 Director of the Company (current position) Jun. 2023 Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd. (current position)



SHINGU Yuki

Outside Director

Number of shares of the Company held - shares
 Number of years and months in office as a Director - years
 Status of attendance at the Board of Directors -% (-/- meetings)

Significant concurrent positions:

Director of Future Corporation
 President and Chief Executive Officer of Future Architect, Inc.

Past experience, positions and responsibilities

Apr. 1994 Joined City Ascom Co., LTD. Feb. 1998 Joined Established Future System Consulting Corp. Oct. 2014 Joined Microsoft Japan Co., Ltd. Apr. 2017 Joined Future Corporation Apr. 2017 Executive Officer of Future Architect, Inc. Mar. 2019 Director of Future Corporation (current position) Mar. 2019 President and Chief Executive Officer of Future Architect, Inc. (current position) Jun. 2023 Director of the Company (current position)



OMACHI Reiko

Outside Director

Number of shares of the Company held - shares
 Number of years and months in office as a Director - years
 Status of attendance at the Board of Directors -% (-/- meetings)

Significant concurrent positions:

Attorney-at-law

Past experience, positions and responsibilities

Apr. 2000 Registered as attorney-at-law (current position) Apr. 2000 Joined Mitsui, Yasuda, Wani & Maeda (later reorganized into Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters) Jun. 2003 Seconded to the Counselor's Office of the Ministry of Justice's Civil Affairs Bureau of Japan (as a government official with a fixed term contract) Jul. 2006 Returned to Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters May 2014 Joined Ito & Mitomi (currently Morrison & Foerster LLP), Of Counsel (current position) Jun. 2023 Director of the Company (current position)

Executive Officers

President, CEO, Representative Executive Officer TANIGAKI Kunio	Deputy President Representative Executive Officer ONISHI Toru	Deputy President Representative Executive Officer SHIMA Toshitaka	Senior Managing Executive Officer HIRONAKA Yasuaki	Senior Managing Executive Officer TACHIBANA Atsushi
Senior Managing Executive Officer KUME Takeshi	Managing Executive Officer KOIE Junko	Managing Executive Officer SAKAMOTO Hidekazu	Managing Executive Officer HARUNA Takayuki	Managing Executive Officer IIDA Takashi
Managing Executive Officer YOKOYAMA Masamichi	Managing Executive Officer MIYAZAWA Hitoshi	Executive Officer MURO Takashi	Executive Officer IMAIZUMI Michinori	Executive Officer TAGUCHI Yoshihiro
Executive Officer SHIGEMATSU Jun	Executive Officer YOSHIDA Syouchi	Executive Officer KIMURA Yoshihisa	Executive Officer HAMASAKI Rika	Executive Officer HANDA Shuji
Executive Officer IZUMI Mamiko	Executive Officer ADACHI Tamami	Executive Officer IWATA Kazuhiko		

Gender composition of Directors and Executive Officers: 24 male and 8 female (25% of Directors and Executive Officers are female)

Outside Director Roundtable Discussion

Unity between management and employees.
Becoming a company selected by customers



TONOSU Kaori
Outside Director

SUZUKI Masako
Outside Director

TOMII Satoshi
Outside Director

What are the necessary initiatives and vision for Japan Post Insurance to achieve sustainable growth? Outside Directors exchanged opinions on Japan Post Insurance's strengths and vision for the future, as well as their assessment of the ongoing corporate transformation.

Accumulating the results of reform step by step

Q FY2022 was the second year of the Medium-Term Management Plan (FY2021-FY2025) and the first year of the new Japan Post Insurance sales system. Please tell us your impressions looking back on the past year.

SUZUKI: In FY2022, we welcomed approximately 13,000 new employees, including Japan Post consultants (employees who mainly visit customers' homes). Although there were major changes in the environment, I feel that employees have embraced the direction of the Company, and that Japan Post and Japan Post Insurance are working together to stand by our customers.

