

## Continued Efforts to Regain Trust

### ▶ Customer-first Business Operations

Based on our Management Philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” Japan Post Insurance provides simple and easy-to-understand life insurance products with smaller coverage amounts to 21.05 million <sup>(Note)</sup> customers through the nationwide post office network.

To pursue the best interests of each of our 21.05 million customers, we formed a vision for customer-first business operations, along with the measures needed to ensure its realization in terms of our framework and business operations. We announced this on April 7, 2017 as our Basic Policy for Customer-first Business Operations. On June 29, 2021, we revised the contents of the Basic Policy for Customer-first Business Operations from the standpoint of solicitation quality issues, the Medium-Term Management Plan, and the need to improve customer experience value (CX).

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

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

📄 Basic Policy for Customer-first Business Operations (in Japanese)

[https://www.jp-life.japanpost.jp/aboutus/company/abt\\_cmp\\_fiduciary.html](https://www.jp-life.japanpost.jp/aboutus/company/abt_cmp_fiduciary.html)

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

📄 Solicitation Policy of Japan Post Insurance Co., Ltd. (in Japanese)

[https://www.jp-life.japanpost.jp/policy/pcy\\_sol\\_index.html](https://www.jp-life.japanpost.jp/policy/pcy_sol_index.html)

### ▶ Initiatives for and Progress on the Business Improvement Plan

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

In September 2020, we formulated the “Pledge to Regain Customers’ Trust.” We apologized to customers for any inconvenience, committing ourselves to customer-first activities based on the Group’s management philosophy. As a result of the Japan Post Group’s concerted efforts, the JP Reform Execution Committee <sup>(Note)</sup> held on September 22, 2021, evaluated the Japan Post Group’s activities to restore trust achieved a certain degree of success.

In response to the JP Reform Execution Committee’s evaluation, we have decided to discontinue our activities relating to the “Pledge to Regain Customers’ Trust.” However, we will continue our broader efforts to regain and earn the trust of customers going forward.

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

# Strengthening the Service Provision System for Individual Customers

## ► Recognition of the Environment and Basic Strategy

Although Japan Post Insurance has been mainly selling savings-type products, we believe it is important to offer protection-type products so that we can continue to meet the diversifying needs of our customers. To this end, we need to develop human resources who can propose coverage by engaging closely with customers, accurately understanding their needs, and explaining products to gain their understanding. Starting in April 2022, therefore, we have initiated a new Japan Post Insurance sales system in which consultants of Japan Post Co. belong to our Retail Service Division and act as employees of Japan Post Insurance.

Under the new Japan Post Insurance sales system, we will directly manage and provide full support to consultants, aiming to develop human resources capable of proposing coverage based on a high degree of specialization and expertise.

We have also introduced an account manager system. This designates an employee to be responsibly in charge of each customer, enabling us to provide detailed after-sales follow-up to each customer. By introducing an account manager system, we hope to provide a wider range and higher quality of services to all of our customers, strengthening our relationship of trust with them.

With the new Japan Post Insurance sales system, we aim to expand and grow our market by building a true relationship of trust with our customers and by encouraging more customers to use our products.

Under the new Japan Post Insurance sales system, we will work to reconstruct into a company that is truly trusted by our customers and to build a management base for sustainable growth.

## ► Vision of Japan Post Insurance Sales Activities (Retail)

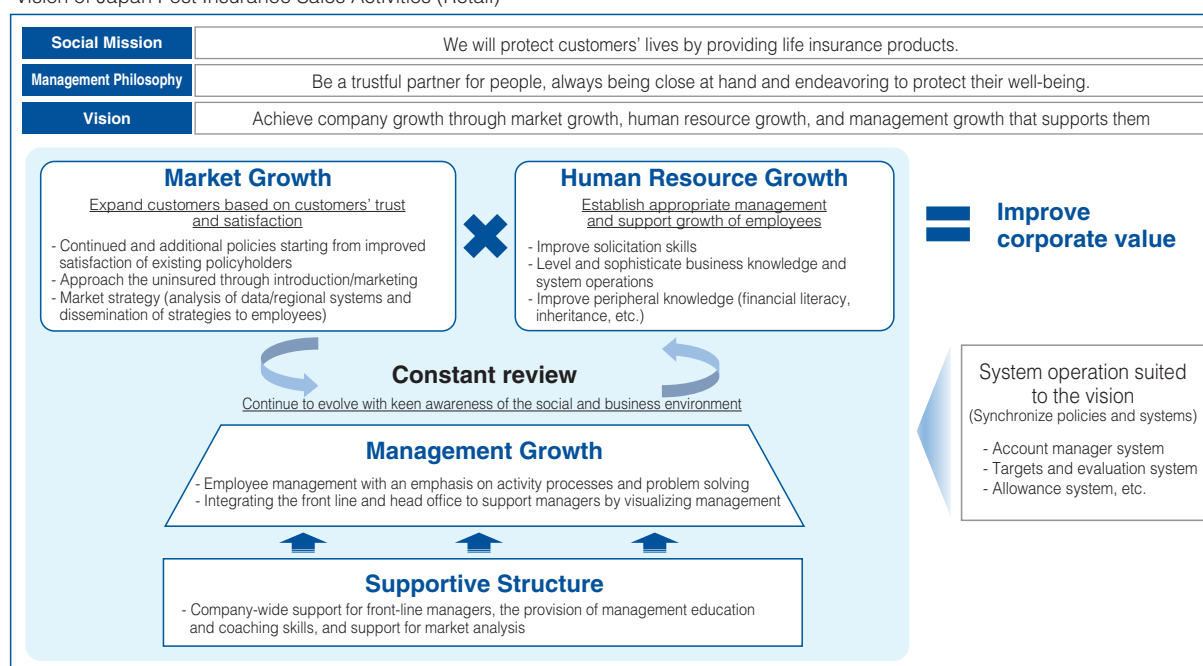
The Vision of Japan Post Insurance Sales Activities is to achieve company growth through market growth, human resource growth, and management growth that supports them. In doing so, we aim to guide the entire company in a joint effort towards the reconstruction of Japan Post Insurance (refer to the figure below).

By providing a wider range and higher quality of services to all of our customers in accordance with their intentions, we will build and expand true relationships of trust with them.

We will share this vision with all of our employees, and will work to shift to a culture of cultivating both the market and human resources, leading to the growth of the company.

In addition, by reviewing all of the systems and operations of the various systems in alignment with the Vision of Japan Post Insurance Sales Activities, we will promote human resources growth and market growth, thereby enhancing our corporate value. We will give top priority to what we can do for our customers in the structure and operation of these systems, and will constantly review them while appropriately responding to the ever-changing social and business environment.

