

Corporate Governance Systems

Basic Concept of Corporate Governance

We take the issue of improper solicitation of Japan Post Insurance products very seriously, and are working to strengthen corporate governance through our Board of Directors and other bodies in order to ensure that the same incident does not happen again in the future. The Company has 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/company/en_abt_cmp_report.html

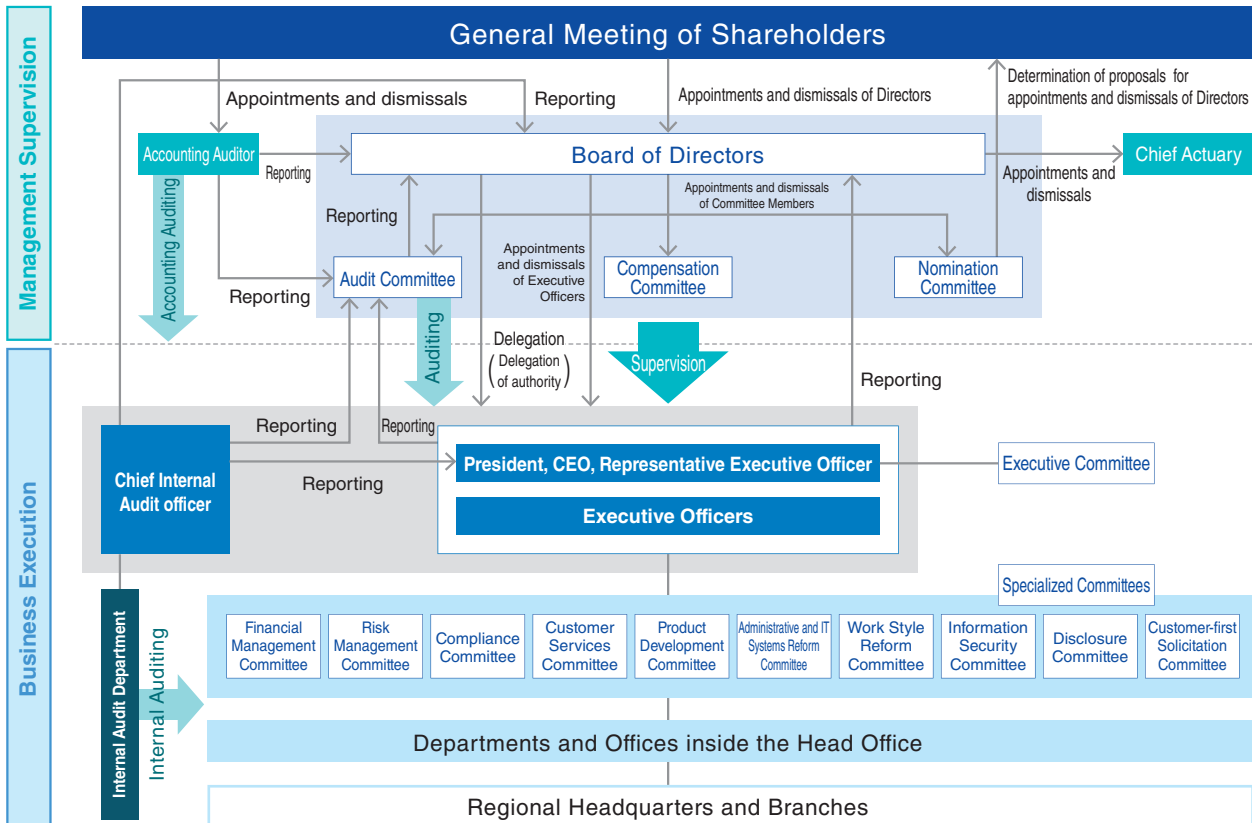
Basic Concept of Corporate Governance

- 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 three committees structure, under which the Board of Directors’ role of management supervision is separated from the Executive Officers’ role of business execution, thereby clarifying the 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:

- **Nomination Committee**

The committee determines proposals for general meetings of shareholders concerning the election and dismissal of Directors.

Chairman: HARADA Kazuyuki (Outside Director)

Members: SENDA Tetsuya, MASUDA Hiroya,
SAITO Tamotsu (Outside Director),
YAMADA Meyumi (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.

Chairman: SAITO Tamotsu (Outside Director)

Members: HORIGANE Masaaki, SUZUKI
Masako (Outside Director),
YAMADA Meyumi (Outside Director),
YAMAZAKI Hisashi (Outside Director)

- **Compensation Committee**

The committee formulates compensation policies for Directors and Executive Officers and determines detailed compensation for each individual.

Chairman: SUZUKI Masako (Outside Director)

Members: MASUDA Hiroya, HARADA Kazuyuki
(Outside Director)

(Membership composition as of July 1, 2020)

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.”

■ 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

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.

respective business operations. In addition, we set up the following nine 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
2. Risk Management Committee
3. Compliance Committee
4. Customer Services Committee
5. Product Development Committee

6. Administrative and IT Systems Reform Committee
7. Work Style Reform Committee
8. Information Security Committee
9. Disclosure Committee

Furthermore, in order to promptly and reliably implement measures under the leadership of the 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 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 business-executing departments, to contribute to sound and appropriate business operations. We have set up the Internal Audit System to review and assess the appropriateness and effectiveness of the Company's Internal Control Systems and our business execution 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 carries out internal audits of various internal and external entities, including individual sections within the head office, regional headquarters, branches and our subsidiaries, as well as Japan Post Co., which acts as an agency of the Company.

Audited departments where problems and/or issues have been identified in internal audits must carry out the corrections or improvements. Improvement measures taken by audited departments are accurately evaluated by the Internal Audit Department. The Internal Audit Department reports the results of internal audits to the President, CEO, Representative Executive Officer, the Audit Committee and the Board of Directors.