TONOSU: Over the past year, I was impressed by the way the management tried to communicate honestly with employees. There may have been some confusion due to the new system, but after the past solicitation quality

problem, I can see positive and cheerful opinions from employees, so I'm feeling a positive change.

TOMII: Japan Post Insurance is a huge organization, so I was impressed by how the President himself frequently visited the front lines and focused on picking up on the issues there. I believe that if the executives and management continue such honest efforts it will lead to successful reforms.

Q What kind of discussions and actions has the Board of Directors conducted in response to the issues that have emerged over the past year?

SUZUKI: We held a lot of discussions about what we should do to be trusted and selected by our customers. For example, by digging deep into issues from complaints from customers, we discussed how to lead it to a concrete

response in a way that is close to the front lines. Just looking at the numbers does not lead to improvements in the true sense, so we have deepened our mutual understanding through extensive discussions with those in executing departments as we made our response.

TONOSU: In terms of customer trust, we also discussed DX to improve CX. Concrete discussions progressed on what can be done to further improve customers convenience and efficient business operations of front line employees, and trial measures also emerged from these discussions.

A year of deepening mutual understanding between the management and employees

Q Japan Post Insurance focuses on activities to foster a sense of unity and trust between the management and employees. Please tell us what you felt from this.

SUZUKI: At Japan Post Insurance, the management and employees hold meetings to exchange opinions. I think it's wonderful that a huge organization like this provides opportunities for the management and frontline employees to communicate directly. Although there may be many opinions that have not yet been fully discussed, I think it would be good to devise more ways to spread a sense of security among employees so that they can express their opinions directly to the management.

TONOSU: I was impressed to see the employees openly talking about their thoughts, both good and bad. As an Outside Director, I had the opportunity to talk directly with people on the front lines, which was very good for deepening my understanding of the company. It renewed my belief that the Board of Directors should also consider how to solve the problems employees face.

TOMII: I believe that the fact that Outside Directors are provided with the opportunity to interact with people on the front line reflects the company's earnest desire to increase the transparency of its management and its hope to get people to understand the company's inner workings. I was surprised that people didn't hesitate to discuss topics they would normally discuss in a round-about way, and for that reason, I feel that Directors must take the expectations of the front line very seriously.

Q Director TONOSU and Director TOMII were appointed as Outside Directors in June 2022. How did your impression of the Company change after taking office?

TONOSU: I have gone to several post offices as a customer to complete some procedures. My impression was that each one of these post offices offered kind service, and gave very easy to understand

explanations from the customer's point of view. When I spoke directly with employees about this kind of customer service after taking office, I learned that each and every employee is using their own ingenuity on the front line to provide customer-first service. With our new sales system, we have been able to accumulate such ingenuity internally from the front line, and I expect that utilizing it will lead to further growth.

TOMII: The impression I got after taking office was that we are working toward various reforms more dynamically than I had imagined. I also felt that Japan Post Insurance is a company with a strong desire to contribute to the community and its customers. This is a wonderful thing, and I have always been conscious of the balance between profitability and public benefit, as I myself have worked at government-affiliated financial institutions. Japan Post Insurance is also a listed company, so I feel that it is necessary for sustainable growth to emphasize a balance between the two, while at the same time enhancing our sense of profitability.

Nationwide business base and diverse human resources are our greatest assets

Q What do you think are our Company's strengths from an objective point of view?

SUZUKI: I think our greatest strength lies in our nationwide network. When about 20,000 employees start moving along the same vector, we can exert a considerable amount of power. However, when you are inside a company, quite often you may not notice such good qualities of yourself. Japan Post Insurance has many employees who are honest and highly motivated, and I hope that each and every employee will recognize their company's strengths and build strong horizontal connections, so the strength of individuals will drive the company.

TONOSU: Just like Director SUZUKI, I also believe that having a nationwide customer base is a great asset. In addition, I think we should also take advantage of being a member of the Japan Post Group as a strength. I believe that if we aim to be a comprehensive consultant that can solve customers' problems not limited to insurance and security, and when cooperation within the group progresses, then we can



truly become the best company in Japan. It is necessary to return to our management philosophy and clarify our stance of being close to each and every customer's life, and we should be confident that we have the skills to realize this on the front line.