Vision of Japan Post Insurance Sales Activities (Retail)

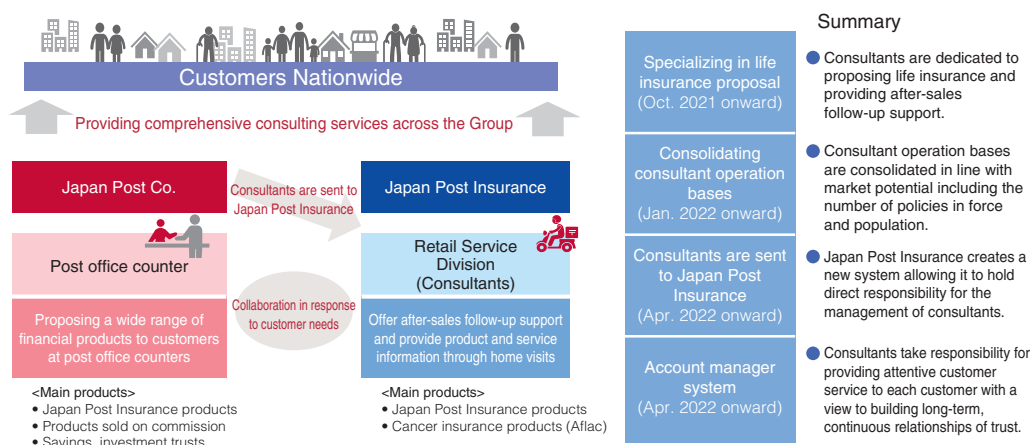


## ► New Japan Post Insurance Sales System

Consultants are dedicated to providing after-sales follow-up support for and proposing coverage of Japan Post Insurance's products and Aflac Life Insurance Japan's cancer insurance products (specializing in life insurance proposal). Increasing their specialization in this way will enable us to ensure more detailed service in response to diversifying customer needs.

In addition, the consultants are concurrently sent to Japan Post Insurance, which takes direct responsibility for their management.

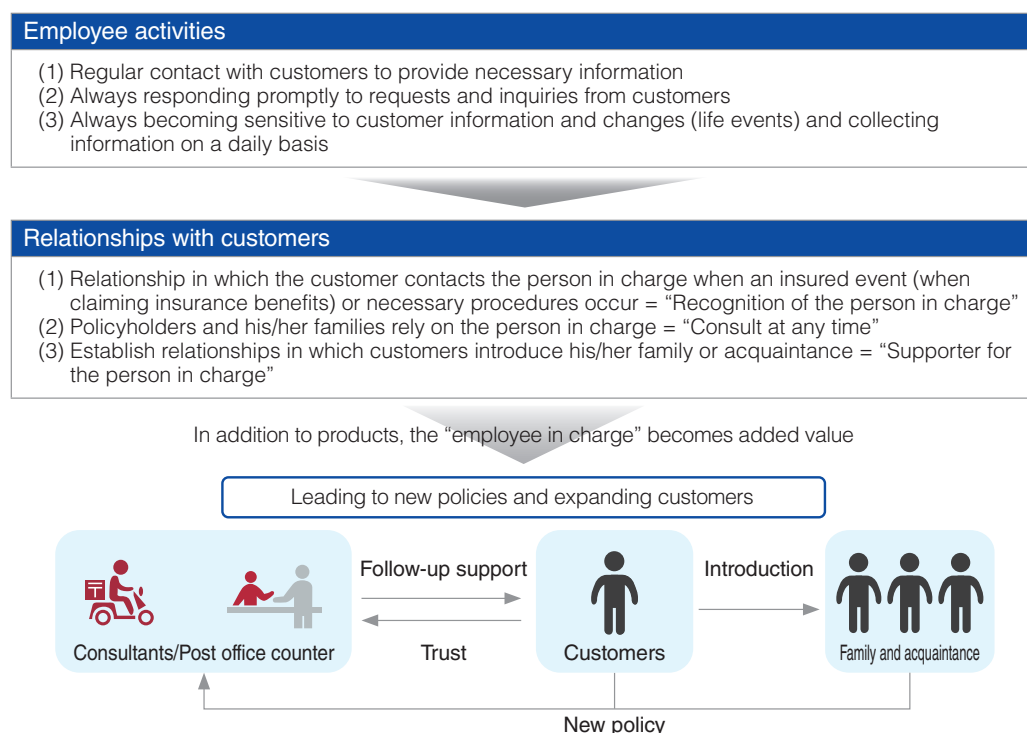
When customer needs are identified for products other than life insurance, such as savings and investment trusts, the case will be passed on to counter sales personnel. This will enable the Japan Post Group's unified approach to providing comprehensive consulting services.



## ► Account Manager System

We will increase the number of contacts with customers assigned to consultants and enhance after-sales service. In this way, we will increase the frequency of courteous responses and contacts with all customers and build relationships of trust with them.

Through these activities, we hope that, alongside our products, the employees in charge will become an added value for our customers, leading to new policies.



# Strengthening the Service Provision System for Corporate Customers

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

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

## Main initiatives

### 1 Enhancing human resource development and improving management capabilities

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

### 2 Improving administration and systems

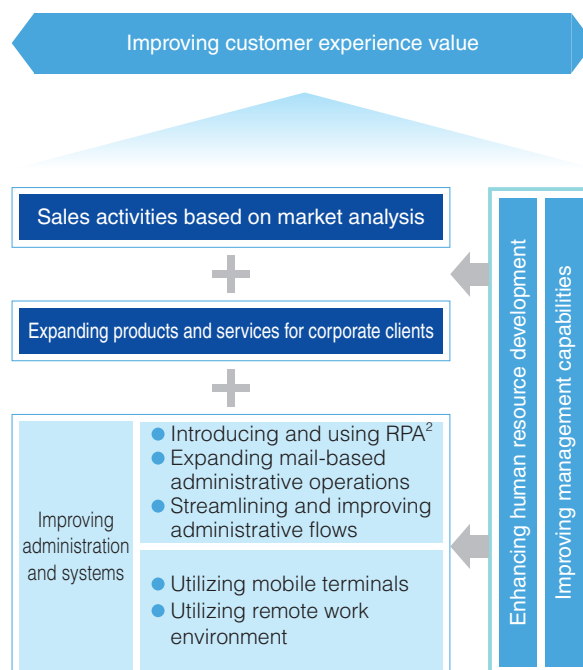
- We will improve customer services through DX<sup>1</sup> promotion and support the activities of sales personnel, to provide optimal solutions for customers.
- In October 2021, we began offering web-based interviews for our customers. This improves convenience by allowing them to conduct business negotiations and others in a remote environment without having to visit an office.

### 3 Expanding products and services for corporate customers

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

### 4 Sales activities based on market analysis

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



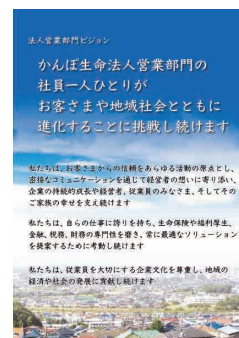
Notes: 1. DX, an abbreviation for Digital Transformation, refers to transforming a company's products, services, and business models based on the needs of customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its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

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

## Vision of the Whole Sales Divisions

We have established the "Vision of the Whole Sales Divisions" as a foundation for the above activities. This vision sets the goals of the Whole Sales Divisions to be achieved in about three to five years, to fulfill our management philosophy.

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



Poster displayed in our offices

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

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

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

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

## Enhancing Insurance Services

### ► Recognition of the Environment and Basic Strategy

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

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

In light of this situation, in April 2022, we launched *Motto sono hi kara Plus*, a new medical care rider that provides generous medical coverage at low insurance premiums. Going forward, we will provide well-balanced coverage with low insurance premiums to meet the needs of young and working-age customers. We will expand our products that meet the needs of coverage for the middle- to senior-aged and elderly customers in light of the age of the 100-year life. We will also research products to support customers' health promotion.

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

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

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

This product is the first new product that we have launched since June 2021, when Japan Post Holdings Co., Ltd. reduced the ratio of voting rights in the Company's shares to less than half and the additional restrictions on new operations under the Postal Service Privatization Act were relaxed and the system was shifted from a license system to a notification system.

