



Japan Post Insurance's Vision and Medium-term Management Plan

In May 2018, the Japan Post Group announced the “Japan Post Group Medium-Term Management Plan 2020,” a new Medium-term Management Plan for the period from the fiscal year ended March 31, 2019 to the fiscal year ending March 31, 2021, based on a policy of becoming a “Total Lifestyle Support Group” that supports customers in realizing safe, secure, comfortable and affluent lifestyles and lives.

We have set “pursue customer-first business operations,” “achieve sustainable growth,” and “maintain sound business operations” as our fundamental management approach, and will combine and implement various strategies.

Management Philosophy

**Be a trustful partner for people,
always being close at hand
and endeavoring to protect their well-being.**

**We aim to become the No. 1
Japanese insurance company selected by customers.**

Fundamental Management Approach

- Pursue customer first business operations
- Achieve sustainable growth
- Maintain sound business operations

Medium-term Management Plan 2020 (FY2019/3 – FY2021/3)



Management targets (FY2021/3)

Earnings per share (consolidated)

¥155

Dividend policy

Aim to increase dividend per share to ¥76 while ensuring the soundness of management

Note: We recognize that we are presently facing difficulties to achieve the target for annualized premiums for policies in force for the fiscal year ending March 31, 2021 (approximately ¥4.9 trillion). We aim to reverse the downward trend and achieve growth during the period covered by the medium-term management plan.



Principal measures in Medium-term Management Plan 2020

Strengthen sales activities focusing on protection needs and policy maintenance for the reversal of the downward trend and growth of policies in force

Strengthening of sales activities focusing on protection needs

Improvement in solicitation quality

Cultivation of new customer base

Development of new products

Establishment of sales foundation

Sales and Product Strategies P. 26

Improve customer services and enhance efficiency in back-office administration through the use of ICT*

Improvement of customer service

Enhancement of efficiency in back-office administration

Administrative Services Strategy P. 28

Diversify asset portfolio within the scope of risk buffer under the ERM framework

Diversification of asset management

Sophistication of risk management

Asset Management Strategy P. 30

FY2019/3 Results

Earnings per share (consolidated)

¥200.86

Dividend per share

¥72

Note: ICT (Information and Communication Technology): A general term for technologies related to information and communication.



Key Strategies

Sales and Product Strategies

Progress of Medium-term Management Plan 2020

	Key initiatives of Medium-term Management Plan 2020	FY2019/3 results	Issues
Strengthening of sales activities focusing on protection needs	<ul style="list-style-type: none"> ● Training for post office offsite sales personnel and counter sales personnel ● Cooperation with other life insurance companies in product supply including commissioned sales, etc. 	<ul style="list-style-type: none"> ● Supported strengthened sales activities focusing on protection needs ● Supported improvement of proposal skills of sales personnel through various types of training ● Trained sales personnel to cover the diverse needs of company managers by also taking advantage of products sold on commission 	<ul style="list-style-type: none"> ● Sophistication of sales skills by meticulous training support of sales personnel according to individual issues
Improvement in solicitation quality	<ul style="list-style-type: none"> ● Ensuring that solicitation materials are easy to understand ● Comprehensive measures to improve solicitation quality (introduction of policy maintenance evaluation, etc.) 	<ul style="list-style-type: none"> ● Created easy-to-understand solicitation materials ● Strengthened confirmation of intent of elderly customers toward purchasing policies ● Strengthened coaching to sales personnel by utilizing the solicitation quality diagnosis records ● Introduction of the policy maintenance rate as part of performance evaluation criteria 	<ul style="list-style-type: none"> ● Strengthening of initiatives to further improve solicitation quality
Cultivation of new customer base	<ul style="list-style-type: none"> ● Cultivate potential customers who are uninsured, young or middle-aged; Strengthen sales activities at worksites, etc. ● Continue Feel Secure with Kampo activities; Launch of health promotion services 	<ul style="list-style-type: none"> ● Supported cultivation of potential customers who are uninsured, young or middle-aged through Feel Secure with Kampo activities and publicizing of the Family Registration Scheme ● Launched <i>Sukoyakanpo</i> health support app (in January 2019) 	<ul style="list-style-type: none"> ● Expansion of customers who are uninsured, young or middle-aged through activities to offer information on new products
Development of new products	<ul style="list-style-type: none"> ● Development and diversification of protection-type products including third-sector products 	<ul style="list-style-type: none"> ● Developed and prepared for the April 2019 launch of the products with relaxed underwriting criteria and the advanced medical rider 	<ul style="list-style-type: none"> ● Development of products to meet diverse customer needs
Establishment of sales foundation	<ul style="list-style-type: none"> ● Introduction of new mobile devices for sales, counter support using TV systems and marketing by utilizing Social Networking Sites, etc. ● Increase in offsite sales personnel at post offices 	<ul style="list-style-type: none"> ● Developed and prepared for introduction of new mobile devices for sales ● Expanded digital contact points by utilizing LINE and <i>Sukoyakanpo</i> health support app 	<ul style="list-style-type: none"> ● Provision of easy-to-understand explanation of products and services by utilizing new mobile devices for sales; Enhancement of efficiency of sales activities

Review of FY2019/3

With the advent of a super-aging society, the falling population is expected to have an impact on Japan's life insurance market. On the other hand, the necessity for self-help efforts such as medical care protection, nursing care protection and preparing funds for life in old age is increasing. Customer needs are also becoming increasingly diverse owing to the diversification of lifestyles mainly among the young and middle-aged customer segments. The environment surrounding companies is also rapidly changing due to factors including the evolution of ICT.

Based on such recognition, in the fiscal year ended March 31, 2019, the first year of the Medium-term Management Plan 2020, we implemented the initiatives described below aiming for the "1) Strengthening of sales activities focusing on protection needs," "2) Improvement in solicitation quality," "3) Cultivation of new customer base," "4) Development of new products," and "5) Establishment of sales foundation."

1 Strengthening of sales activities focusing on protection needs

Although the savings-type products that had been our specialty are losing their appeal in the prolonged low interest rate environment, life insurance is becoming increasingly important in order to be prepared for illness, injury, and longevity risks as lifespans extend in the aging society, and it has become vitally important for us to offer proposals attuned to such protection needs.

In the fiscal year ended March 31, 2019, we worked to enhance sales skills of sales personnel, including the supporting of meticulous training corresponding to the needs of individual sales personnel of Japan Post Co.

We also worked to strengthen proposal capabilities of our sales personnel so as to respond to diverse needs of company managers, taking advantage of other insurance companies' products sold on commission, such as products for corporate clients and cancer insurance, in addition to our own products.

2 Improvement in solicitation quality

We worked to create solicitation materials that emphasize the appeal of our products effectively and describe product coverage in an easy-to-understand manner. In order to ensure thoroughgoing customer-first solicitation activities, we are implementing comprehensive measures to improve solicitation quality including the strengthening of confirmation of intent of elderly customers toward purchasing policies, the strengthening of employee coaching using solicitation quality diagnosis records that evaluate and analyze the solicitation quality for each post office and sales personnel, and the introduction of the maintenance rate for customer policies in the evaluation criteria for sales personnel.

3 Cultivation of new customer base (the uninsured and the young and middle-aged)

We endeavored to cultivate a new customer base by securing opportunities for contact with customers who are policyholders and their family members and potential customers who are uninsured through the publicizing of activities, such as Feel Secure with Kampo activities (launched in FY2016/3), the Family Registration Scheme (launched in FY2019/3) and the *Sukoyakanpo* health support app (launched January 2019). As a result, the number of new policies purchased by customers who are young and middle-aged (59 years old and younger) increased from the previous year, accounting for about 50% of the total number of new policies.