TOMII: I think one of our great strengths is that despite being a company with a long history, our team is made up of diverse management with different backgrounds. There is also the fact that we are a global institutional investor with an asset portfolio of ¥60 trillion. We have enough influence to change the world, and we believe that there are great opportunities.

Realization of a corporate culture in which each employee thinks and acts independently

Q Creating an open workplace is also important for the further growth of the company. What is your impression of the corporate culture reforms that Japan Post Insurance is promoting, and what do you expect in the future?

SUZUKI: Corporate culture cannot be changed overnight. Management and employees must move in the same direction while realizing measures one by one. The free exchange of opinions is becoming more active within the Company, and I would like to develop a personnel system that rewards people who work hard.

TONOSU: I believe the goal of corporate culture reforms should be that even if there is no system like the "Direct Suggestions to the President of Japan Post Insurance" with which employees directly give opinions and suggestions to the President, it would be ideal to be able to have constructive discussions on a daily basis within the organization. To that end, I think it is important for each employee to interpret the management philosophy in their own way and speak with their own words. These don't have to be fancy words. What kind of issues do you want to solve in one year or three years, such as wanting to help elderly customers use digital tools more conveniently? I believe that simply having this kind of awareness will strengthen the organization and lead to a corporate culture that focuses on the customer.



TOMII: Even if the corporate culture changes once, it can be thrown back. The important thing is that the top

management does not waver. A successful company does not waver at its core, even if the president changes. I often hear the story that the awareness of the middle management does not change. It is important to make sure that all employees understand that the management and executives are serious by conveying a consistent and repeated message. I believe that it is our job as Outside Directors to support this.

A bright future for Japan Post Insurance. To be the company selected by customers

Q Finally, as an Outside Director, please tell us about the future prospects and what you expect of Japan Post Insurance.

SUZUKI: This year is the second year since the launch of our new sales system. I would like all employees to have the spirit of achieving the goals of the Company, and to create an atmosphere in which we all work together to achieve our goals.


TONOSU: Just like Director SUZUKI, I also think this will be an important year for the Company. I hope that the management team will continue to say without hesitation that this is an extremely important year for Japan Post Insurance. As an Outside Director, I would like to continue to say what I need to say for the sake of the Company and, by extension, our customers, even if they don't like what I have to say.

TOMII: I feel the same way. In addition, strict governance is the basis for conducting activities without wavering, and ensuring thorough corporate governance is our role as Outside Directors, who act as supervisors. On the other hand, I think that we must consider the issue of the future of our Company from a long-term perspective. For example, regarding IT, Director TONOSU's specialty, companies are competing to find out how to link technological advances to insurance products. If we do not demonstrate our originality, including product development, we will lose our appeal as a company. I hope that we can achieve future growth and development of the Company by not only resolving immediate issues, but also planting seeds that will lead to sustainable growth.



Engagement with Shareholders and Investors

We have formulated our Disclosure Policy, which sets out our basic policy of accurately and fairly disclosing information to fulfill our accountability as a listed company and to earn the trust of shareholders and investors, etc., and have been working to put it into practice. At the same time, we aim to enhance corporate value by understanding the requests and expectations of our shareholders and investors through engagement.