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

#### ○ You will receive a generous lump-sum hospitalization benefit even for a one-day hospital stay!

Even for a one-day hospital stay, in addition to the regular hospitalization benefit, you will receive a lump-sum hospitalization benefit, which is 20 days' worth of the daily hospitalization benefit. We provide full coverage even for short-term hospitalizations.

#### ○ We provide generous coverage also for long-term hospitalization, which can be extremely worrying.

You will receive a lump-sum hospitalization benefit, not only on the first day of hospitalization but also on the 30th day, 60th day, 90th day, and 120th day, in addition to the regular hospitalization benefit. We provide generous coverage even if your hospitalization turns out to be long term.

#### ○ Safe coverage for both outpatient surgeries and surgeries during hospitalization!

Similar to surgeries during hospitalization, for outpatient surgeries, also, we provide generous coverage with a surgery benefit, where you will receive 10 times the amount of the daily hospitalization benefit.



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

- We will enhance insurance services to meet the coverage needs of customers of all generations

### Insurance coverage needs of all generations and various scenes



#### Want to prepare against risk with low premiums

- Needs for generous protection at low insurance premiums in the young and middle-aged population, etc.

#### Want to prepare against economic uncertainty

- Traditional insurance needs to prepare for unexpected injury and illness, risk of nursing care needs, corporate welfare and benefits, and other events

#### Want to live a secure and healthy post-retirement life

- Needs for living a secure and healthy post-retirement life while preparing for longevity risks, promoting health, and improving well-being <sup>(Note)</sup>

#### Want to prepare for inheritance and asset succession

- Needs among the elderly population for inheritance and asset succession to children and grandchildren

Note: State of being satisfied physically, mentally and socially.

### Insurance services that meet customers' protection needs

#### Future direction of product development

- Provide balanced protection at low premiums (revisions such as enhancing the coverage of medical care riders)
- Expanding products that meet the needs for coverage of the middle- to senior-aged and elderly population, etc. in view of the age of the 100-year life (expanding the coverage scope, etc.)
- Research into products that contribute to extending healthy life expectancy (accumulating and using health promotion data)

"Connecting" to the young and middle-aged population with educational endowment insurance as the starting point

Parents' generation



Children's and grandchildren's generation



"Connecting" by strengthening the contact points with the young and middle-aged population with nursing care, inheritance issues, etc. as the starting point



#### Services that support the lives of our customers

- Provide services to support not only major life events of customers but also their concerns in everyday life, so that we can become their trusted partner



# Achieving Greater Depth and Sophistication of Asset Management

## ► Recognition of the Environment and Basic Strategy

The economies of major countries such as the U.S. remained resilient in the fiscal year ended March 31, 2022, despite an intermittent resurgence of the spread of COVID-19, as movement restrictions were gradually eased. In addition, there were also moves in major countries to change monetary policy as inflation rates rose sharply in many countries against a backdrop of supply constraints, rising resource prices and other factors.

In the fiscal year ending March 31, 2023, we recognize that we are nearing the end of the economic recovery phase that has followed the resumption of economic activity after the pandemic. We expect the economy to slow down in the second half of the fiscal year as inflation rates rise primarily due to supply constraint issues and rising resource prices, and also as support from monetary and fiscal policies around the world is contracted.

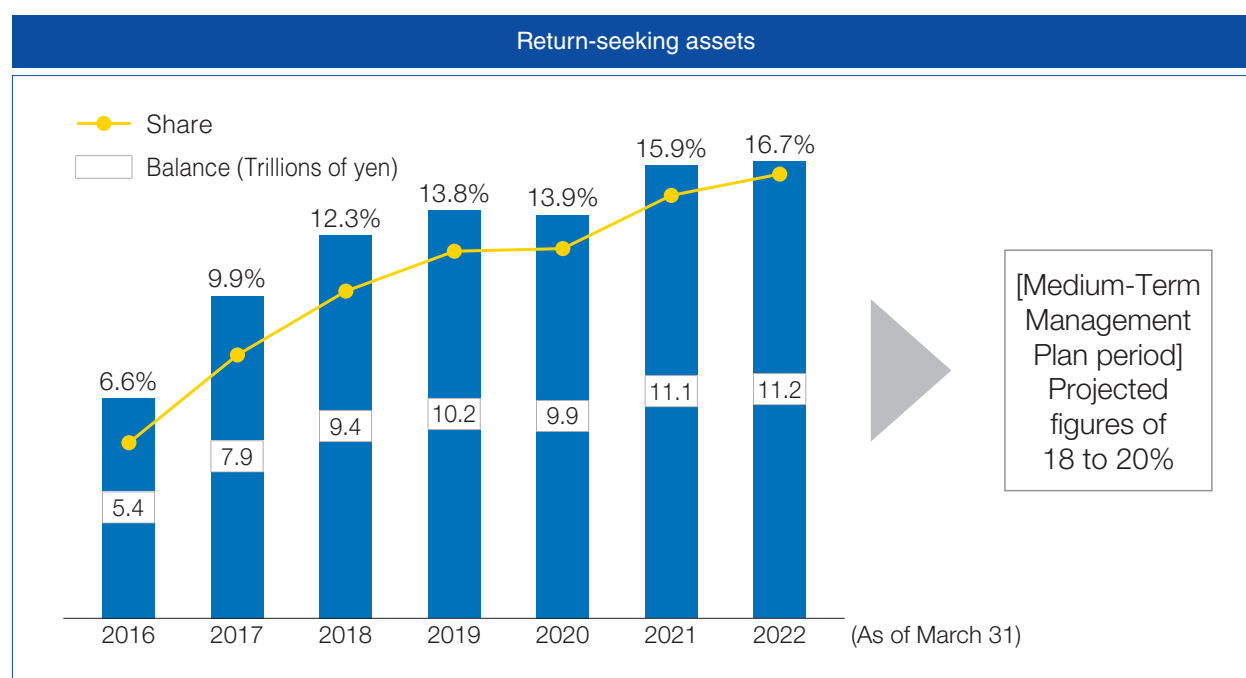
Under the enterprise risk management (ERM) framework, we will continue to invest in return-seeking assets using rigorous risk management to secure stable income in the low-interest-rate environment, while implementing ALM-based asset management through asset-liability matching, to ensure the payment of insurance claims to customers.

## ► Initiatives in the Fiscal Year Ended March 31, 2022

To ensure the yields promised to customers under the prolonged low-interest-rate environment, we have promoted the diversification of assets. Alongside using externally managed assets, we have been pursuing improvements in stable income in the low-interest-rate environment through the phased introduction of in-house management of U.S. corporate bonds and Japanese equities.

In the current Medium-Term Management Plan (FY2021–FY2025), we have set a goal of achieving greater depth and sophistication of asset management, which has been diversified to date. In the fiscal year ended March 31, 2022, we promoted investment in return-seeking assets such as alternative investment, while improving our organizational structure. We consider various factors of ESG when making investment decisions, in order to realize a sustainable society, improve investment results, and reduce risks in the long term.

As a result of promoting greater depth and sophistication of asset management to increase the profitability of our ALM-based asset management, the ratio of return-seeking assets to total assets as of March 31, 2022 increased to 16.7%.



## ► Future Initiatives

With regard to asset management in the fiscal year ending March 31, 2023, we recognize the need to watch the investment environment more closely than before and take risks more prudently, as there is growing uncertainty in financial markets, due to factors such as inflation, geopolitical risks, and monetary tightening by central banks in various countries.