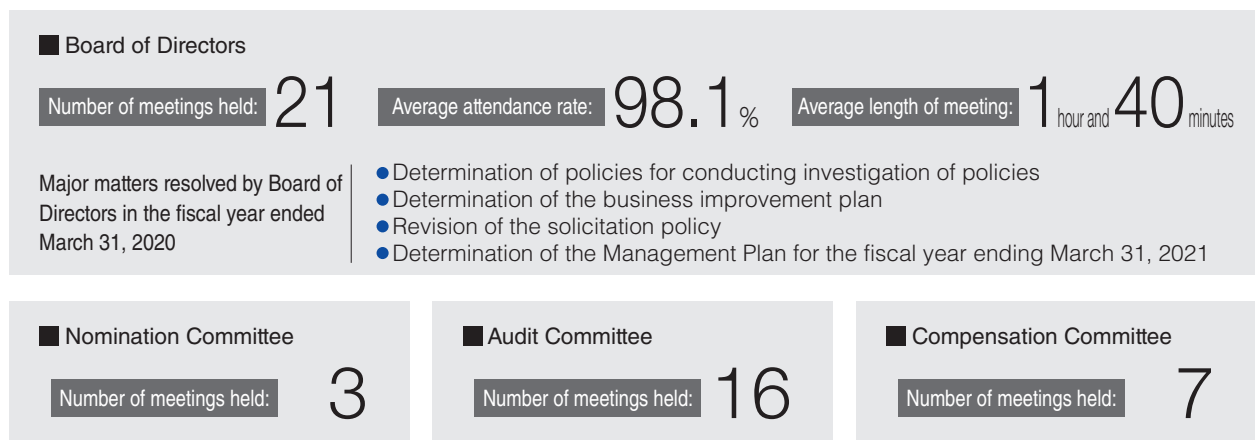
We have also taken steps to strengthen the Internal Audit System through efforts such as further cooperation with the Audit Committee, improvement of internal audit quality, enhancement of the internal audit framework and professionalism, and enhancement of human resources.

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 establishing the “deliberation” process that will leverage the expertise of Outside Directors from the resolution drafting stage as well as the existing 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.

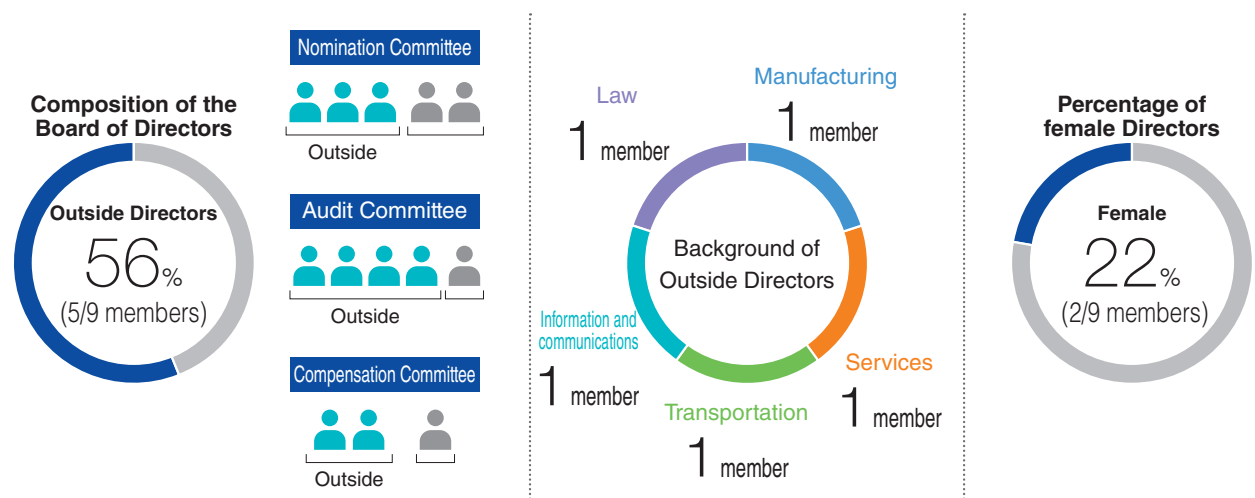
We are also working to ensure effective and smooth operations of the Board of Directors such as by providing Directors with accurate information as needed, providing thorough explanations on the details of proposals in advance, and ensuring that there is time for prior discussion and question-and-answer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

The operations of the Board of Directors and the committees in the fiscal year ended March 31, 2020 were as follows.



Composition of the Board of Directors

The Company’s Board of Directors has a high level of independence and diversity, with a majority (5 out of 9 members) of Outside Directors from a wide range of backgrounds and including two female Directors.



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

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 a 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, 2020)

Total Amount of Compensation, etc., Total Amount of Compensation, etc. by Type, and Number of Eligible Officers by Officer Category

Officer category	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc. by type (Millions of yen)		Number of eligible officers (Persons)
		Fixed compensation	Performance-linked stock compensation	
Directors (excluding Outside Directors)	5	5	—	1
Outside Directors	68	68	—	8
Executive Officers	583	591	△8	26

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 those 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, 2020.

3. No bonuses are paid.

Directors and Executive Officers

(As of July 1, 2020)

Directors

**SENDA Tetsuya**

Director and President, CEO, Representative Executive Officer

Number of shares of the Company held 6,200 shares

Number of years and months in office as a Director - years

Status of attendance at the Board of Directors - % (-/- meetings)

Significant concurrent position:
Director of Japan Post Holdings Co., Ltd.