 Disclosure Policy

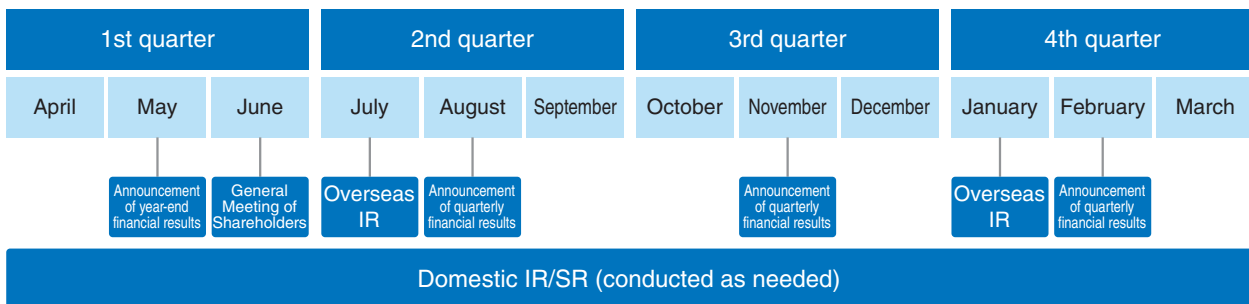
<https://www.jp-life.japanpost.jp/IR/en/information/policy.html>

IR and SR Activities

We have established a page for shareholders and investors on our website (IR website) where we post corporate information for investors such as timely disclosure information in a timely manner. We implement an IR Mailing Service to communicate the latest timely disclosure information and other information related to investor relations.

During the fiscal year ended March 31, 2023, from the perspective of preventing the spread of COVID-19, we held a total of three online company information sessions for individual investors, viewed by numerous individuals. After the announcement of quarterly financial results, our management team holds conference calls and financial results briefings for institutional investors in Japan and overseas to explain management strategies and financial conditions, as well as dialogues on ESG and other topics. We also participate in conferences for institutional investors organized by securities companies.

IR Schedule



 IR website

<https://www.jp-life.japanpost.jp/IR/en/index.html>

Details of the General Meeting of Shareholders held this year

Date	June 19, 2023
Meeting duration	32 minutes
Number of attending shareholders	93
Mailing date of Convocation Notice	June 1, 2023
Start date of measures for electronic provision	May 22, 2023

Every year, we hold the General Meeting of Shareholders, giving top priority to enhancing communication with shareholders and improving their convenience.

Regarding the provision of materials for the General Meeting of Shareholders prior to the holding of the 17th Ordinary General Meeting of Shareholders, as in the past, we endeavored to send and disclose the materials as early as possible so that shareholders would have enough time to carefully review the proposals and we accepted questions in advance on our website. In addition, we have taken advantage of a system for electronic provision of materials under the revised Companies Act to enhance content related to sustainability and other topics.

As for exercise of voting rights, we participate in the virtual platform recommended by the Tokyo Stock Exchange, which allows institutional investors to exercise voting rights electronically, and we have adopted a system that allows shareholders to easily exercise voting rights by scanning a 2D code with a smartphone, etc.

On the day of the General Meeting of Shareholders, we provide an environment where shareholders who have difficulty coming to the meeting can watch the proceedings streamed live on the Internet. In our business reports, we use video materials to provide easy-to-understand explanations, striving to ensure that shareholders can understand our management and businesses.

We also enhance mutual understanding by answering questions received in advance and by holding a Q&A session with shareholders.

After the meeting, we swiftly disclose the shareholder newsletter, the results of the exercised voting rights, the slides used on the day of the meeting and other relevant information on the Company's website as part of our efforts to improve the way we provide corporate information to shareholders.

Compliance

Japan Post Insurance assures the soundness and appropriateness of its business operations and maintains a framework that meets the trust of society by ensuring all its executives and employees comply with laws and regulations (laws, regulations, rules and internal rules, social norms and corporate ethics), and thoroughly practicing compliance in every aspect of its corporate activities.