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

### ■ Major initiatives

- Under the ERM framework, we aim to secure stable asset management earnings based on ALM management.
- We will achieve greater depth and sophistication of asset management in terms of both portfolio building and each investment field such as alternative investment, while responding appropriately to the introduction of the new solvency regulation.
- We will promote ESG investments that create a sense of warmth unique to Japan Post Insurance.

#### Achieving greater depth and sophistication of asset management

- Set up specialized departments, e.g., Alternative and Global Credit Investment Departments, and reinforce management for each investment field
- More sophisticated portfolio building based on the use of highly elaborate risk analysis
- Recruit and cultivate sophisticated management personnel with the introduction of a specialist profession personnel system
- Reinforce risk management readiness through the establishment of various risk scenarios and impact analysis, etc.

#### Responses to new solvency regulations

- Implement asset allocation processes in anticipation of the introduction of a new economic value-based solvency regulation
- Aim to improve and stabilize ESR while reducing interest rate risk, etc.
- Diversification of portfolio management methods in preparation for the introduction of the new solvency regulation

#### Promotion of ESG investments

- Promoting theme-based investment and financing focusing on priority areas of well-being<sup>(Note)</sup> improvement, regional and social development, and environmental conservation including climate change based on our ESG investment approach
  - More proactive investment and financing that contributes to the achievement of a carbon-neutral society
  - Start and improve ESG integration on all investments
  - Measure, analyze, and disclose carbon footprint of investment portfolio
- See “ESG Investment” on page 31 for details.

Note: State of being satisfied physically, mentally and socially

### Strengthening the foundation of our asset management

As the foundation supporting our asset management, we are strengthening our human resources, organizational structure, and administrative and computer system structure.

As of April 1, 2022, the number of employees in our asset management departments totaled 165, an increase of approximately 20 employees over the past five years. We will continue our efforts to secure human resources and strengthen our professional human resources from a long-term perspective through personnel exchanges within departments.

In terms of organizational structure, we have strengthened our foundation for promoting greater depth and sophistication of asset management. In April 2021, the Alternative Investment Department and Global Credit Investment Department were established as specialized divisions to strengthen management capabilities in each investment area. The Investment Administration Office was established within the Investment Planning Department as a back office division for asset management.

In preparation for the new solvency regulations to be introduced in the fiscal year ending March 31, 2026, led by the Investment Administration Office, we will establish the administrative and computer system structure for derivative transactions aimed at enhancing risk control methods. The ALM Planning Section, also newly established within the Investment Planning Department, will take the lead in upgrading portfolio construction methods in anticipation of the new regulations.



# Improving Customer Experience Value (CX)

## ► Recognition of the Environment and Basic Strategy

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

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

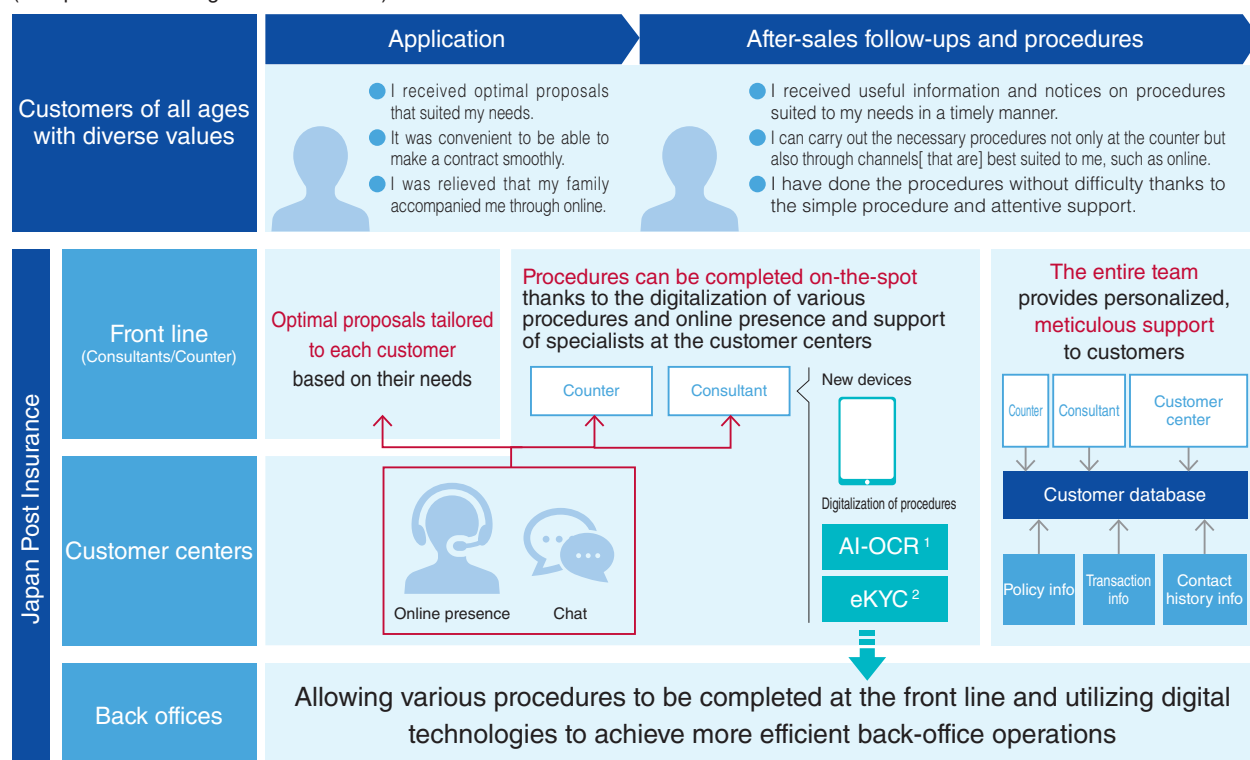
In particular, we recognize that it is essential to promote DX in a way that customers of diverse ages and values will feel warmth, by using the advantages of face-to-face communication with customers such as post office counters and consultants. We will provide services tailored to the needs of each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

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

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

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

(Comprehensive image after realization)



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

(Investment in systems infrastructure)

### Investment in systems infrastructure that help enhance customer experience value

#### Establish a customer database to centralize and share information

- Establish a database that integrates policy and inquiry information, etc. for each customer
- Support activities of consultants by introducing applications, thereby further enhancing solicitation quality

#### System infrastructure for customer centers

- Develop system infrastructure for communicating with customers using various methods such as on-line attendance

#### Develop systems that support customers' application and claim-filing procedures

- Develop digital-based systems for procedures with new devices (AI-OCR, eKYC, etc.)
- Expand the scope of online-based procedures accessible at night and on holidays

#### Next-generation system infrastructure

- Develop next-generation system (utilization of cloud services, zero trust security, etc.) infrastructure enabling flexible and speedy system development with a view to realizing the aforementioned

## Develop system infrastructure for enhancing customer support

Strategic IT investments: Approx. **¥100.0 billion** over **5 years**<sup>3</sup>

Notes: 3. In addition to "investments" in financial accounting, this includes expenses related to strategic IT.

To shift to a business model that prioritizes CX, we have launched a series of initiatives for improving customer service and convenience. These include expanding the scope of claims that can be processed using the web service for policyholders (My Page) and providing support by specialist staff at customer centers. We will continue to promote quick and easy procedures that can be completed on the spot as well as expand non-face-to-face procedures that can be processed using My Page. At the same time, we will use our database of customer information to provide detailed services tailored to our customers' needs.