4 Development of new products

In order to respond to diverse customer needs by enriching our insurance products, we prepared for the launch of two new products in April 2019: the products with relaxed underwriting criteria *Kampo ni Omakase* for people with health issues and the advanced medical rider for further enrichment of medical care protection.

Launch of new products in April 2019



Product with relaxed underwriting criteria

先進医療特約

Non-participation advanced medical rider

5 Establishment of sales foundation

We prepared for the introduction of new mobile devices for sales in the fiscal year ending March 31, 2020. The introduction of these new mobile devices for sales will enable us to offer easy-to-understand explanations of products and services using video clips. Moreover, these devices can manage sales personnel schedules and record the status of sales activities, thus increasing the efficiency of sales activities. Furthermore, we worked to strengthen sales support by expanding digital contact points with customers through the provision of attractive information and services utilizing LINE and the health support app (*Sukoyakanpo*).

Introduction of new mobile devices for sales in FY2020/3



Ongoing Initiatives

We will continue the initiatives implemented in the fiscal year ended March 31, 2019, including support of Japan Post Co. to upgrade sales skills for strengthening sales activities focusing on protection needs and development of products to meet diverse customer needs.

We will also work to further enhance solicitation quality. By ensuring customer-first sales activities, we will strive to live up to the trust and confidence of our customers.



Key Strategies

Administrative Services Strategy

Progress of Medium-term Management Plan 2020

	Key initiatives of Medium-term Management Plan 2020	FY2019/3 results	Issues
Improvement of customer service	<ul style="list-style-type: none"> ● Introduction of onscreen declaration/automated assessment system and insurance procedure support system ● Introduction of claim procedures utilizing digital technologies such as My Page 	<ul style="list-style-type: none"> ● Introduced and promoted the Family Registration Scheme ● Introduced an insurance procedure support system ● Studied and promoted multi-channel access for various claims ● Studied introduction of an onscreen declaration/automated assessment system 	<ul style="list-style-type: none"> ● Need for initiatives for further improvement of customer service
Enhancement of efficiency in back-office administration	<ul style="list-style-type: none"> ● Digitalization of paper forms at Service Centers ● Saving labor in policy maintenance administration process ● Stepwise introduction of RPA* 	<ul style="list-style-type: none"> ● Streamlined and digitalized forms at Service Centers ● Studied the digitalization of policy maintenance operations ● Studied utilization of artificial intelligence (AI) technology 	<ul style="list-style-type: none"> ● Need for further promotion and management for thorough implementation of measures

Note: RPA (Robotic Process Automation): Automation of operations using robotics.

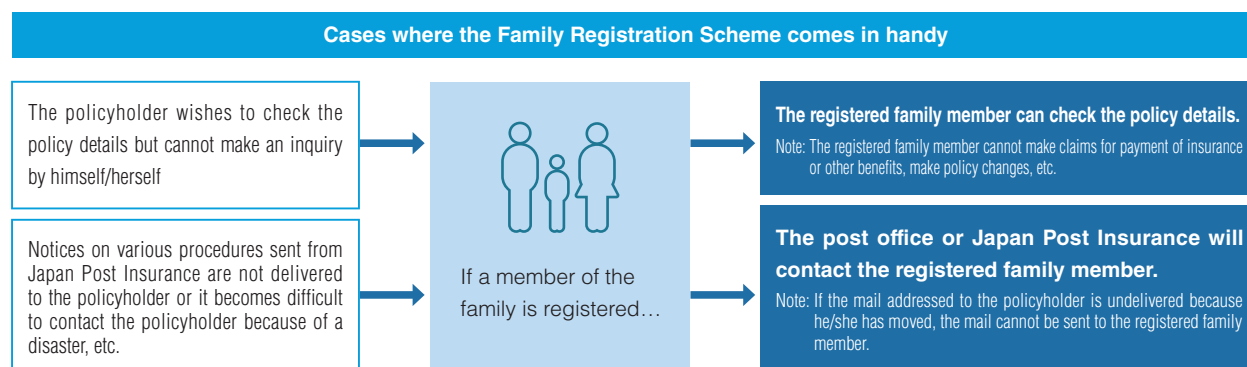
Review of FY2019/3

The social environment is undergoing continual change year by year, including the diversification of customer needs amid transforming lifestyles, a declining labor population, and the evolution of ICT, and we recognize that the Company must also adapt appropriately to these changes.

In view of this social environment, in the Medium-term Management Plan 2020, we are addressing improvement of customer service and enhancement of efficiency in back-office administration in order to pursue customer-first business operations and achieve sustainable growth.

During the fiscal year ended March 31, 2019, we implemented initiatives to improve customer service in terms of the scheme and the IT system, including introduction of the Family Registration Scheme in readiness for aging of policyholders and in the event of disaster and an “insurance procedure support system” for certain claims that prints the necessary information for various claim documents in advance and automatically determines the documents needed at the time of a claim so as to offer “simple, easy-to-understand claim procedures.”

Family Registration Scheme

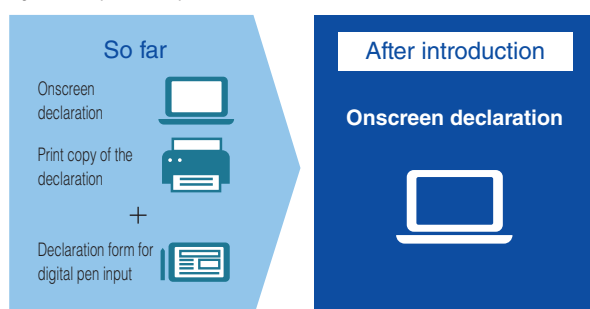


We continued the use of AI technology at Japan Post Insurance Call Centers for insurance claim payment and assessment operations and to handle inquiries from customers. We also began digitalization of paper forms at our Service Centers that handle processing after the receipt of various claims and also began initiatives for the introduction of RPA. The use of digital technology has enabled us to eliminate the use of about 32 million sheets of paper, leading to reduced paper consumption and higher administrative efficiency.

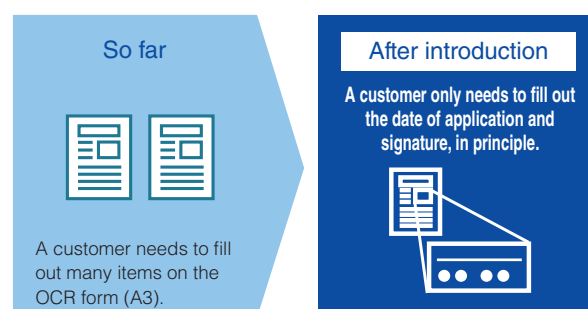
Ongoing Initiatives

As initiatives to improve customer service, we intend to expand the scope of claims that can be handled by the “insurance procedure support system,” introduce an “onscreen declaration/automated assessment system” that automatically performs assessment based on the declarations input by customers in paperless applications, and also introduce an “application form printing system” for printing application forms in which data prepared in advance are reflected in the case of applications for addition of riders mid-term, etc.