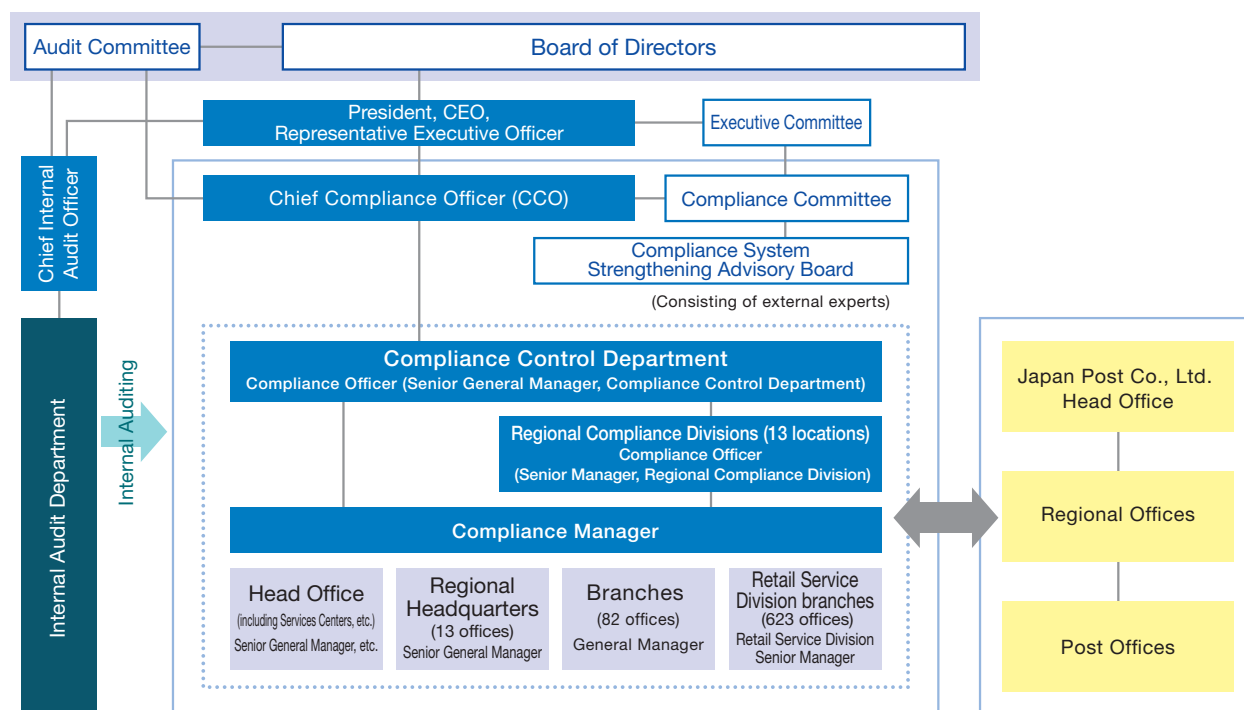
To realize our goal of becoming the “No.1 Japanese insurance company selected by customers,” Company-wide efforts are undertaken to achieve thorough implementation of compliance.

Compliance Policies

We have established and improved our compliance framework by formulating compliance rules that set out the basics of the Company’s compliance policy. These rules incorporate the “Fundamental Policy for Establishment of Internal Control Systems” developed by the Company’s Board of Directors.

To provide a guide to the laws and regulations and other rules concerning our corporate activities, we have prepared a Compliance Manual, as well as a Compliance Handbook, which describes the essentials of the Compliance Manual. We strive to ensure that all executives and employees are familiar with and understand the contents of such guidelines. Furthermore, we work to practice thorough compliance through our “Compliance Program,” a detailed compliance practice plan developed annually.

Compliance Promotion System



We have established the Compliance Committee, headed by the Chief Compliance Officer (CCO), which deliberates on management policies concerning compliance, specific compliance operations and response to various compliance issues. The committee also works to achieve thorough compliance and prevent compliance violations by monitoring and analyzing the Company’s compliance promotion efforts.

To discuss matters related to enhancement and reinforcement of the compliance framework of Japan Post Co., which serves as our insurance solicitor, we have set up a liaison meeting, members of which include the CCO. We also provide guidance to post offices and manage their compliance activities on the basis of discussion at the meeting.

Implementing Compliance Education

Through our Compliance Program, we conduct training courses for Compliance Managers at our head office, branches and other locations. The program covers explanations and instructions regarding the role of Compliance Managers, as well as important points to note and other details regarding compliance in our business activities. In order to provide and instill the knowledge of compliance, we also hold e-learning training courses for all executives and employees.