In June 2021, we formulated the CX Basic Policy as a guideline for improving CX to support the sustainable growth set forth in the Medium-Term Management Plan. In addition, we have been working to ensure that all employees understand the importance of CX. Initiatives include communicating messaging from top management, holding CX briefing sessions for the entire company, appointing CX leaders and sub-leaders in each division, and offering study sessions on the theme of how to improve CX. In this way, we are working to reform our corporate culture so that CX becomes naturally integral to the daily work of all employees.

## Providing an experience and services that ensure customers feel glad they chose Japan Post Insurance

In the Customer Experience Department, where I work, we are working to create new customer contact points that interweave the physical and digital worlds. Our overall aim is to realize a business model that places the highest priority on the value of the customer experience. In the fiscal year ended March 31, 2022, we opened a chat-based support channel so that customers using My Page can contact us quickly and easily. We have also begun experimenting with new communication methods, such as delivering personalized videos to customers whose policies are approaching maturity, communicating our joy at having been able to serve them over the years. We will continue to provide all of our customers services with human warmth that are unique to Japan Post Insurance.



OOJI Hiroko  
Customer Experience Department

# Engagement with Customers

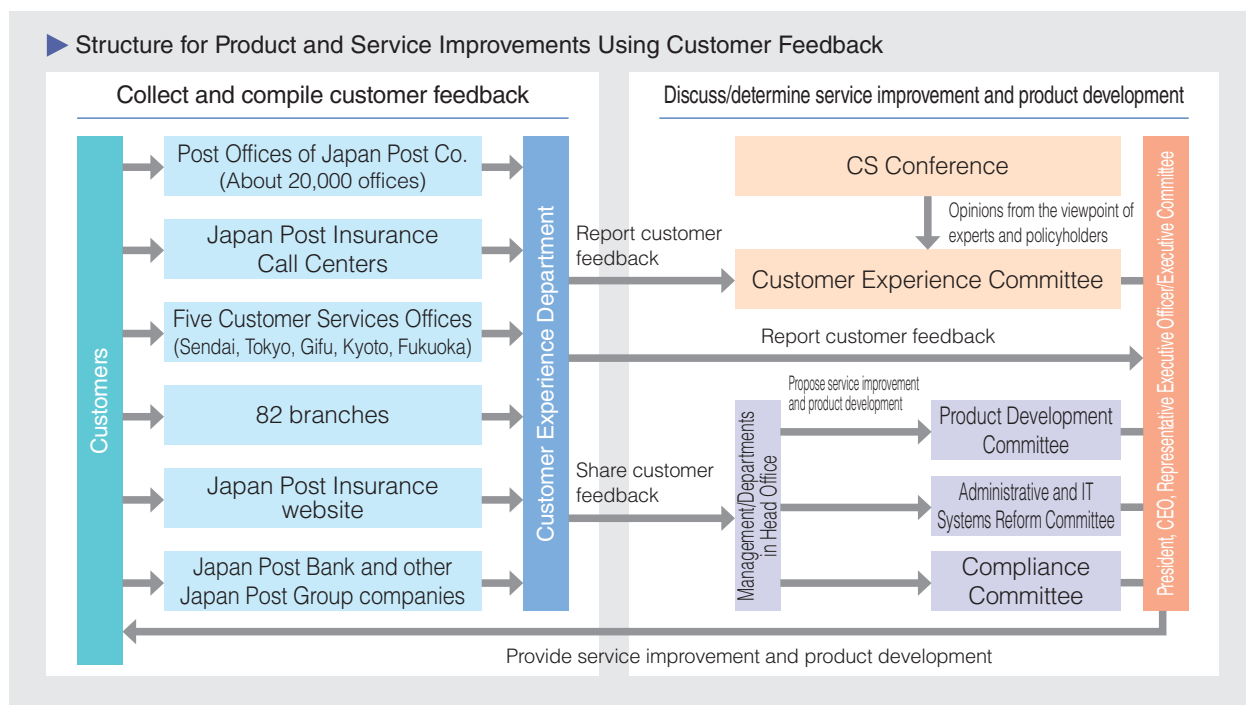
Japan Post Insurance recognizes that the voices of our customers are valuable assets. We value dialogue with customers, and will strive to develop a structure for the ceaseless creation of new convenience for customers and to pursue quality services. In addition, reviewing our services daily based on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

## ► Initiatives to Utilize Customer Feedback in Management

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

We received approximately 1.14 million feedback comments from our customers in the fiscal year ended March 31, 2022 through the post offices and Japan Post Insurance Call Centers. The customer feedback is compiled and centrally managed by our Customer Experience Department. We analyze the feedback to improve our services and develop superior products with the aim of providing services that bring satisfaction to our customers.

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



## ► Customer Satisfaction Survey

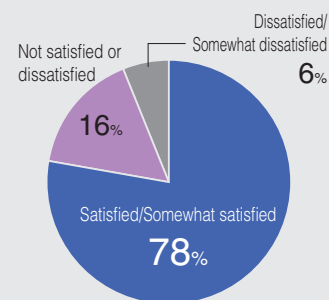
We conduct a “Customer Satisfaction Survey (Customer Feedback Survey)” to directly receive opinions from customers who have purchased policies issued by the Company, and we use them to improve insurance services.

### Results of the FY2022/3 Customer Satisfaction Survey

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

Overview of the FY2022/3 Customer Satisfaction Survey

- Survey time: August 2021
- Survey targets: Customers who recently enrolled for our products, performed maintenance procedures, or claimed payment of insurance (maturity, hospitalization, death, etc.)
- Number of questionnaire forms sent: 30,100
- Number of forms collected: 7,916 (effective answers)



Notes: 1. We conducted a questionnaire about the reception of payments for our annuities, in addition to the abovementioned survey targets.

2. Survey forms received after the deadline (76 forms as of March 31, 2022) are not included in the aggregate, but we confirm all of the evaluations received.

## ► Quantity and Content of Customer Feedback (Complaints)

The number of complaints received from customers during the period from April 1, 2021 to March 31, 2022 was as follows.

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

Content	FY2022/3		Key examples
	Number of complaints	%	
New policies (Enrollment in insurance policies)	35,524	31.1%	· Dissatisfaction with explanation at time of enrollment · Dissatisfaction with underwriting examination
Collection of premiums (Payments of premiums, etc.)	6,887	6.0%	· Dissatisfaction with bank account transfers and deposits
Policy maintenance (Procedures, dividends and other issues following enrollment in a policy)	25,820	22.6%	· Dissatisfaction with surrender procedures · Dissatisfaction with change of name or address
Insurance benefits (Payments of insurance benefits)	35,920	31.5%	· Dissatisfaction with benefit payment procedures · Dissatisfaction with payment procedures for maturity benefits
Other (Attitude and manners)	9,931	8.7%	· Dissatisfaction with attitude and manners of sales personnel · Dissatisfaction with after-sales service
Total	114,082	100.0%	