Past experience, positions and responsibilities
Apr. 1984 Joined the Ministry of Posts and Telecommunications Oct. 2007 Senior General Manager of Customer Service Department of the Company Oct. 2008 Senior General Manager of Tokyo Service Center of the Company Apr. 2010 General Manager of Business Process Planning Department of the Company Jul. 2010 Senior General Manager of Business Process Supporting Department of the Company Apr. 2011 Senior General Manager of Corporate Planning Department of the Company Jul. 2011 Executive Officer and Senior General Manager of Corporate Planning Department of the Company Oct. 2011 Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd. Jun. 2013 Managing Executive Officer of Japan Post Holdings Co., Ltd. Jul. 2013 Managing Executive Officer of the Company Jun. 2016 Senior Managing Executive Officer of the Company Nov. 2017 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd. Apr. 2019 Deputy President, Representative Executive Officer of the Company Aug. 2019 Managing Executive Officer of Japan Post Holdings Co., Ltd. Jan. 2020 President, CEO, Representative Executive Officer of the Company Jun. 2020 Director and President, CEO, Representative Executive Officer of the Company (current position) Jun. 2020 Director of Japan Post Holdings Co., Ltd. (current position)

Reasons for election

He has held prominent positions in the corporate planning and business process departments, etc. of the Company, and has also taken part in the management of the Company as President, CEO, Representative Executive Officer. Based on his considerable experience and achievements, we expect that he would play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers.

**ICHIKURA Noboru**

Director and Deputy President, Representative Executive Officer

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

Past experience, positions and responsibilities
Apr. 1983 Joined the Japan Tobacco and Salt Public Corporation Jun. 2009 Executive Officer and Senior General Manager of IPO Planning Office of Japan Post Holdings Co., Ltd. Aug. 2009 Executive Officer, Senior General Manager of IPO Planning Office and General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd. Jan. 2010 Executive Officer and General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd. Oct. 2010 Executive Officer of Japan Post Holdings Co., Ltd. Sep. 2013 Executive Officer and Senior General Manager of Accounting Department of Japan Post Holdings Co., Ltd. Nov. 2013 Executive Officer of Japan Post Holdings Co., Ltd. Jun. 2014 Managing Executive Officer of Japan Post Holdings Co., Ltd. Jun. 2016 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd. Jun. 2020 Director and Deputy President, Representative Executive Officer of the Company (current position) Jun. 2020 Managing Executive Officer of Japan Post Holdings Co., Ltd. (current position)

Reasons for election

Based on his considerable experience and achievements developed in the finance department, etc. of Japan Post Holdings Co., Ltd., the parent company of the Company, we expect that he would play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers.

**HORIGANE Masaaki**

Director

Number of shares of the Company held 2,400 shares

Number of years and months in office as a Director 3 years

Status of attendance at the Board of Directors 100% (21/21 meetings)

Status of attendance at the Nomination Committee - % (-/- meetings)

Status of attendance at the Compensation Committee 100% (2/2 meetings)

Significant concurrent position:
None

Past experience, positions and responsibilities
Apr. 1979 Joined the Ministry of Posts and Telecommunications Oct. 2007 Executive Officer and Senior General Manager of Finance Department of the Company Oct. 2008 Executive Officer and Senior General Manager of Actuarial and Accounting Department of the Company Oct. 2010 Managing Executive Officer and Senior General Manager of Actuarial and Accounting Department of the Company Jul. 2011 Managing Executive Officer of the Company Jul. 2014 Senior Managing Executive Officer of the Company Jun. 2017 Director and Deputy President, Representative Executive Officer of the Company Jun. 2020 Director of the Company (current position)

Reasons for election

He has held prominent positions in the finance department, etc. of the Company, and has also taken part in the management of the Company as Deputy President, Representative Executive Officer. Based on his considerable experience and achievements, we expect that he would play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers.

**MASUDA Hiroya**

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 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. Visiting Professor, Graduate School of Public Policy, The University of Tokyo

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 (current position) 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)

Reasons for election

He has extensive knowledge of the Japan Post Group, having served as the chairman of the Postal Privatization Committee, as well as having held government positions including the Governor of Iwate Prefecture and the Minister of Internal Affairs and Communications. He has also taken part in the management of the entire Japan Post Group as a Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd., the Company's parent company. Based on his considerable experience and achievements, we expect that he would play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers.



SUZUKI Masako

Outside Director
 Number of shares of the Company held 1,800 shares
 Number of years and months in office as a Director 4 years
 Status of attendance at the Board of Directors 100% (21/21 meetings)
 Status of attendance at the Audit Committee 100% (16/16 meetings)

Significant concurrent positions:
 Senior Advisor of Pasona Group Inc.
 President and Representative Director of Pasona Force Inc.

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. Mar. 2012 Director of Benefit one Solutions 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 Senior Advisor of Pasona Group Inc. (current position) Dec. 2019 President and Representative Director of Pasona Force Inc. (current position)

Reasons for election
 She is nominated as an Outside Director because we expect that she is capable of fulfilling supervisory and monitoring functions over the management based on her experience and insight as a management expert nurtured through years of experience in management of stock companies.



SAITO Tamotsu

Outside Director
 Number of shares of the Company held 600 shares
 Number of years and months in office as a Director 3 years
 Status of attendance at the Board of Directors 95% (20/21 meetings)
 Status of attendance at the Nomination Committee 100% (2/2 meetings)
 Status of attendance at the Compensation Committee 100% (7/7 meetings)

Significant concurrent positions:
 Senior Counselor of IHI Corporation
 Outside Director of Oki Electric Industry Co., Ltd.

Past experience, positions and responsibilities
 Apr. 1975 Joined Ishikawajima-Harima Heavy Industries Co., Ltd. Jun. 2006 Executive Officer, Vice President of Aero-Engine & Space Operations of Ishikawajima-Harima Heavy Industries Co., Ltd. Jul. 2007 Executive Officer, Vice President of Aero-Engine & Space Operations of IHI Corporation Jan. 2008 Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation Apr. 2009 Director, Managing Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation Apr. 2010 Director of IHI Corporation Apr. 2011 Executive Vice President of IHI Corporation Apr. 2012 President, Chief Executive Officer of IHI Corporation Apr. 2016 Chairman of the Board, Chief Executive Officer, General Manager of Monozukuri System Strategy Planning Headquarters of IHI Corporation Apr. 2017 Chairman of the Board of IHI Corporation Jun. 2017 Director of the Company (current position) Jun. 2018 Outside Director of Oki Electric Industry Co., Ltd. (current position) Apr. 2020 Director of IHI Corporation Jun. 2020 Senior Counselor of IHI Corporation (current position)

Reasons for election
 He is nominated as an Outside Director because we expect that he is capable of fulfilling supervisory and monitoring functions over the management based on his experience and insight as a management expert nurtured through years of experience in management of stock companies.