Onscreen declaration/automated assessment system (outline)

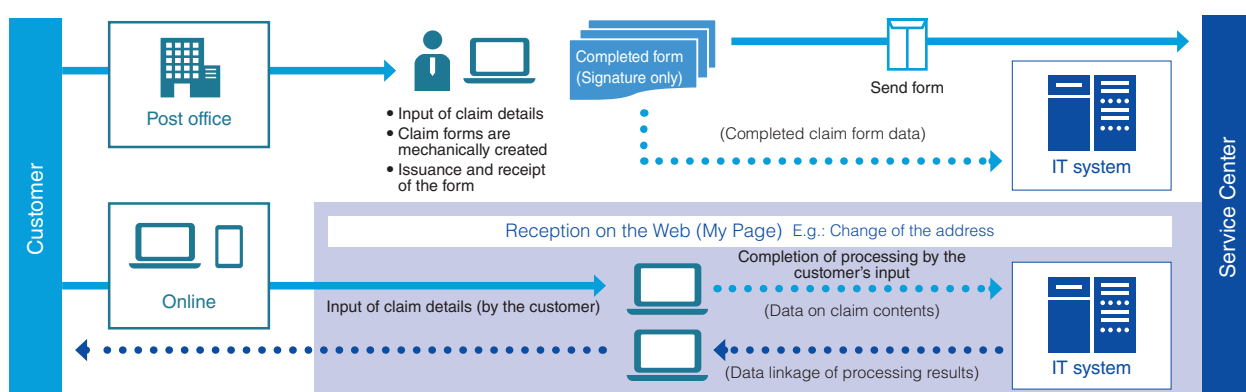


Application form printing system (outline)



In addition, we will press ahead with services that aim to offer “simple, easy-to-understand claim procedures, anywhere, anytime” for customers by promoting multi-channel access for various claims through measures such as introducing claim procedures using Web (My Page) and other digital technology.

Multi-channel access for various claims (outline)



We will promote the utilization of digital technologies to enhance efficiency in back-office administration, including studying the digitalization of the current paper-based policy maintenance administration process, such as changes in policyholder or beneficiary, and bank account registration, and expand the range of use of AI technology to cover inquiries from post offices regarding administrative procedures, as well as promote initiatives for full-scale introduction of RPA.

In addition to these initiatives, by carrying out improvements to existing administration, we intend to reduce the back-office administrative workload by an amount equivalent to approximately 1,000 people, and reallocate these freed-up resources to new areas that will lead to improvement of customer service or to focus areas such as sales support.



Key Strategies

Asset Management Strategy

Progress of Medium-term Management Plan 2020

	Key initiatives of Medium-term Management Plan 2020	FY2019/3 results	Issues
Diversification of asset management; Sophistication of risk management	<ul style="list-style-type: none"> ● Diversification of asset management to increase profitability ● Sophistication of ALM^(Note) and risk management 	<ul style="list-style-type: none"> ● Diversified investment products (overseas real estate, etc.) ● Started in-house management of U.S. corporate bonds ● Developed a new IT system for sophistication of ALM 	<ul style="list-style-type: none"> ● Enhancement of the ability to manage diversified assets ● Strengthening of governance over asset management ● Sophistication of ALM (interest rate risk control method, etc.) ● Ongoing strengthening of expert human resources

Note: ALM (Asset Liability Management): Integrated management of assets and liabilities

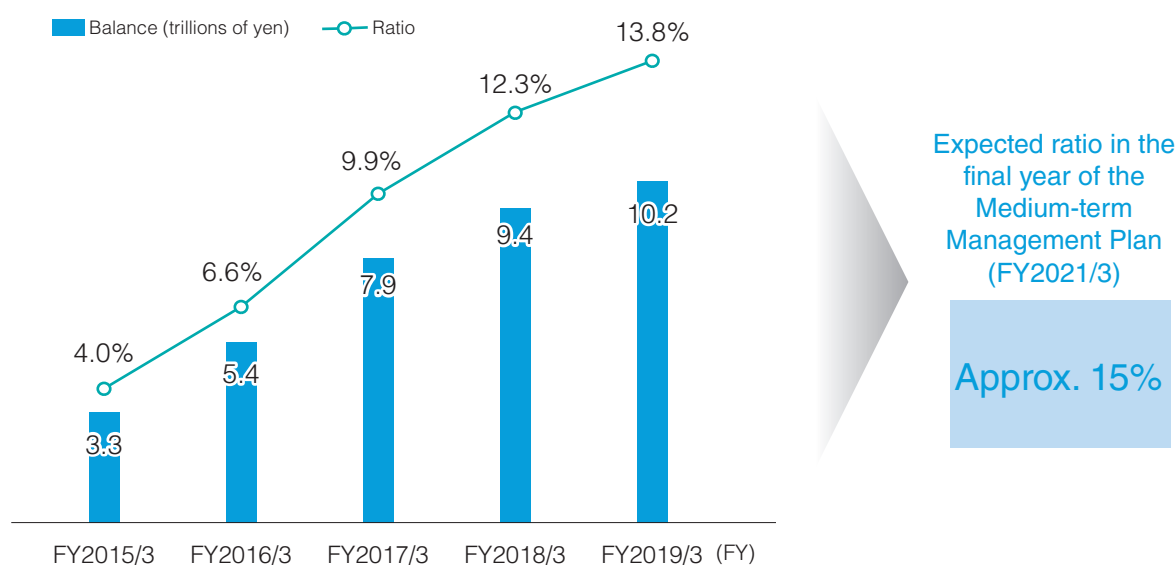
Review of FY2019/3

In response to the prolonged low interest rate environment, we have promoted diversification of asset management in order to ensure the yields promised to customers.

In the fiscal year ended March 31, 2019, in addition to the start of in-house management of U.S. corporate bonds, we implemented a new investment strategy for in-house management of Japanese equities that takes into account the growth potential of companies. We also began investment in overseas real estate and private equity funds managed by Japan Post Investment Corporation ("JP Investment")^(Note 1). Thus, we are steadily making progress with diversifying asset management.

As a result of promoting the diversification of asset management to increase profitability in our ALM-based asset management under the ERM framework, the ratio of risk assets^(Note 2) to total assets of March 31, 2019 increased to 13.8%.

Risk assets



Notes: 1. JP Investment is a company managing private equity funds. Established in February 2018 jointly with JAPAN POST BANK Co., Ltd.

2. Of assets recorded under "money held in trust" and "securities" on the balance sheets, Japanese and foreign equities, foreign currency-denominated bonds, investment trusts, etc. held for asset management purposes.

Ongoing Initiatives

The operating environment in the fiscal year ended March 31, 2019 had been unstable until December 2018, including the decline in share prices and the trend toward a stronger yen and a weaker dollar against the backdrop of increasing uncertainties about overseas economies. However, the operating environment recovered stability from January 2019 onward. Meanwhile, the end of the upward economic cycle is approaching in the U.S. and other developed countries whose economies have been expanding for many years. Regarding the outlook for the fiscal year ending March 31, 2020, we believe uncertainties are increasing.

In these circumstances, while more closely monitoring the market environment in the fiscal year ending March 31, 2020, we will promote further diversification by expanding the target assets in each asset class we have invested in so far and enhancing the asset management methods.

Key ongoing initiatives

- Diversification of investment products (expand the target currencies in foreign bond investments, expand alternative investments, etc.)
- Expansion of in-house management (U.S. corporate bonds, equities)
- Enhancing of asset management methods (derivative transactions, etc.)
- Further promotion of ESG investment
- Sophistication of ALM and risk management

Reinforcement of asset management framework

As measures for the asset management framework, we are strengthening human resources and the organizational framework.