## ► Cases of Product and Service Improvements Using Customer Feedback

Category	Customer feedback	Improvements
Related to purchase of insurance	Are there any products that offer generous medical coverage at low insurance premiums?	<u>To provide generous medical coverage at lower insurance premiums, we launched a new medical care rider.</u> To provide generous medical coverage at lower insurance premiums in an easier-to-understand way, we began offering a new medical care rider in April 2022. The main features of the product are as follows. (For a non-participating general medical care rider (R04)) · In addition to the hospitalization benefit, a lump-sum hospitalization benefit (20 times the daily hospitalization insurance benefit) is paid on the first, 30th, 60th, 90th, and 120th day of hospitalization. This is to provide generous coverage for both short-term and long-term hospitalization. · Medical advances have led to the establishment of surgeries performed on an outpatient basis. We will pay the same amount for outpatient surgeries as for inpatient surgeries (10 times the daily hospitalization benefit). · The amount of insurance for medical care rider can be set up to five times the amount of the basic insurance policy in accordance with the customer's wishes. This allows us to offer generous medical coverage at lower insurance premiums. For example, in the case of ordinary term insurance of 1,000,000 yen and a medical care rider of 5,000,000 yen for a man aged 30 with an insurance term of 10 years, for an insurance premium of 1,800 yen per month, a policyholder can receive generous coverage of 5,000 yen per day for hospitalization benefit and 100,000 yen for a lump-sum hospitalization benefit.
	In the contract simulation on the Japan Post Insurance website, I would like to see more options for items such as insured periods.	<u>We have increased the number of product types and plans in the contract simulation so that customers can simulate products according to their wishes.</u> From April 2022, we increased the number of product types and plans that can be selected in the contract simulation on the Japan Post Insurance website, which allows users to estimate their insurance premiums. This allows us to offer simulations that are more in line with customers' wishes.
Related to procedures	I would like it if it could be made possible for the policyholder to apply for a loan in a non-face-to-face manner.	<u>A menu item for loans to the policyholder has been added to the My Page website so that a request can be made without the need for an in-person visit.</u> Starting in May 2021, loans to the policyholder can be requested for certain policies of Japan Post Insurance using My Page, the dedicated website for policyholders. From April 2022, this will also be made available for some of the Postal Life Insurance Policies, for which Japan Post Insurance is entrusted with management operations. We plan to gradually expand the scope of policies for which such requests can be made through the My Page website dedicated for policyholders.
	I have my own insurance policy, but I keep forgetting about the coverage and keep putting off checking it. It would be helpful if you could contact me regularly.	<u>We have introduced an account manager system to enable us to provide after-sales follow-up that is tailored to the needs of our customers.</u> In April 2022, we introduced an account manager system to enhance our after-sales follow-up services and ensure customer satisfaction. Our customer representatives will provide continuous and regular support from proposal to after-sales follow-up. In this way, they will be given greater responsibility than ever for providing high-quality service to each customer.
Related to payments of insurance claims, etc.	I would like to claim payment for insurance, but it is difficult to prepare the documentation for proof.	<u>For improving convenience for our customers, we have expanded easy procedures for hospitalization and surgery benefit claims.</u> Under certain conditions, we waive the requirement for a certificate of hospitalization or surgery (medical certificate) when a receipt, medical examination report, etc. issued by a medical institution is submitted. In April 2022, we eliminated the maximum number of days of hospitalization (30 days), which had been one of the conditions for such treatment to simplify the submission of documents, also expanding the scope of treatments covered.

## ► Quantity and Content of Customer Feedback (Gratitude and Compliments)

The total number of customer feedback that was gratitude/compliments that we received from customers between April 1, 2021, and March 31, 2022, was 512,723.

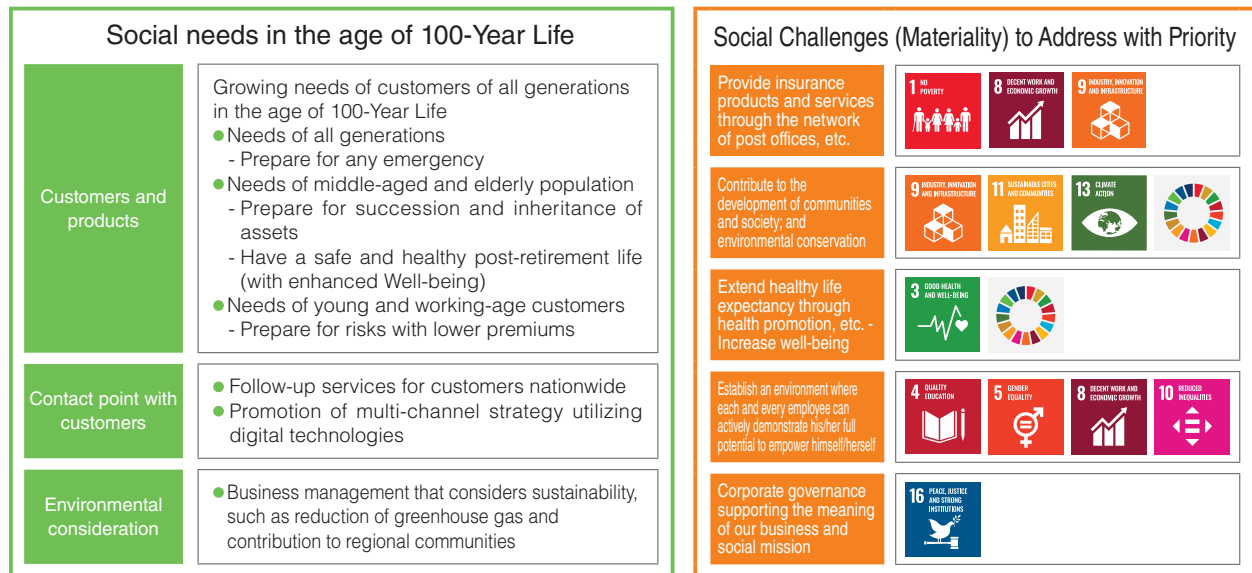
<Customer feedback>

- Thank you very much for your help in the inheritance process. I was very grateful that I could carry out the procedures at home, because I was concerned about my mother. She was shocked and depressed by my father's death and was suffering from physical discomfort. I have never been so glad to have used the post office as I was at this time. There is no financial institution near my parents' home, so we will continue to rely on Japan Post Insurance as a familiar financial institution.
- The policy for which I paid insurance premiums today will mature next month. I am very grateful that the post office was kind enough to consult with me each time I considered cancelling my maturity due to difficulties in my life. Thanks to that support, I was able to successfully reach maturity. Thirty years, which had seemed to me like such a long time, has flown by. Thank you very much.

# Sustainability Promotion Framework

As we enter the age of the 100-year life, Japan Post Insurance has identified Social Challenges (Materiality) to Address with Priority, in order to fulfill our social mission (purpose), “We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.” Also, our Sustainability Policy stipulates the Company’s commitment to resolve social issues and achieve the SDGs.

Going forward, we will continue to address issues surrounding sustainability through various business activities.