Whistleblowing System

The Company has established whistleblowing contact points at the Compliance Control Department of the Head Office and outside Attorney's Office for employees (including temporary employees). The whistleblowing contact points aim to achieve early detection and the resolution of acts of violations or possible violations of compliance. Based on the improper solicitation related to our products uncovered in 2019, the Japan Post Group has newly established an external whistleblowing contact point exclusively for financial product sales issues since March 2020, and is ensuring that all employees are aware of how it is used.

In addition, since September 2021, the Japan Post Group has introduced a dedicated portal site, the "One-Stop Consultation and Reporting Platform" which will guide whistleblowers to the most appropriate contact point for consultation and reporting of harassment and other violations of compliance by simply selecting the content of the consultation or reporting and the response desired to the company. In addition to the introduction of the "One-Stop Consultation and Reporting Platform," we have also adopted a system in which the acceptance of whistleblowing and the investigation of reported events are conducted by "External Specialist Team" consisting of solely outside attorneys and their assistants.

Measures related to Anti-Money Laundering, Combating the Financing of Terrorism, and Countering Proliferation Financing

We have formulated the Policy on Anti-Money Laundering, Combating the Financing of Terrorism, and Countering Proliferation Financing in accordance with the FSA's Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism. Based on this policy, we will promote initiatives to appropriately mitigate risks of money laundering, the financing of terrorism and proliferation financing (hereinafter referred to as "Money Laundering").

From the perspective of preventing the abuse of our products and services for Money Laundering, we identify and evaluate risks based on the characteristics of our businesses and the status of our representative offices, as well as laws and regulations, and take appropriate measures commensurate with these risks in order to effectively mitigate them.

In addition, the management is taking the initiative in promoting measures to prevent Money Laundering, and we have appointed the CCO as the person in charge of anti-Money Laundering, etc. measures. We clearly define the roles and responsibilities of executives and employees involved in anti-Money Laundering, etc. measures.

Initiatives for Protecting Personal Information

Japan Post Insurance recognizes the importance of information security management called for by society and promotes measures to protect personal information appropriately pursuant to relevant laws and regulations.

For an internal management structure to ensure safe management of personal data, we have established and announced the fundamental policy for protecting personal information (Japan Post Insurance Privacy Policy), and have also designated the Chief Information Security Officer (CISO), who is in charge of the Company-wide control of information security, and other responsible personnel. In this way, we are protecting and handling personal information in an appropriate manner.

Japan Post Insurance Privacy Policy (in Japanese)

https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_statement.html

Purpose of Use of Personal Information Succeeded from Japan Post (in Japanese)

https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_object.html

Response to Cybersecurity

Recognizing the risk of cyberattacks as a material risk, we have designated the Chief Compliance Officer as our CISO¹, and implement multi-layered risk management that combines defense and detection mechanisms under the leadership of our CISO.

In terms of systems, we have established the CSIRT², an organization that conducts activities in preparation for cyberattacks in ordinary times and emergencies. The CSIRT gathers information in collaboration with external specialized organizations, and works on the development of emergency response procedures for IT systems that need to respond to the threat of cyberattacks. In addition to regular cyber drills, we conduct internal training and drills for executives and employees to continuously improve our response capabilities in the event of a cyberattack.

To carry out these activities, we have established the Information Security Committee within the Company. Management is taking the lead in promoting such measures, while working in cooperation with other companies in the Japan Post Group based on “Japan Post Group Executive Declaration on Cyber Security.”

- Notes: 1. Chief Information Security Officer
2. Computer Security Incident Response Team

Elimination of Antisocial Forces

Japan Post Insurance recognizes that the complete elimination of relationships with antisocial forces is an integral part of our corporate social responsibility and is essential in maintaining the trust of our customers and realizing sound management, and have established an appropriate system with the President, CEO, Representative Executive Officer at the top.