As for strengthening of human resources, the number of employees engaged in asset management was 192 as of April 1, 2019, an increase of 19 from that as of April 1, 2018. While continuing efforts to secure human resources, we will strengthen expert human resources from a long-term perspective.

We have also expanded our organizational framework, including the establishment of the Alternative Investment Office, with the aim of bolstering alternative investment^(Note). We will continue to enhance our organizational framework to promote the diversification of asset management.

Note: "Alternative investments" is a general term for new investment options or methods other than financial instruments that have a relatively long history such as bonds or listed stocks (traditional assets).



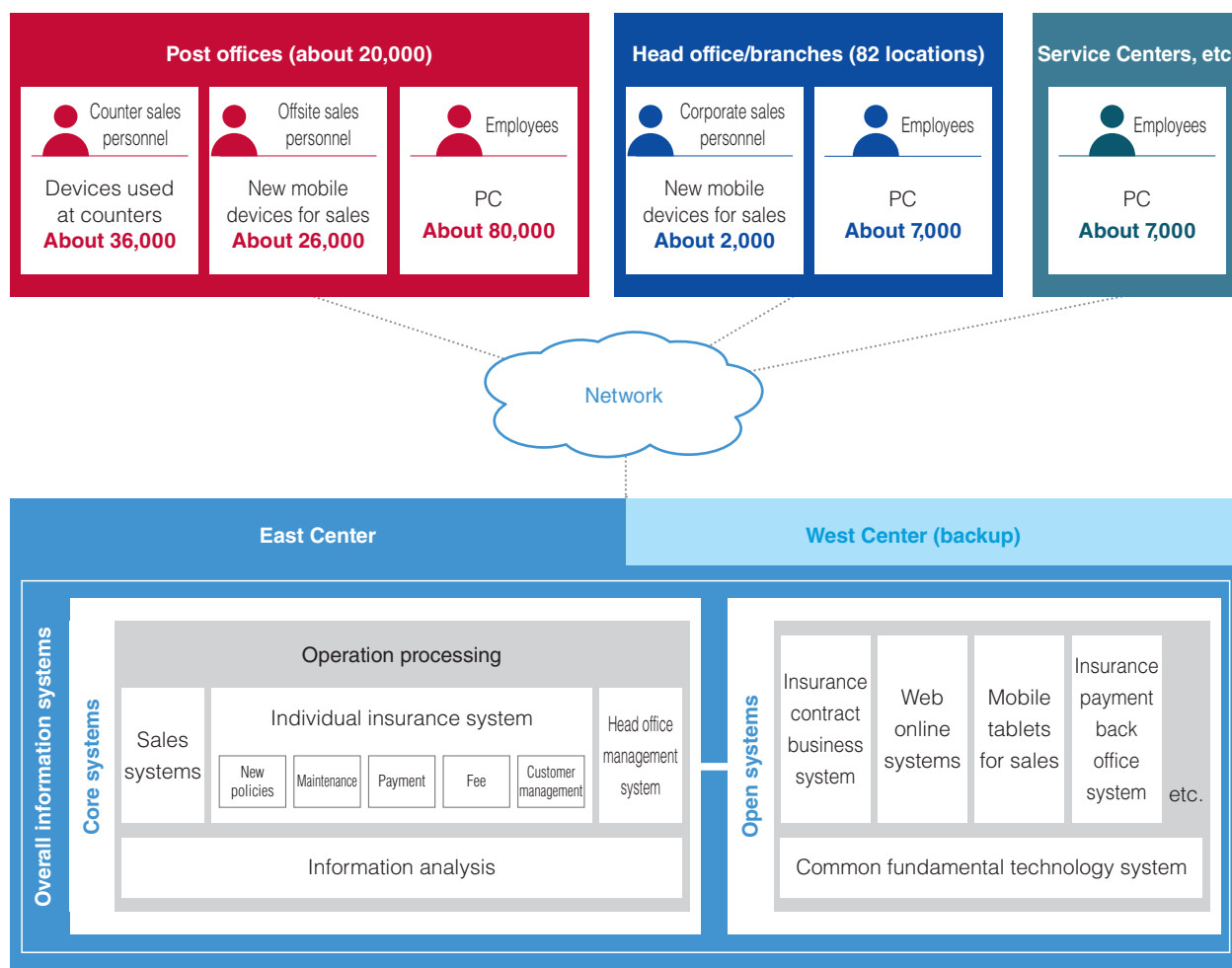
Strengthening the Management Base

Digitalization Strategy

The Company has a large-scale IT system that manages information for approximately 32 million policies in force entrusted to us by customers and handles payment of approximately 20 million benefits, etc. per year. It serves as the infrastructure supporting a range of customer services provided through some 20,000 post offices.

The system comprises the “core system,” which carries out high-volume processing such as policy underwriting, insurance premium collection, policy maintenance including changes of address, and claim payments; and the “open system,” which efficiently carries out back-office administration and various claim procedures online from the tablets for sales used by offsite sales personnel to make proposals to customers and from counters at post offices.

The Company's IT system (outline)



Progress of Medium-term Management Plan 2020

Key initiatives of Medium-term Management Plan 2020	FY2019/3 results	Issues
Initiatives for establishing ICT platforms	<ul style="list-style-type: none"> ● Introduced new mobile devices for sales to enhance customer convenience and efficiency of sales activities ● Steadily promoted the open system renewal project ● Developed the products with relaxed underwriting criteria and the advanced medical rider launched in April 2019 	<ul style="list-style-type: none"> ● Strengthening of ICT platforms compatible with technological evolution and digitalization ● Promotion of further digitalization based on the sales and product strategies and the administrative services strategy
Promotion of digitalization	<ul style="list-style-type: none"> ● Improved customer service <ul style="list-style-type: none"> - Insurance procedure support system - My Page ● Enhanced efficiency in back-office administration <ul style="list-style-type: none"> - Japan Post Insurance electronic form system 	
Enhancement of structure to further support IT system quality and productivity; strengthening collaboration with partner companies	<ul style="list-style-type: none"> ● Strengthened the structure of the ICT departments 	<ul style="list-style-type: none"> ● Further development of ICT personnel
Strengthening of cyber threat countermeasures and information security management framework	<ul style="list-style-type: none"> ● Implemented security measures employing cutting-edge technology throughout the Japan Post Group 	<ul style="list-style-type: none"> ● Ongoing strengthening of the cyber security framework throughout the Japan Post Group
Further optimization of system costs	<ul style="list-style-type: none"> ● Reduced cost by promoting development based on the management strategy 	<ul style="list-style-type: none"> ● Optimization of IT system investment allocation linked with the management strategy

Review of FY2019/3

In order to accelerate digital transformation through the active use of ICT for further improving customer service and enhancing efficiency in back-office administration, we intend to invest approximately ¥120.0 billion during the period covered by the Medium-term Management Plan 2020 to establish ICT platforms.

We promoted the introduction of new mobile devices for sales in order to offer explanations of products using video clips and managing schedules of sales personnel, shift to electronic forms used for our back-office (Service Centers) operations, and construction of the next-generation open system for handling various claim procedures at post offices nationwide.

While promoting establishment of ICT platforms, we developed applications for the products with relaxed underwriting criteria *Kampo ni Omakase* and the advanced medical rider launched in April 2019. We also promoted development of the “insurance procedure support system” to realize simple, easy-to-understand claim procedures for customers and post offices. As a result, customers’ burden of completing claim forms has been greatly reduced and administrative efficiency at post offices has been enhanced.