## Sustainability Policy

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

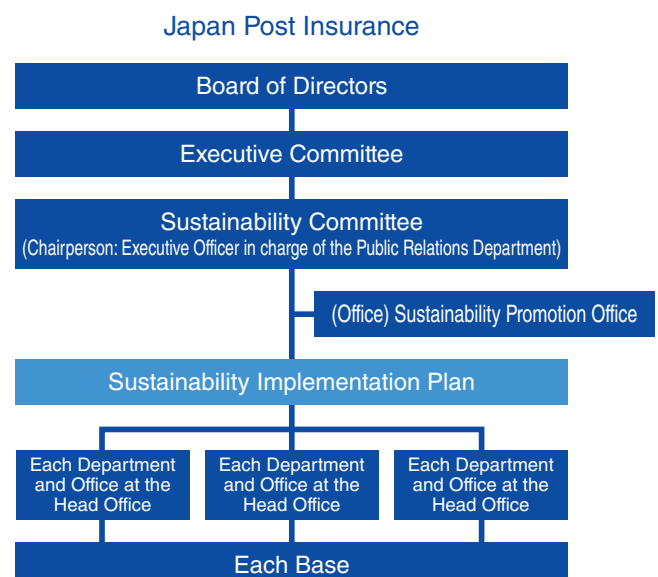
## Japan Post Insurance Sustainability Implementation Plan

### [Sustainability Promotion System]

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

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

In addition, to promote company-wide sustainability activities, a sustainability KP (key person) has been designated at each base, and each employee is working toward the realization of a sustainable society and corporate growth.

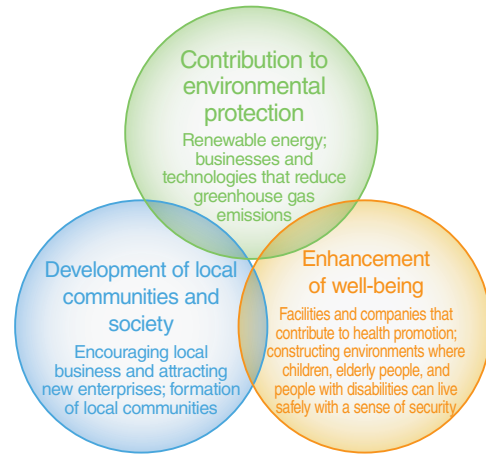




# ESG Investment

As a universal owner that manages a wide range of assets over the long term and from the perspective of fulfilling our social responsibility to all stakeholders, Japan Post Insurance is actively promoting ESG investment with the aim of realizing a sustainable society and improving long-term investment results.

We consider various ESG factors for our entire asset portfolio, with a focus on “enhancement of well-being,” “development of local communities and society,” and “contribution to environmental protection,” and we promote investments that create a sense of “warmth” unique to Japan Post Insurance.



Priority Initiative Themes of ESG Investments

## ► ESG Investment Policy

In order to clarify our basic approach to ESG investment, we have established the ESG Investment Policy and manage assets in accordance with this policy.

### ESG Investment Policy October 15, 2021

Under our management philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we commit to “providing insurance products and services through the network of post offices covering every corner of Japan.” Accordingly, we promote initiatives to address environmental, social and governance (ESG) issues facing society in order to fulfill our responsibilities to all stakeholders, and aim for sustainable improvement in corporate value and the realization of SDGs.

As a universal owner that manages diverse, long-term assets, we promote investments with “warmth” like heartwarming hospitality, unique to Japan Post Insurance. We focus on the “enhancement of well-being,” “development of local communities and society,” and “contribution to environmental protection” as priority initiative themes, in order to realize a sustainable society, improve investment results and reduce risks over the long term.

- We integrate various ESG factors for our entire asset portfolio when making investment decisions. We comprehensively evaluate ESG initiatives of investees and investment managers in addition to financial information when implementing investments and monitoring.

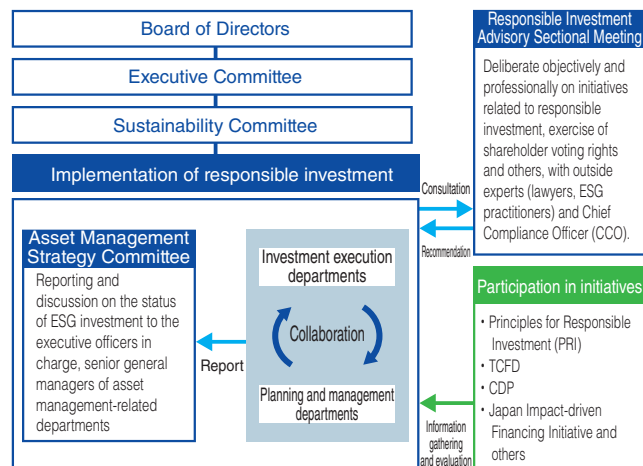
- We value engagement through appropriate stewardship activities, including conducting constructive dialogue and exercising voting rights in consideration of ESG factors. We encourage investees to contribute to the realization of a sustainable society through their business activities and to improve their corporate value. Furthermore, we ask subjects for substantial disclosure of non-financial information, including ESG factors.
- We encourage the asset management industry, including asset owners and investment managers, to endorse and practice the Principles for Responsible Investment (PRI), work on sharing information and ideas, and collaborate with them in order to move forward together to realize a sustainable society.
- We actively disclose the status of our ESG investments by updating our website and other disclosure materials.
- We proactively push ahead with investments that contribute to the realization of a decarbonized society, including those involving environmentally-friendly operations or power generation such as renewable energy. We measure and analyze greenhouse gas emissions from investees and take the results into account during our engagement with them, so that we can reduce greenhouse gas emissions from the entire investment portfolio.

## ► ESG Investment Initiatives



## ► Governance Structure for Promoting Responsible Investments


From the fiscal year ended March 31, 2022, we have strengthened our governance structure for promoting responsible investments and are working on ESG investment and stewardship activities under the following structure.





## ► Framework for ESG Investments

Our ESG investment efforts are focused on the following four methods.

ESG integration	<p>Having introduced ESG integration for all assets under management<sup>1</sup>, we comprehensively evaluate and use ESG factors as well as financial information. In making investments and loans, we integrate a method that takes each asset's characteristics into account so as to comprehensively evaluate the ESG initiatives of the investee and incorporate these into our decision-making process. For details, please see the Asset-Specific Guidelines on our website.</p> <p><a href="https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/initiatives_achievements.html">https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/initiatives_achievements.html</a></p> <p>Notes: 1. Including externally managed assets. For externally managed assets, we review and evaluate the initiatives for ESG investments when selecting and monitoring investment managing organizations and fund managers.</p>
Engagement and exercising voting rights	<p>We value engagement through appropriate stewardship activities, including conducting constructive dialogue and exercising voting rights in consideration of ESG factors. We take into account the characteristics of the assets, and thereby encourage investees to contribute to a sustainable society and improve their corporate value.</p> <p>■ Engagement</p> <p>We engage in constructive dialogue (engagement) with investees based on an accurate understanding of their ESG-related issues, management strategies, and other conditions. We seek to build relationships through direct dialogue between investment managers and the representative of investees, while sharing recognition of issues and asking enhanced disclosure of financial information and non-financial information, including ESG factors.</p> <p>■ Exercising voting rights</p> <p>Our voting activities are based on our Policies on the Exercise of Shareholders' Voting Rights. When voting, we take into consideration non-financial information, including ESG factors, and information gained from dialogues with companies. For details, please see our website.</p> <p><a href="https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/stewardship.html">https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/stewardship.html</a></p> 
ESG-themed investments and impact investments	<p>We proactively engage in ESG-themed investments and impact investments<sup>2</sup> in accordance with our priority initiative themes. We invest in projects which can widely contribute to the achievement of the SDGs and the resolution of issues upon confirmation of feasibility and limitation of use of funds.</p> <p>Notes: 2. Impact investments mean investment activities intended to generate positive and measurable social and environmental impact in parallel with financial returns.</p>
Negative screening	<p>We do not invest in any manufacturers of controversial weapons or new domestic or overseas project financing for coal-fired power generation, which emits a lot of CO<sub>2</sub> and is known to have an adverse impact on climate change.</p>

## ► Initiatives and Collaborative Engagement

We participate in domestic and international initiatives, including PRI and CDP, to promote ESG investment and climate change initiatives. We also actively utilize collaborative engagement with other institutional investors. For details, please see “Support for Initiatives” on page 73.



