YAMADA Meyumi

Outside Director
 Number of shares of the Company held 1,300 shares
 Number of years and months in office as a Director 3 years
 Status of attendance at the Board of Directors 100% (21/21 meetings)
 Status of attendance at the Audit Committee 100% (16/16 meetings)

Significant concurrent positions:
 Director of istyle Inc.
 Outside Director of Seino Holdings Co., Ltd.

Past experience, positions and responsibilities
 Apr. 1995 Joined KOEI KOGYO Co., Ltd. May 1997 Joined Kiss Me Cosmetics co., Ltd. Jul. 1999 Representative Director of I-Style Co., Ltd. Apr. 2000 Representative Director of istyle Inc. Dec. 2009 Director of istyle Inc. (current position) May 2012 President and Representative Director of CyberStar Inc. Sept. 2015 Director of MEDIA GLOBE CO., LTD. (current position) Mar. 2016 President and Representative Director of IS Partners Inc. Sept. 2016 Director of Eat Smart, Inc. Jun. 2017 Director of the Company (current position) Jun. 2017 Outside Director of Seino Holdings Co., Ltd. (current position) Nov. 2019 Director of IS Partners Inc. (current position)

Reasons for election
 She is nominated as an Outside Director because we expect that she is capable of fulfilling supervisory and monitoring functions over the management based on her experience and insight as a management expert nurtured through years of experience in management of stock companies.



HARADA Kazuyuki

Outside Director
 Number of shares of the Company held - shares
 Number of years and months in office as a Director 2 years
 Status of attendance at the Board of Directors 100% (21/21 meetings)
 Status of attendance at the Nomination Committee 100% (3/3 meetings)
 Status of attendance at the Compensation Committee 100% (6/6 meetings)

Significant concurrent positions:
 President & Representative Director of Keikyu Corporation
 Outside Director of Japan Airport Terminal Co., Ltd.

Past experience, positions and responsibilities
 Apr. 1976 Joined Keikyu Corporation Jun. 2007 Director of Keikyu Corporation Jun. 2010 Executive Director of Keikyu Corporation Jun. 2011 Senior Executive Director of Keikyu Corporation Jun. 2013 President & Representative Director of Keikyu Corporation (current position) Jun. 2015 Outside Director of Japan Airport Terminal Co., Ltd. (current position) Jun. 2018 Director of the Company (current position) Jun. 2019 President & Executive Officer of Keikyu Corporation (current position)

Reasons for election
 He is nominated as an Outside Director because we expect that he is capable of fulfilling supervisory and monitoring functions over the management based on his experience and insight as a management expert nurtured through years of experience in management of stock companies.



YAMAZAKI Hisashi

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
 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 President, Tokyo Family Court Feb. 2011 President, Sapporo High Court Mar. 2013 Commissioner, Japan Fair Trade Commission Aug. 2016 Registered as attorney-at-law (Tokyo Bar Association) Aug. 2016 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)

Reasons for election
 He is nominated as an Outside Director because we expect that he is capable of fulfilling supervisory and monitoring functions over the management based on his experience and insight as a legal expert nurtured through years of experience as a judge and attorney-at-law. We believe that he can appropriately perform duties as an Outside Director based on the aforementioned reasons.

Executive Officers

President, CEO Representative Executive Officer	SENDA Tetsuya	Executive Officer	SAKAMOTO Hidekazu
Deputy President Representative Executive Officer	ICHIKURA Noboru	Executive Officer	YOKOYAMA Masamichi
Senior Managing Executive Officer	HIRONAKA Yasuaki	Executive Officer	IIDA Takashi
Senior Managing Executive Officer	NARA Tomoaki	Executive Officer	FUJII Shinsuke
Managing Executive Officer	TACHIBANA Atsushi	Executive Officer	SAITO Hajime
Managing Executive Officer	KATO Nobuyasu	Executive Officer	MIYAMOTO Susumu
Managing Executive Officer	UCHIKOBA Nobuatsu	Executive Officer	MURO Takashi
Managing Executive Officer	SUZUKAWA Yasumi	Executive Officer	HARUNA Takayuki
Managing Executive Officer	MIYANISHI Yoshiki	Executive Officer	KUME Takeshi
Managing Executive Officer	MATSUDA Michiko	Executive Officer	IMAIZUMI Michinori
Managing Executive Officer	ONOKI Kieko	Executive Officer	TAGUCHI Yoshihiro
Managing Executive Officer	KOIE Junko	Executive Officer	MAETANI Isao
Managing Executive Officer	TANAKA Motonori	Executive Officer	KUROSAKI Yoshiyuki
Managing Executive Officer	ONISHI Toru		
Managing Executive Officer	FUJIMORI Norihiro		

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) in every aspect of its business 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