In addition, we developed My Page, a Web service for policyholders, which enables “simple, easy-to-understand claim procedures, anywhere, anytime.”

Ongoing Initiatives

With the aim of becoming the No. 1 Japanese insurance company selected by customers, we will strive to enhance corporate value, mainly through the offering of high-grade, stable ICT services to customers by establishing ICT platforms compatible with environmental changes and new technologies.



Strengthening the Management Base

Human Resources Strategy

Progress of Medium-term Management Plan 2020

We aim to be an insurance company selected by customers, shareholders, and many other stakeholders, and our employees are the basis of our endeavors to achieve this. Our human resources management is aligned with our aim to become an “attractive company” where employees can experience job satisfaction, gratification, and motivation and thus achieve self-fulfillment.

Key initiatives of Medium-term Management Plan 2020		FY2019/3 results	Issues
Creation of a corporate culture where all employees can find self-fulfillment and job satisfaction	Human resources management	<ul style="list-style-type: none"> Started introduction of RPA to HR management operations Computerization and automation of HR-related periodic reporting and operations requested from employees led to higher efficiency of the related processes at each organization 	
	Human resources development	<ul style="list-style-type: none"> Implemented measures to foster autonomous human resources 	<ul style="list-style-type: none"> Strengthening of measures to foster autonomous human resources
Creation of a secure and inclusive workplace environment	Diversity	<ul style="list-style-type: none"> Implemented workstyle reform across organizations Enriched support for childrearing^(Note 2) (“Platinum Kurumin” certified) Initiatives concerning LGBT and other sexual minorities^(Note 3) (achieved “PRIDE INDEX 2018” Gold rating) 	<ul style="list-style-type: none"> Improvements in view of the results of the Workstyle Reform Survey^(Note 1) Aim at improvement of workplace environment, workplace culture, employees’ awareness, etc. Enhancement of female employees’ motivation for promotion and reform of the mindset of male managers
	Health promotion	<ul style="list-style-type: none"> Held Kampo <i>Sukoyaka</i> Campaign (health promotion event) 	<ul style="list-style-type: none"> Enrichment of deployment and analysis of health data and ongoing improvement of health and productivity management

Notes: 1. The Workstyle Reform Survey is the Company’s proprietary questionnaire survey for all employees. The results of this anonymous awareness survey about the workplace environment, workplace culture, employees’ awareness, etc. are expressed quantitatively.

2. Certified by the Ministry of Health, Labour and Welfare as a company with a high level of engagement in supporting employees for childrearing.

3. Received “Gold” rating, the highest rating, of the “PRIDE INDEX” that evaluates companies’ efforts toward inclusion for LGBT and other sexual minorities.

Human resources management

We are focused on recruitment and development of human resources mindful of the importance of designing the human resources portfolio and human resources systems linked with the management philosophy and management strategy.

In order to promote the creation of inclusive workplaces where every employee is motivated, we have introduced an IT system that functions to gather and store employee data, which provide the basis for our initiatives, to enhance the efficiency of the related processes at each organization.

Going forward, we will continue our efforts to recruit excellent human resources and develop our employees so as to build an excellent human resources portfolio.

Human resources development

Our aim is to create an environment where every employee can make full use of his or her capabilities in order to offer customers superior services and to enhance corporate value. Our Human Resources Development Basic Policies emphasize development of people who put the customer first. We are vigorously supporting our employees so that they are motivated to bring their capabilities into full play with self-fulfillment, while always mindful of corporate social responsibility.

As well as mass training according to employees' positions, such as training for new employees, voluntary training programs are available in order to develop their capabilities. In addition, we have measures in place for supporting employees' self-development, including a program encouraging employees to acquire qualifications and certifications.

Through the linkage of these measures with practical training at each workplace, we are promoting effective human resources development so that "all employees can develop their talents and work with energy and vitality."

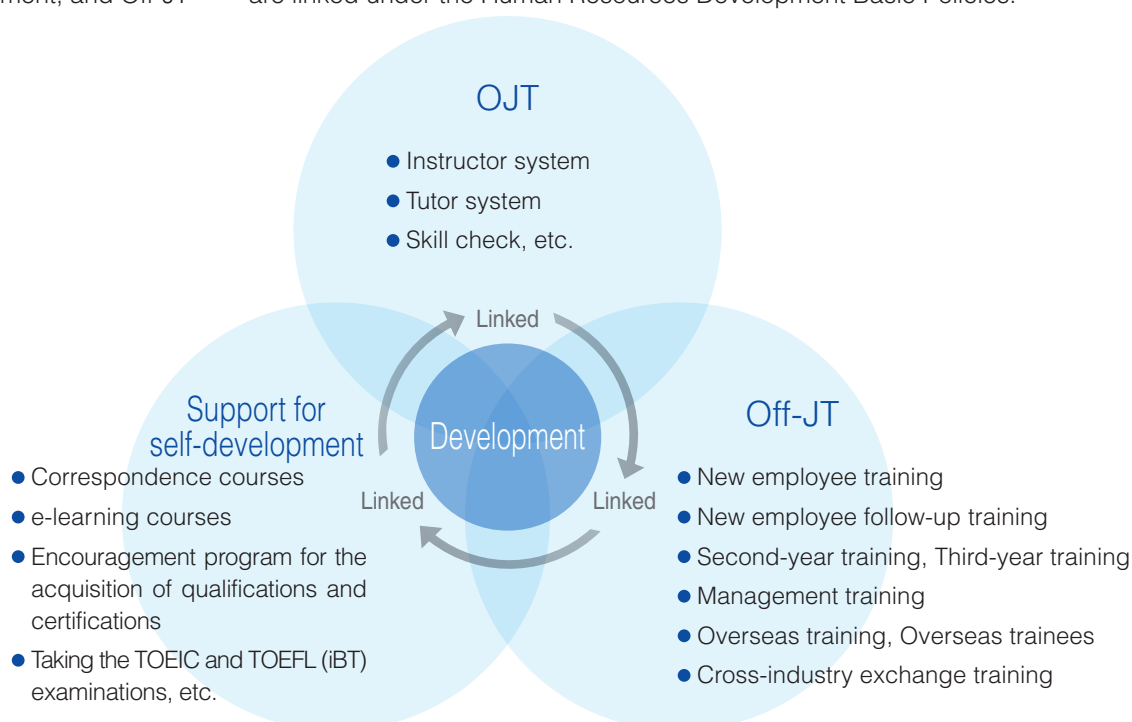
► Who we aspire to be: four orientations under the "customer first" concept



► Human Resources Development Basic Policies

- We shall cultivate human resources who have a self-awareness of corporate social responsibility and who place the customer first.
- We shall cultivate human resources who have expert capabilities and a well-rounded character.
- We shall cultivate human resources who are imbued with a spirit of challenge for addressing new issues and who have the ability to get things done.

In order to motivate each and every employee for personal development and foster them to become human resources capable of taking action expressing the "four orientations" based on the customer first concept while implementing the PDCA cycle on a daily basis, we have a system in which OJT^(Note 1), support for self-development, and Off-JT^(Note 2) are linked under the Human Resources Development Basic Policies.



Notes: 1. OJT: On-the-job training. OJT is personalized training. A superior provides the knowledge and skillset his/her subordinates need in order to do the job in the course of the daily performance of tasks.

2. Off-JT: Off-the-job training. For off-JT, away from daily tasks, personnel participate in a training program conducted by the in-house human resources development section or an external training institution and acquire the knowledge and skillset required for doing the job.