To eliminate and avoid any relationships with antisocial forces, our “Fundamental Policy for Establishment of Internal Control Systems” requires the ending of all relationships with antisocial forces that pose a threat to the order of society and sound corporate activities by routinely collaborating with the police and other outside experts, and firmly rejecting the unjustified demands of antisocial forces. In addition, based on this policy, we have created the “Basic Policy on Handling of Antisocial Forces” as well as “Rules for Handling of Antisocial Forces,” which define our framework for avoiding all relationships with antisocial forces and the basics for organizational actions.

As specific measures, we incorporated a clause against organized crime into our policy agreements in April 2012. Other measures include checking all policies in force for any link with antisocial forces and incorporating a clause against organized crime into other contracts. We also encourage the people in charge of countering unjustified demands to participate in the corresponding training seminar; work to reinforce our ties with the police, lawyers and other external organizations; and provide guidance to employees through training programs.

Education for Sales Personnel and Insurance Solicitation Agents

We state in our Solicitation Policy that we will make efforts to raise product knowledge and consulting capabilities of all executives and employees. Accordingly, we are making efforts to improve consulting-based sales skills in accordance with the life plan of each and every individual customer by providing training and education for sales personnel and solicitation agents.

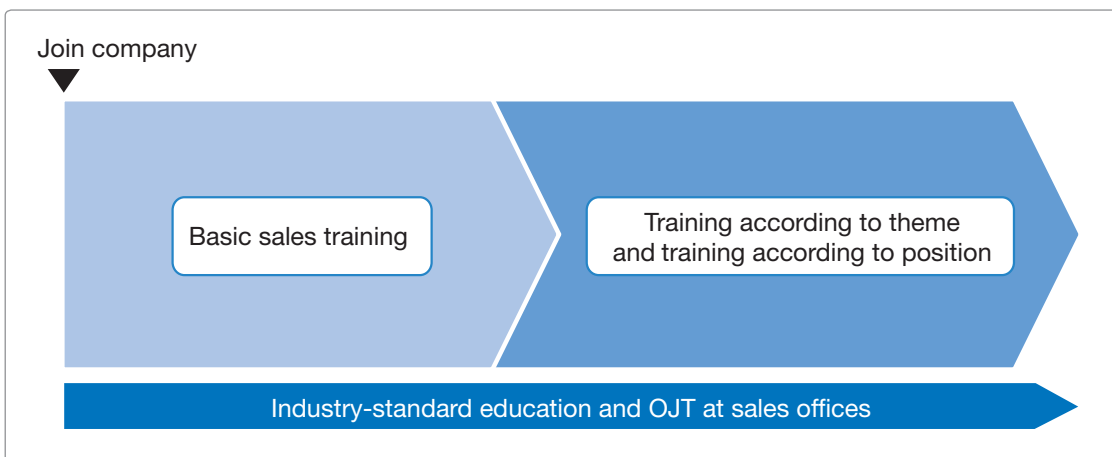
Sales Personnel

Sales personnel engage in insurance solicitations mainly targeting the individual and corporate markets.

Overview of Education

We work to develop sales personnel who possess advanced knowledge and a sense of ethics to ensure that individual accurately respond to the needs of customers, in order to conduct customer-first sales activities.

Sales personnel acquire the basic knowledge and skills needed to undertake insurance solicitations in the personal and corporate markets through mass training and industry-standard education. We also implement various types of training based on specific themes, focusing on on-the-job training at sales offices, with the aim of developing human resources who are able to demonstrate high-quality consulting-sales abilities.



Insurance Solicitation Agents

We conclude life insurance sales and maintenance agreements with each of Japan Post Co. and the operators of contracted post offices and carry out insurance soliciting via the nationwide network of post offices, primarily targeting the individual market.

Overview of Training

Employees of Japan Post Co. engaging in insurance solicitation are provided with training aimed at ensuring thorough compliance, customer-first business operations and enhanced operational knowledge. In addition, we provide support for training implemented by Japan Post Co.