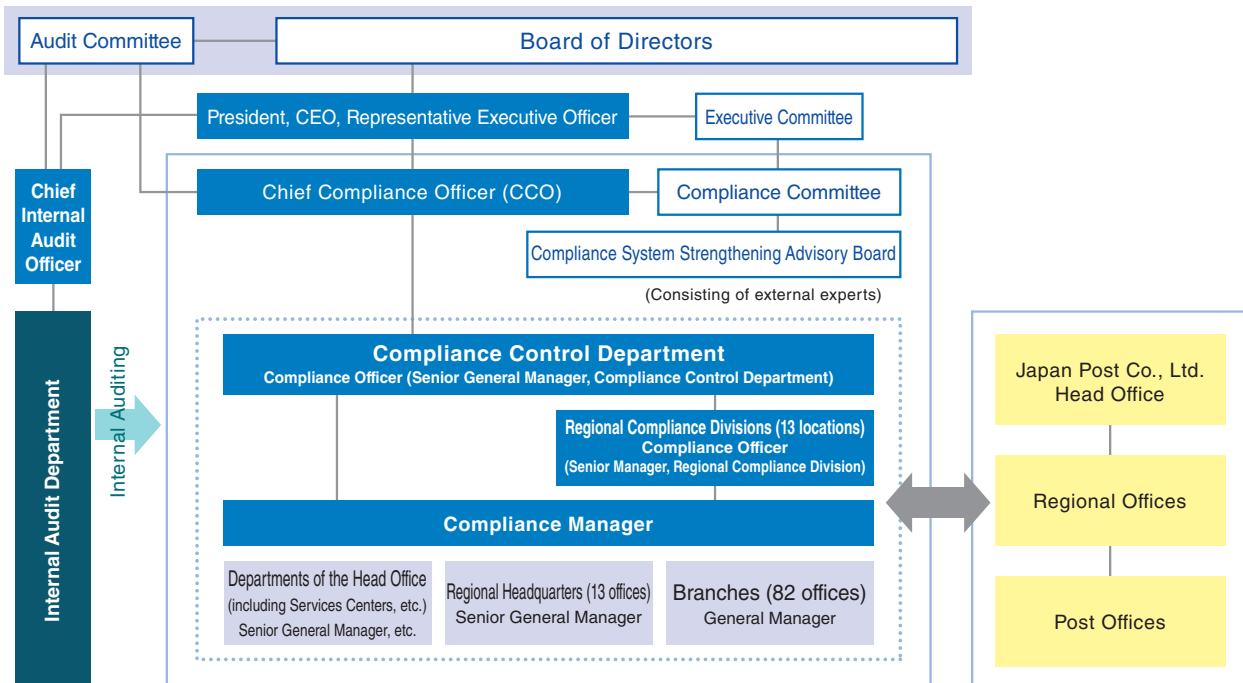
We have established our compliance framework by formulating compliance rules that set out the basics for the promotion of compliance within the Company. These rules incorporate the “Fundamental Policy for Establishment of Internal Control Systems” developed by the Company’s Board of Directors.

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 also ensure that all executives and employees are aware of the content by making these available for reference. Furthermore, we work to undertake thorough implementation of compliance through our “Compliance Program,” a plan developed annually to lay out specific details for promoting compliance.

Compliance Promotion System

Compliance Promotion System



To promote compliance within the Company, we have established the Compliance Committee, headed by the Chief Compliance Officer (CCO). The Compliance Committee 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. In addition, we have established a Compliance System Strengthening Advisory Board comprising external experts and knowledgeable persons, etc. This Board provides neutral and professional appraisals of matters such as the current status of our compliance along with recommendations on the future direction of our compliance efforts. We utilize these appraisals and recommendations to enhance our compliance framework.

Implementing Compliance Education

Through our Compliance Program, we conduct training courses that include Compliance Administrators and 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 raise awareness of compliance, we also

hold e-learning training courses for all executives and employees.

Within our head office, branches and other business units, we carry out activities designed to enhance compliance awareness utilizing opportunities such as business study group sessions and other meetings. We also offer various training programs and training materials to post offices.

Whistleblowing System

We have put in place an appropriate whistleblowing system by establishing reporting rules that Group employees should follow in the event of a violation of laws and regulations or internal regulations, in addition to setting up internal and external whistleblowing contact points, in order to prevent the occurrence or spread of compliance violations, or to resolve them at an early stage.

In addition to existing internal whistleblowing contact points, the Japan Post Group newly established an external whistleblowing contact point exclusively for financial product sales issues in March 2020. We will ensure that all employees are aware of the use of this whistleblowing contact point to identify issues including problems related to improper solicitation.

Countermeasures against Money Laundering and Financing of Terrorism

Japan Post Insurance is promoting efforts to appropriately reduce the risk of money laundering and financing of terrorism ("money laundering, etc.") based on the "Policy on Anti-Money Laundering and Combating the Financing of Terrorism" formulated in accordance with the Financial Services Agency's "Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism."

We identify and evaluate risks based on the profile of business, conditions at agencies, and laws and regulations, from the perspective of preventing the misuse of products and services

provided by the Company for money laundering, etc. We take appropriate countermeasures against the relevant risks in order to effectively reduce such risk.

The management independently and proactively works on countermeasures against money laundering, etc., while we clarify the roles and responsibilities of executives and employees engaged in countermeasures against money laundering, etc., by putting the Chief Compliance Officer as the person in charge of countermeasures against money laundering, etc.

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.

We manage the security of personal data through an internal management structure that

designates the Chief Information Security Officer (CISO), who is in charge of the Company-wide control of information security, and an individual responsible for protection of personal information in each division, thereby protecting and handling personal information in an appropriate manner.

Japan Post Insurance Privacy Policy

https://www.jp-life.japanpost.jp/english/aboutus/company/en_abt_cmp_security.html

Purpose of Use of Personal Information Succeeded from Japan Post

https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_object.html (in Japanese)

Response to Cybersecurity

Recognizing the risk of cyberattacks as a material risk, we have designated the Chief Compliance Officer as our CISO, 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 CSIRT*, an organization that conducts activities in preparation for cyberattacks in ordinary times and emergencies, and secured personnel possessing expertise. 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.

* 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.

Based on the “Fundamental Policy for Establishment of Internal Control Systems” formulated by the Board of Directors, we have stipulated a “Basic Policy on Handling of Antisocial Forces” to take appropriate actions against and eliminate and avoid any relationships with antisocial forces.

Basic Policy on Handling of Antisocial Forces

https://www.jp-life.japanpost.jp/english/aboutus/company/en_abt_cmp_antisocial.html

Rules for Handling of Antisocial Forces

Our “Fundamental Policy for Establishment of Internal Control Systems” requires the elimination of any 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. Accordingly, we have created “Rules for Handling of Antisocial Forces,”

which define our framework for eliminating and avoiding relationships with antisocial forces and the basics for organizational actions, as well as “Procedures for Handling of Antisocial Forces” and an “Antisocial Forces Manual” to lay down specific processes to ensure proper business conduct. We require all employees to strictly observe these rules and procedures.