Strengthening the Management Base

Promotion of workstyle reform and diversity



Promotion of Workstyle Reform

Our aim during the period covered by the Medium-term Management Plan 2020, which is the phase for “expansion and companywide roll out” of workstyle reform, is to develop human resources who can produce results with high added value through the participation of more diverse human resources and workstyles not bound by time or place. Based on the know-how we have accumulated thus far, we are rolling out workstyle reforms companywide to create a corporate culture where all employees can find self-fulfillment and job satisfaction.

Promotion of Diversity and Inclusion

To realize the policy to “create a working environment in which all employees can develop their talents and work with energy and vitality” set forth under the Management Policy, and practice the guideline “We respect human rights and create a diverse and inclusive working environment” in the Code of Conduct, we promote diversity mainly in the following four fields.

- **Promotion of expanding roles of female employees**

In support of the careers of female employees in the medium to long term, we make all efforts to “expand the appointment of female employees to management positions” and “foster the careers of female employees.” As well as holding various training programs and seminars for female workers, we also hold a forum that facilitates their networking.

- **Support of the balance of work with child rearing, nursing care, etc.**

In addition to establishment and enrichment of systems to support employees who are engaged in childrearing and nursing care while working, we have introduced e-learning and hold seminars to support such employees and to raise awareness of other employees in the workplace. Through these initiatives, in our efforts to help our employees achieve balance between work and childrearing, nursing care, etc., we promote the creation of workplaces where employees can work with peace of mind while being engaged in childrearing and nursing care.

- **Promoting employment of people with disabilities**

We actively promote the employment of persons with disabilities recognizing that fairly evaluating and providing work opportunities for a diverse population is a part of our corporate social responsibility.

- **LGBT friendly**

We promote measures to foster appropriate understanding and knowledge sharing about the LGBT community (those who are identified as “sexual minorities”) as well as their recognition and acceptance. The Company continues to create a working environment in which all employees can develop their talents regardless of their sexual orientation or gender identity, so that they can work with energy and vitality.

Health and Productivity Management

Under the Management Policy stating “We create a working environment in which all employees can develop their talents and work with energy and vitality,” we are working to maintain and promote the health of our employees and are certified as a “Health and Productivity Management Outstanding Organization” by the Ministry of Economy, Trade and Industry.

Our initiatives to promote health and productivity management conducted in the fiscal year ended March 31, 2019 included enrichment of health guidance based on the results of periodic health checkups, holding of the Kampo *Sukoyaka* Campaign (health promotion event), Radio Exercises at all offices, and establishment of the Kampo Non-Smoking Day (22nd of every month).

Going forward, based on the concept of health and productivity management, we will promote various initiatives to enhance employees’ vitality and productivity, which will eventually lead to improvement of performance.



2019

健康経営優良法人

Health and productivity

ホワイト500

Realizing a Sustainable Society

The Japan Post Group selects CSR priority issues in the three areas set forth in the main themes of the Japan Post Group CSR Basic Policy, which are “together with local communities,” “together with the earth,” and “together with people,” and actively promotes activities linked to the targets of the Sustainable Development Goals (SDGs). Moreover, to integrate management strategies with the SDG initiatives, the SDGs are incorporated into the framework of management strategies in the Japan Post Group Medium-term Management Plan 2020 announced in May 2018. As a member of the Japan Post Group, Japan Post Insurance is vigorously promoting activities to achieve the SDGs.

The SDGs are shared global goals adopted by the United Nations General Assembly in September 2015 in an aim to end poverty and pursue a sustainable future. They are composed of 17 goals and 169 targets in order to resolve global challenges by 2030.

SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD





Realizing a Sustainable Society

Japan Post Insurance's CSR

At Japan Post Insurance, CSR activities are defined as activities that contribute to realizing a sustainable society through the Company's business under appropriate corporate governance, that lead to sustainable growth of the Company and enhancement of corporate value. We

recognize CSR as one of the most important managerial issues. Being engaged in the life insurance business, which entails a strong community role, Japan Post Insurance is promoting CSR activities to contribute to realization of a safe and secure and affluent society.

Kampo Sustainability Management

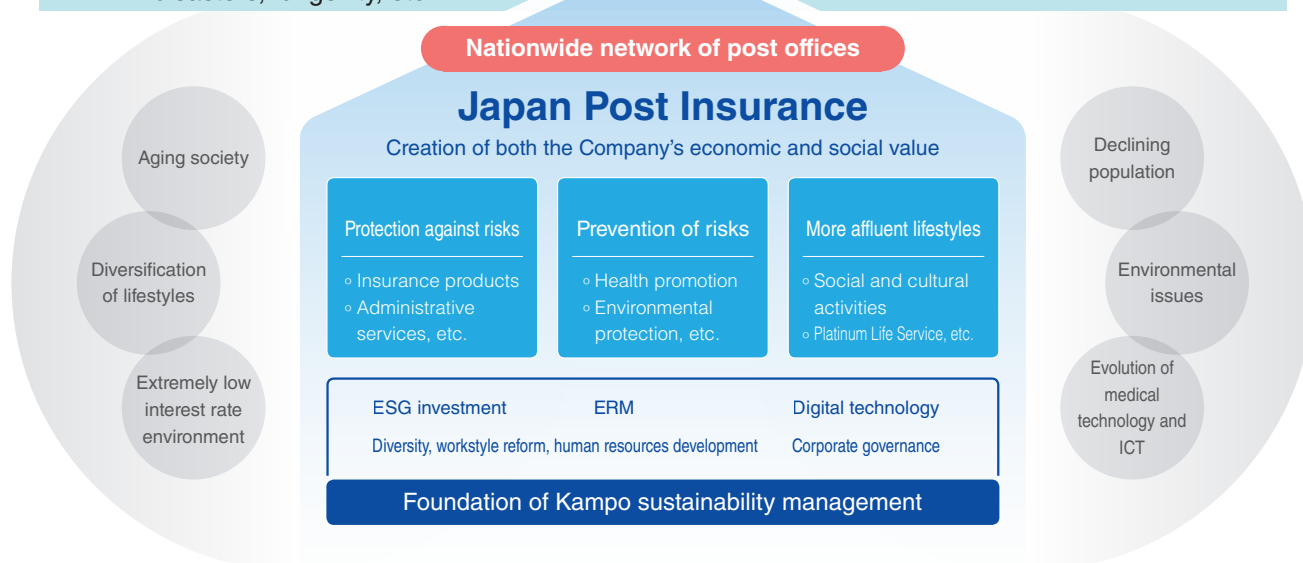
Management that strengthens governance as part of the business strategy to realize the creation of both the economic and social value of the Company by actively addressing social responsibility, environment and other issues related to SDGs.

Kampo sustainability management (outline)

Realize a sustainable society where people can live with peace of mind and are engaged in society

Protection against economic risks associated with death, illness, accidents, disasters, longevity, etc.

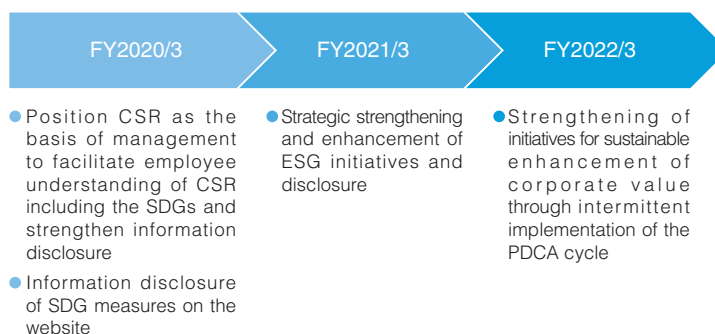
Supporting healthy and affluent lifestyles with peace of mind



Enhancement of CSR Promotion Systems

In order to strengthen the systems for addressing SDGs and ESG, we have established the CSR Promotion Committee chaired by the Executive Officer in charge of Public Relations for cross-organizational discussion of CSR issues to be addressed by the Company. In the fiscal year ending March 31, 2020, having established a CSR action plan for promoting sustainability management by positioning CSR as the basis of management, we are working to realize a sustainable society and to enhance corporate value.

Vision for enhancement of the CSR promotion system













Initiatives to achieve the SDGs

We have identified material topics (materiality) to be addressed by the Company in order to realize the Management Philosophy and contribute to creation of a sustainable society. In identifying the items, we have considered our involvement in the life insurance business and social issues and selected the topics with the aim of maximizing our contribution to resolution of issues that are highly

relevant and have a great impact on our business. We have considered relevance to the SDGs, which have become the universal language of global development in recent years, and our material topics are linked to those advocated by the Japan Post Group and The Life Insurance Association of Japan.

Material Topics of Kampo sustainability management

Material Topics	Vision	Relevant SDGs	FY2020/3 initiatives	Page
Provision of fundamental insurance services through the network of post offices	Delivering reliable insurance services to customers nationwide and supporting the future of regional communities	  Goal 1. No poverty Goal 11. Sustainable cities and communities	<ul style="list-style-type: none"> ● Life insurance business ● Special treatment in the event of disaster ● Publication of various guides in braille ● Provision of information on financial trends etc. to local governments through financing ● Various volunteer activities 	P. 40 >
Prevention of risks through health promotion, etc.	Supporting healthy and fulfilling lifestyles	  Goal 3. Good health and well-being Goal 4. Quality education	<ul style="list-style-type: none"> ● Popularization and promotion of Radio Exercise ● Provision of services utilizing a health support app ● Promotion of Kampo Platinum Life Service ● Sponsorship of social and cultural activities 	P. 41 >
Adapting to climate change and environmental protection	Passing on a sound global environment and resources to the next generation	  Goal 13. Climate action Goal 15. Life on land	<ul style="list-style-type: none"> ● Initiatives for reducing CO₂ emissions ● Donations in line with online provision of Contract Guidelines and Policy Conditions ● ESG investment activities^(Note) ● Response to TCFD 	P. 43 >
Promotion of diversity and inclusion, workstyle reform, human resources development	Diverse and energetic organizations	   Goal 5. Gender equality Goal 8. Decent work and economic growth Goal 10. Reduced inequalities	<ul style="list-style-type: none"> ● Promotion of diversity and inclusion ● Workstyle reform ● Human resources development 	P. 34 >
Corporate governance	Management base for creation of sustainable value	 Goal 16. Peace, justice and strong institutions	<ul style="list-style-type: none"> ● Corporate governance ● Thorough compliance ● Elimination of relationships with antisocial forces 	P. 46 >

Note: Response to SDGs through ESG investment activities

We are addressing the entire scope of SDGs, including those related to the global environment, through investment activities that take into consideration environmental, social, and governance (ESG) factors, in our efforts to create a sustainable society and enhance corporate value.



Realizing a Sustainable Society

Initiatives for CSR material topics

Delivering reliable insurance services to customers nationwide and supporting the future of regional communities

Social

Special treatment in the event of disaster

In the event of disaster, Japan Post Insurance applies special treatment (emergency treatment) to disaster-stricken customers who are in urgent need. The details and period of the special treatment, whenever applied, are notified at our branches and post offices to which we consign operations.

Details of emergency treatment

- Extension of the grace period for premium payments
- Immediate emergency payment of insurance benefits and unearned premiums
- Emergency treatment of cancelling the basic insurance policy and immediate emergency payment of its cash value
- Emergency treatment of cancelling riders and immediate emergency payment of their cash value
- Immediate emergency payment of policy loans excluding premium loans
- Emergency treatment of refunding unearned premiums by cancellation of advance payment of premiums
- Immediate emergency payment of policyholder dividends

Publication of various guides in braille

Upon request from policyholders, we publish notices of policy details in braille. We also publish notices on maturity, pension payments, loan details, and loan repayment in braille.

Providing information such as financial market trends to local governments in the process of lending

By lending to local governments, we satisfy their funding need for improvement of infrastructure and other public services. In the course of lending, we also provide local governments with information on recent financial and economic trends and exchange views and opinions with them.

Various volunteer activities

We conduct various volunteering activities in order to contribute to local communities and raise employee awareness of CSR activities. We will continue to encourage our employees to become involved in volunteer activities.

Examples

- Community clean up
- Collection and donation of used stamps, etc.



Monitoring and greeting at school crossings



Planting flowers in roadside greenbelts

Supporting healthy and fulfilling lifestyles

Social

Popularization and promotion of Radio Exercise

Radio Exercise is a popular exercise routine which anyone can participate in anywhere, anytime.

We will continue our efforts to popularize and promote Radio Exercise in cooperation with NHK and the NPO Japan Radio-taiso Federation so that Radio Exercise will continue to benefit the health of people throughout Japan.

■ Festival of 10 Million People's Radio Exercise and *Minna no Taiso* ("Exercise for Everyone")

As one of our major Radio Exercise events, we hold the Festival of 10 Million People's Radio Exercise and *Minna no Taiso* at one venue every year, aiming to get 10 million people around the country to participate together in Radio Exercise through TV and radio channels.

For the fiscal year ended March 31, 2019, this event was held in Kurashiki City, Okayama Prefecture, on August 5, and was broadcast live nationwide over NHK's General TV channel and Radio 1.



■ Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Summer Tour and Special Tour

We conduct an annual Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Summer Tour during the 43-day school summer vacation period from July 20 to August 31, visiting 43 venues around Japan (including the day for the Festival of 10 Million People's Radio Exercise and *Minna no Taiso* ("Exercise for Everyone")). Participating in Radio Exercise during the summer vacation is a typical summertime scene in Japan.

In addition, we run a Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Special Tour every year from April to the end of October (excluding the period for the Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Summer Tour), stopping at about 10 venues across the country mainly on Sundays and public holidays. These events are broadcast nationwide on NHK's Radio 1.



Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Special Tour
Saku City, Nagano Prefecture (June 24, 2018)



Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") Summer Tour
Yaizu City, Shizuoka Prefecture (August 21, 2018)

■ All-Japan Elementary School Radio Exercise Competition

With the aim of increasing opportunities for numerous elementary school children to energetically participate in Radio Exercises and to contribute to health promotion and development of children, we hold the All-Japan Elementary School Radio Exercise Competition.

In this competition, judging is based not only on whether children are correctly performing Radio Exercise but also on whether they are enthusiastically and happily participating in Radio Exercise and their daily commitment to Radio Exercise is also taken into consideration. The winning teams are then selected and announced.

For the fifth contest we had applications from about 650 teams throughout Japan and announced the winners in October 2018 after a rigorous final judgment by Radio Exercise instructors.

For information on the gold, silver and bronze winners and other commendations, please refer to the special website below.

Special website for All-Japan Elementary School Radio Exercise Competition

<https://radi-con.jp/> (in Japanese)





Realizing a Sustainable Society

Provision of services utilizing a health support app

The role expected of the life insurance business is shifting from the provision of conventional services, that is, protection against illness and injury, to the provision of services for prevention of illness and injury and for maintaining and promoting health. To fulfill such a role, we intend to vigorously support health and affluent lifestyles.