System for Handling of Antisocial Forces

We have established an appropriate system to eliminate relationships with antisocial forces, with the President, CEO, Representative Executive Officer at the top. Below the President, CEO, Representative Executive Officer, we appointed the Executive Officer responsible for the General Affairs Department of the head office as the Antisocial Forces Response Officer and assigned the role of Antisocial Forces Response Manager to the Senior General Manager of the General Affairs Department of the head office, the Senior General Managers of the regional headquarters and the General Managers of the branches. The Compliance Committee and the Antisocial Forces Handling Council engage in across-the-board discussion on relevant matters.

As specific measures to eliminate any relationships with antisocial forces, we incorporated a clause against organized crime into our policy agreements in April 2012. Other efforts include checking all policies in force for any link with antisocial forces and incorporating a clause against organized crime into various other contracts. We also encourage persons 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 through meetings, training programs and informational publications.

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 agents.

Sales Personnel

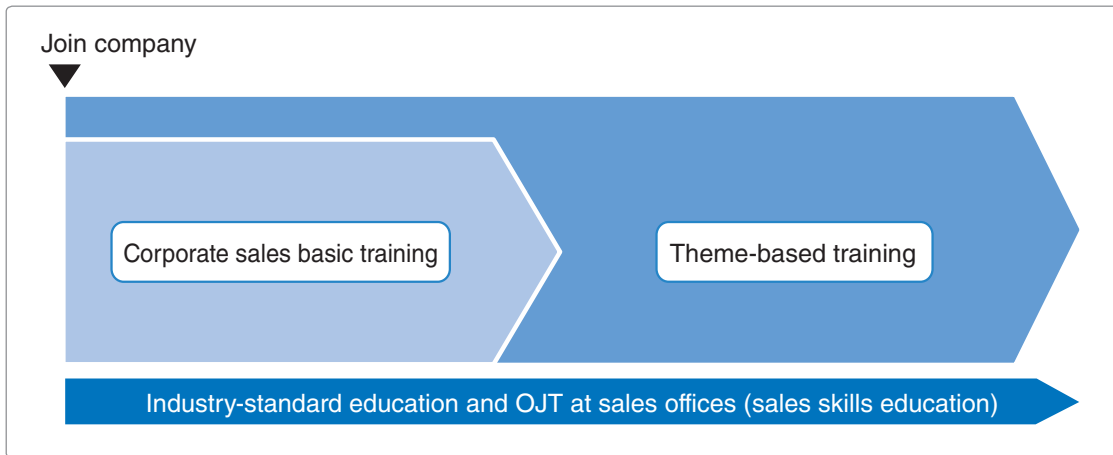
Sales personnel at directly-managed offices engage in insurance solicitations mainly targeting the corporate and worksite markets.

Overview of Training

Through the Kampo Instruction College, an education and training program for Japan Post Insurance's sales personnel, we work to develop sales personnel who possess advanced knowledge and a sense of ethics to ensure that personnel accurately respond to the needs of corporate customers, in order to conduct customer-first sales activities.

Sales personnel acquire the knowledge and skills needed to undertake insurance solicitations in the

corporate and worksite markets through mass training and industry-standard education held at the head office. We also implement various types of training based on specific themes with the aim of developing human resources who are able to demonstrate high-quality consulting-sales abilities.



Insurance Solicitation Agents

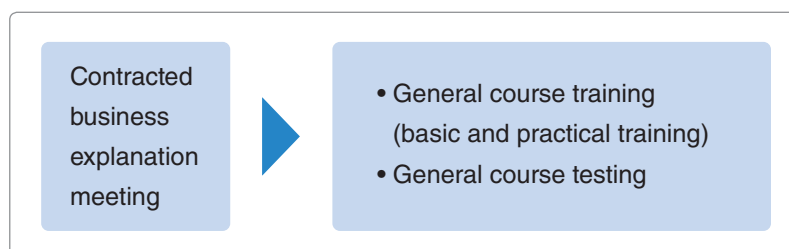
We conclude life insurance sales and maintenance agreements with each of Japan Post Co. and the operators of contracted post offices and carry out

insurance soliciting via the nationwide network of post offices, primarily targeting the individual market for households and small- and mid-sized companies.

Overview of Training

Employees of Japan Post Co. engaging in insurance solicitation are provided with training aimed at ensuring thorough compliance, appropriate sales activities and enhanced operational knowledge.

In addition, we provide support that includes dispatching our employees as instructors for training and other activities implemented by Japan Post Co.



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 for discussion.

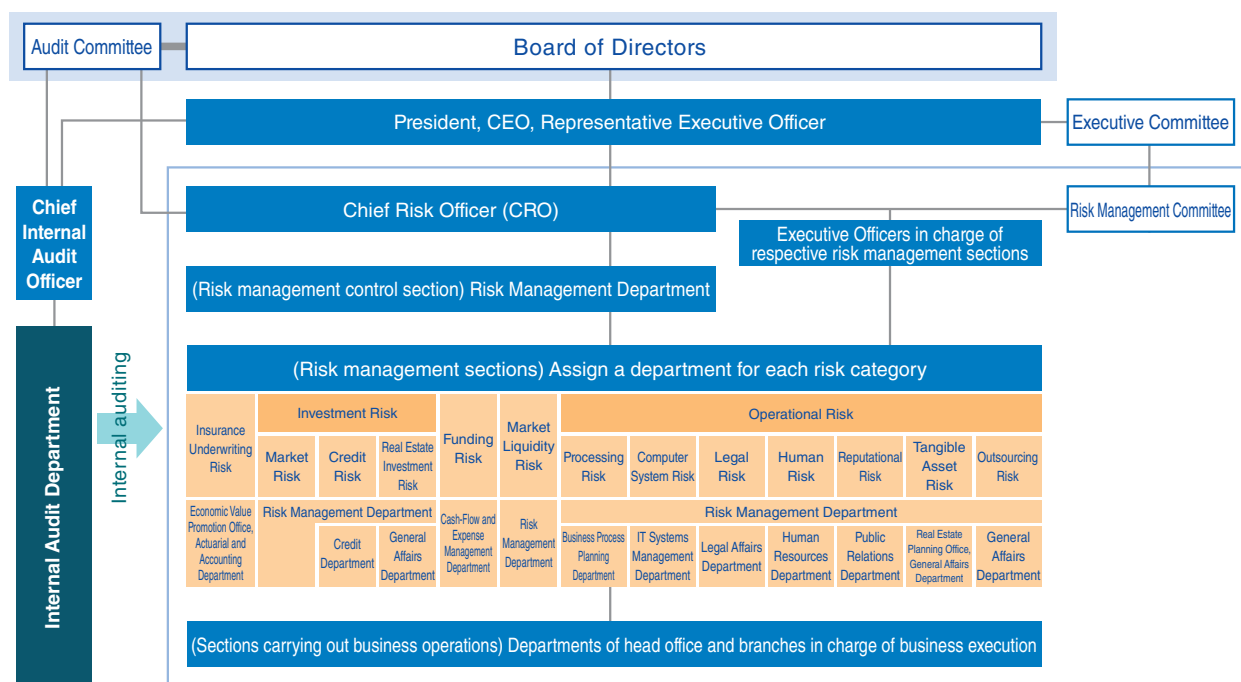
Also, the CRO controls the Company’s risk management and builds, verifies and upgrades risk management systems in accordance with changes in risk management circumstances and the operating environment. The Risk Management Department is in charge of overall control of risk management and under the direction 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 the Risk Management 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 appropriateness and effectiveness 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.
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.
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.
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.
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.
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.
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.

Operational Risk	The risk of losses due to improper business processing, inappropriate behavior by executives and employees, improper computer system operations or external events.
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.
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.
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.
Human Risk	The risk of losses due to unequal, unfair or discriminatory actions, in terms of personnel management.
Reputational Risk	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.
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.

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, as well as the occurrence of a major earthquake or a pandemic (including the further spread of COVID-19).

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.


Customer-first Business Operations

Following our Management Philosophy “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we provide simple and easy-to-understand life insurance products with smaller coverage amounts through the nationwide post office network.

In pursuit of the best interest of each and every one of our customers, we formulated our vision of customer-first business operations, along with the measures needed to ensure its realization in

terms of our framework and business operations, as our “Basic Policies for Customer-first Business Operations,” announced on April 7, 2017.

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

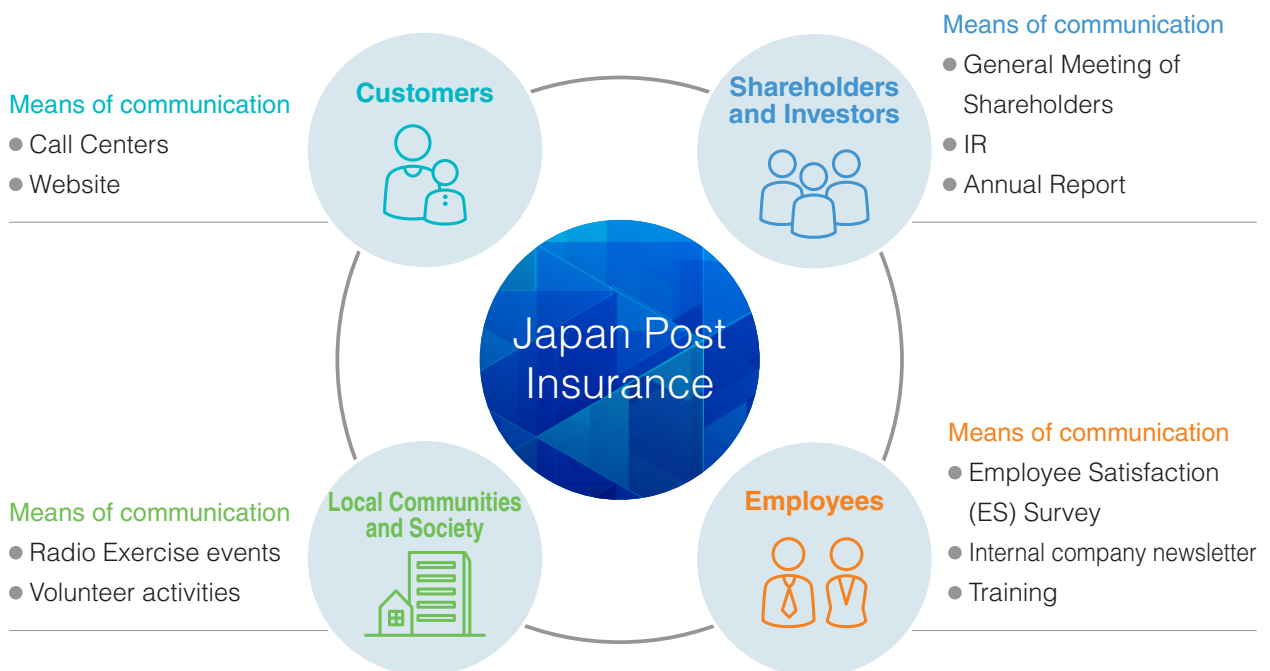
 **Basic Policies for Customer-first Business Operations**
https://www.jp-life.japanpost.jp/aboutus/company/abt_cmp_fiduciary.html (in Japanese)

Stakeholder Engagement

Stakeholders Supporting Japan Post Insurance

We recognize that accurately understanding what our stakeholders demand and expect from the Company through dialogue with stakeholders, and responding to those requests and expectations, is essential to improving corporate value. We have therefore declared in our Management Policy that

“We work to communicate closely with all stakeholders.” We will make use of feedback from stakeholders to improve management with the aim of ensuring appropriate collaboration and sustainable coexistence.