As a measure for such support, we have launched the *Sukoyakanpo* health support app that helps people pursue health at ease. The following two menus are available free of charge.

for everyone	for policyholders
Standard menu	Premium menu



Promotion of Kampo Platinum Life Service

We are conducting a company-wide initiative called “Kampo Platinum Life Service” to win the favor of the 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

- Telephone consultation service for policyholders
 - Consultation on health, medicine, nursing care and childcare
 - “Taxes in life” consultation
- *Oshiete! Karada Navi!* (information website on health)
- Video offering tips on nursing care

Provision of information contributing to enhancement of customers’ QOL

- Publication of “Kampo Platinum Life Service,” an information magazine for elderly customers

Establishment of systems friendly to elderly customers / training of employees

- Establishment of a dedicated call center for elderly customers
- Efforts for simpler, easy-to-read and easy-to-understand notifications
- Encouraging employees to acquire qualifications



- ▲ Publication of an information magazine for elderly customers



- ▲ Encouraging employees to acquire qualifications
E.g.: Carefitter training



- ▲ Efforts for simpler, easy-to-read and easy-to-understand notifications
E.g.: Insurance Policy Handbook

- ▶ *Oshiete! Karada Navi!*
(information website on health)



Sponsorship of social and cultural activities

We sponsor social and cultural activities that contribute to communities, enrich culture, and protect the environment. Through sponsorship of social and cultural events, we support people's affluent lifestyles and we also hope that the Company's social value will be enhanced as more people become aware of our commitment to the environment and people's well-being.

Examples

- Special sponsorship of the Student Music Concours of Japan
- Special sponsorship of the NHK Symphony Orchestra Beethoven 9th Special Concert
- Sponsorship of the Japan Wheelchair Tennis Association (JWTA)



JWTA wheelchair tennis trial session and skills workshop in Miyagi

Passing on a sound global environment and resources to the next generation

Environmental

Initiatives for reducing CO₂ emissions

We issue “Eco News,” a quarterly newsletter about energy saving, to encourage all our employees to take energy-saving action.

“Eco News” features articles on various topics, such as encouragement of energy-saving temperature setting for air conditioning, environmentally friendly driving, and reduced consumption of copy paper, and refraining from elevator use when traveling a couple of floors up or down (“2 up 3 down”), to raise employee awareness and promote vigorous action to reduce CO₂ emissions.



Donations in line with online provision of Contract Guidelines and Policy Conditions

On October 2, 2014, we made our Contract Guidelines and Policy Conditions available online.

Previously, we had provided our Contract Guidelines and Policy Conditions to all customers in a paper booklet format. By selecting “web viewing,” policyholders now have the option of confirming their Contract Guidelines and Policy Conditions in PDF format on our website instead of receiving a paper brochure.

The provision of the Contract Guidelines and Policy Conditions on the website eliminates the need for conventional brochures, thereby enabling a reduction in the amount of paper used. In July 2018, we donated a total of ¥33.0 million to 33 environmental groups working on reforestation based on the number of customers who opted for online Contract Guidelines and Policy Conditions in the 12 months from October 2016 to September 2017.



Participation in a tree-planting volunteer activity organized by a donee organization

Realizing a Sustainable Society

ESG investment activities

From the perspective of fulfilling our social responsibilities to all stakeholders, we are promoting initiatives to solve ESG issues facing society, and actively taking on challenges toward the sustainable growth of corporate value and social development.

In asset management, we will consider various factors of ESG in making investment decisions, in order to realize a sustainable society, improve investment results and reduce risks in the long-term.

■ ESG Investment Policy

As an institutional investor managing assets over the long term, we manage assets in accordance with the ESG Investment Policy. The ESG Investment Policy was established in view of the United Nations Principles for Responsible Investment (UN PRI), in order to clarify our basic policies on ESG investment.

For details of Japan Post Insurance's ESG Investment Policy, please refer to the Company's website.

 https://www.jp-life.japanpost.jp/english/aboutus/csr/en_abt_csr_esg.html

■ Integration of ESG factors into the investment process

Initiatives in the area of internal domestic equity investments

We utilize ESG integration as a method to consider ESG factors in making investment decisions, and manage the following two domestic equity funds.

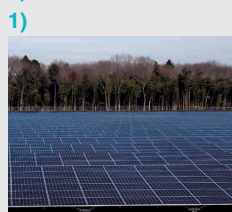
- Fund investing in high-dividend companies whose corporate value is expected to increase over the medium- to long-term, based on comprehensive evaluation of companies' initiatives on ESG issues and financial information.
- Fund investing in companies that view ESG issues as a growth opportunity, based on evaluation of "contribution to performance" and "growth potential" of companies' technological capabilities and business base which contribute to the achievement of SDGs and resolution of issues related to them, while taking financial information into consideration.

Initiatives in the area of internal bond investments etc.

We utilize ESG-themed investment as a method to consider ESG factors in making investment decisions. We select themes that can widely contribute to the achievement of SDGs and the resolution of issues related to them, and invest in projects beneficial to the resolution of ESG issues.

Major ESG-themed investment examples

- 1) Investment in solar power generation projects
- 2) Investment in a Social Bond to finance socio-economic development in Africa
- 3) Investment in a Thematic Bond promoting gender equality
- 4) Investment in a Sustainable Development Bond to Raise Awareness of Health and Nutrition of Women, Children, and Adolescents
- 5) Investment in a Climate Awareness Bond



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Initiatives in the area of externally managed assets

In our external manager selection, appointment and monitoring processes, we confirm ESG initiatives such as the following items.

(Examples of items confirmed)

- UN PRI signature and annual UN PRI assessment
- ESG investment policies, ESG investment methods, issuer selection processes

■ United Nations Principles for Responsible Investment signatory

We signed the UN PRI in October 2017 to promote ESG investment and to contribute to the realization of a sustainable society. In accordance with the PRI, we are fulfilling our social responsibility as an institutional investor and will report our initiatives in our RI Transparency Report, which will be made available on the UN PRI website.

Signatory of:



■ Stewardship activities

Through constructive engagement, we are striving to build strong relationships with investee companies and to appropriately monitor their status. We request investee companies to enrich disclosure of not only financial information but also non-financial information, including ESG factors, and check their initiatives concerning environmental (E), social (S), and governance (G) issues.

Our voting activities are based on our Policies on the Exercise of Shareholders' Voting Rights, but it is not a mechanical routine, as we take into consideration non-financial information, including ESG factors, and information earned from dialogues with companies.

We discuss and verify these stewardship activities at our Responsible Investment Advisory Committee with external experts.

For details of Japan Post Insurance's stewardship activities, please refer to the Company's website.

 https://www.jp-life.japanpost.jp/aboutus/company/assets/pdf/stewardship_taio.pdf (in Japanese)

■ Collaboration with industry groups

Through our participation in the Stewardship Activities Working Group and the ESG Investment Working Group of The Life Insurance Association of Japan, we exchange information with other participants. As a member of the Stewardship Activities Working Group, we emphasize collaborative engagement with a view to vitalizing the stock market and realizing a sustainable society.

Response to Task Force on Climate-related Financial Disclosures (TCFD)

In April 2019, Japan Post Insurance expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Going forward, we will deepen our analysis of the impact of climate change on our business and further promote information disclosure.

 <https://www.jp-life.japanpost.jp/english/news/assets/pdf/pr190422en.pdf>