Dialogue with Customers

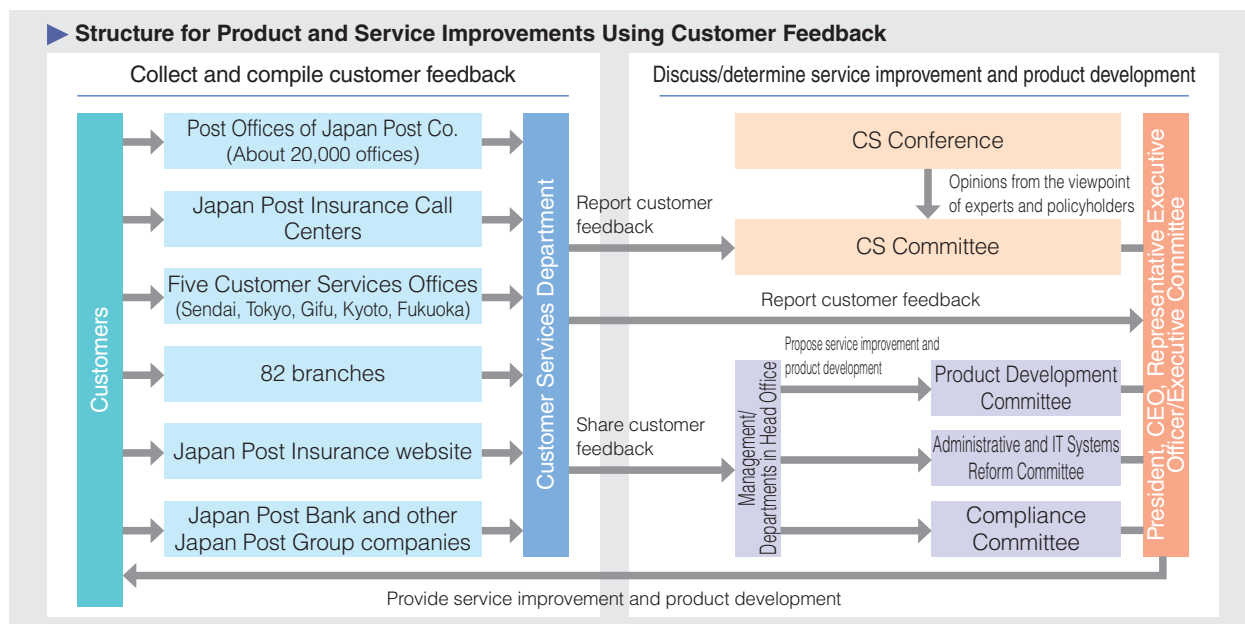
Japan Post Insurance recognizes that the voices of our customers are valuable assets. We value dialogue with customers, and will strive to develop a structure for the ceaseless creation of new convenience for customers and to pursue quality services. In addition, reviewing our services daily based on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

Customer Satisfaction

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 3.07 million feedback comments from our customers through the post offices and Japan Post Insurance Call Centers in the fiscal year ended March 31, 2020. The customer feedback is compiled and centrally managed by our Customer Services 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.



Dialogue 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.



IR Activities

IR Activities for Domestic and Overseas Institutional Investors	We organize financial results and corporate strategy meetings and conference calls for institutional investors and analysts after quarterly financial results announcements, as opportunities for our management to provide explanation on our management strategy, financial condition, etc. We also participate in conferences for institutional investors organized by securities companies.
IR Activities for Individual Investors	We post corporate information for investors in a timely manner on the individual investors section of our IR website. We also hold briefing sessions for individual investors.
Legal Disclosure and Timely Disclosure	We have established a system for timely and appropriate disclosure of financial information such as financial results materials, IR materials and other timely disclosure materials based on laws and regulations, as well as materials such as annual securities reports and quarterly securities reports.
Corporate Website and IR Website	In addition to posting our Disclosure Policy, which is basically to disclose information accurately and fairly, we disclose information in accordance with relevant laws and regulations, and actively communicate financial and non-financial information.

1st quarter			2nd quarter			3rd quarter			4th quarter		
April	May	June	July	August	September	October	November	December	January	February	March
	Announcement of year-end financial results	General Meeting of Shareholders	Overseas IR	Announcement of quarterly financial results			Announcement of quarterly financial results		Overseas IR	Announcement of quarterly financial results	
Domestic IR											

Details of the General Meeting of Shareholders held this year

Date	June 15, 2020
Meeting duration	29 minutes
Number of attending shareholders	109
Mailing date of Convocation Notice	May 29, 2020
Disclosure date of Convocation Notice on website	May 19, 2020

To prevent the spread of COVID-19, the 14th Ordinary General Meeting of Shareholders was held with the health and safety of shareholders as the first priority. We took measures to prevent the spread of infection, such as taking temperature readings using thermography and other methods, distributing and wearing face masks, having alcohol sanitizer available, and spacing the seats further apart. In addition, we prepared a system to accept questions in advance through our website, and also provided a live stream via the Internet for shareholders who refrained from attending the meeting to view the proceedings.

We worked ensuring early dispatch and disclosure of the Convocation Notice so that our shareholders would have enough time to carefully review the proposals. Moreover, in addition to ensuring the exercise of voting rights via the Internet, we addressed the issue of improving the environment for shareholders to exercise their voting rights by participating in the virtual platform recommended by the Tokyo Stock Exchange, which allows institutional investors to exercise voting rights electronically.

At the meeting, we strived to explain our business lines using video materials to facilitate the understanding of shareholders. We also enhanced mutual understanding by answering questions received in advance and holding a Q&A session with shareholders.

After the meeting, we swiftly disclosed the shareholder newsletter, the results of the exercised voting rights and other relevant information on the Company's website as part of our efforts to enhance the provision of corporate information to shareholders.