## ► Initiatives for Stewardship Activities and Information Disclosure

We accepted Japan's Stewardship Code and established our policy related to the Code. Details of our stewardship activities are disclosed in the Report on Stewardship Activities. For details, please see our website.

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

## ► ESG Investment Examples

We actively promote ESG-themed investments and impact investments that take into account our priority initiative themes. In this context, we have established our own framework for impact investments named Impact “K” Projects. In the framework, we certify projects that meet certain conditions, such as the ability to set quantitative indicators as KPIs that lead to the creation of impact.

ESG-themed bonds	Investment in a green bond to support green recovery (realization of a sustainable society after the COVID-19 crisis) (May 2021)	  
	Education Bond to support school education, vocational training, gender equality, in the Asia-Pacific region (March 2021)	  
	Sustainable Development Bond to support the purchase and distribution of vaccines through “COVAX” (March 2021)	   
Renewable energy projects such as solar power generation and biomass power generation (since 2017)		
		 
Fund investment	Investment in a fund to attract quality nursery school operators to urban areas with large numbers of children on waiting lists (March 2022)	  
	A fund that aims to achieve both social and economic returns by investing in domestic companies that are actively engaged in creating social impact (May 2022)	
	A fund that invests in companies that contribute to the creation of social impact to revitalize local economies and achieve the SDGs (April 2022)	
Investments in and loans to local governments		

## ► Industry-Academia Collaboration

We signed a memorandum of understanding with Keio University in order to promote collaboration and cooperation in enhancing well-being and promoting the circulation of funds with academia at the core. Going forward, we aim to solve social issues and create innovation together.

## ► Initiatives in Response to Climate Change as an Institutional Investor

As an institutional investor, we aim to realize a carbon-neutral society and improve medium-to-long-term investment results by reflecting climate change-related risks and opportunities in our investment strategies.

### ■ Measuring and disclosing GHG emissions in our investment portfolio and setting targets

We have set an interim target of 50% reduction (compared to FY2021/3) by FY2030/3 (March 31, 2030) in GHG emissions in our investment portfolio, while aiming to become carbon neutral by 2050.

► See “Initiatives for the TCFD Recommendations, Decarbonization initiatives, Initiatives as an Institutional Investor” on page 36 for details.

### ■ Establishing a KPI for total power output of renewable energy facilities

As a KPI in the Medium-Term Management Plan, we aim to increase the total power output of renewable energy facilities from 600,000 kW as of March 31, 2021 to 1,500,000 kW by March 31, 2026. This is equivalent to the electricity demand of approximately 525,000 regular households. As of March 31, 2022, this figure stood at 730,000 kW, and progress is being made steadily.

## I want to contribute to the promotion of ESG investment by encouraging change and growth of investee companies through constructive dialogue

I am in charge of analyzing domestic stocks in the Global Equity and Fixed Income Investment Department. In addition to researching and analyzing investee companies, we also focus on constructive dialogue with each company.

Coping with ESG issues is crucial to achieving sustainable corporate growth. It is an imperative part of our activities to share the recognition of management, business, and financial issues of investees and engage with them on an ongoing basis, in which we must fulfill our social responsibility as an institutional investor conducting ESG investment. Engagement is a valuable opportunity to meet directly with the management of investees on behalf of Japan Post Insurance, and I am proud to play an important role in promoting ESG investment. Therefore, while I feel a heavy responsibility, I also feel a great sense of accomplishment and satisfaction when I am able to encourage change in an investee through dialogue.

From the perspective of long-term asset management, we consider investment as a start, not a goal, and will continue to contribute to improving the corporate value of investees and promoting ESG investment through ongoing engagement activities.



IWAHARA Hiroto  
Global Equity and Fixed Income  
Investment Department

# Environmental Conservation

## ► Initiatives for the TCFD Recommendations

In April 2019, Japan Post Insurance announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB). As one of the basic policies of our Medium-Term Management Plan (FY2021–FY2025), we have set the promotion of ESG management (contribution to solving social issues) and are working to solve social issues related to sustainability, including climate change issues.

## ■ Governance

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

[Results for FY2022/3 (reports to the Board of Directors)]

- Frequency of reporting to the Board of Directors: Once every six months (once a quarter is planned for FY2023/3)
- Major climate change-related agenda items: Our climate change initiatives and disclosure policy, and the progress of our climate change response (related to GHG emissions measurement and scenario analysis of the investment portfolio)



<Main roles of specialized committees in addressing climate change>

- Formulate medium- to long-term response policies, grasp and analyze status of progress in initiatives
- Strengthen the analysis and management systems of climate-related risks

## ■ Strategy

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

We recognize the impact of climate change on the Company as follows.

#### Life Insurance Company

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

#### Asset Owner

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

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

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

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

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

Note: For details on each scenario analysis, please see "Initiatives for the TCFD Recommendations" on our website.

📄 <https://www.jp-life.japanpost.jp/english/aboutus/sustainability/environment/tcdf.html>

### (1) Impact analysis on investment income focusing on key sectors

We analyzed the impact of 2°C and 4°C scenarios <sup>(Note)</sup> on the following three sectors: electric utilities, steel, and energy, which were selected as the most important sectors that have a large impact on climate change and in which we have a large amount of investments and loans. As a result, we found that the introduction of a carbon tax, the spread of renewable energy, and other social changes may have a significant impact on the performance and finance of each sector under the 2°C scenario.

We will conduct engagement with investees in these sectors, taking the results of the analysis into full consideration. We will hold dialogues with investees regarding the specific impacts indicated by the analysis and encourage them to take action to improve our investment performance.

Note: References are made to scenarios from the IEA "World Energy Outlook," IEA reports, and "Synthesis Report on Observations, Projections, and Impact Assessments of Climate Change (2018): Climate Change and Its Impacts in Japan" from the Ministry of the Environment, et al.

[Assumed world depending on each scenario]

The World with a 2°C Scenario (if stringent measures or radical system for transition is put in place)	The World with a 4°C Scenario (if no measures are taken to prevent global warming beyond the current level)
<ul style="list-style-type: none"> <li>● Tighter government regulations on climate change will result in high carbon taxes and carbon prices. These additional costs will reduce the demand for fossil fuels.</li> <li>● Expanding the introduction of renewable energy will accelerate decarbonization. There will be additional investment and stranded assets of existing facilities due to the shift to renewable energy. However, the development of technologies and products to reduce environmental impact will progress, and the business portfolios of companies and other organizations will be reorganized.</li> </ul>	<ul style="list-style-type: none"> <li>● Average temperatures will rise significantly, and natural disasters will become more frequent and severe. Physical risks will increase, and the costs of disaster management and infrastructure investment will rise further.</li> <li>● The world is still dependent on fossil fuels. Low carbon taxes and carbon pricing will be introduced in some countries. Demand for fossil fuels will increase steadily, and oil prices will rise. There will be no progress in the development and use of technologies to reduce environmental impact. Thermal power generation will continue, and the increase in demand for renewable energy will be limited.</li> </ul>

Note: Assumed with reference to IEA "World Energy Outlook 2021", etc.

### (2) NGFS climate scenario analysis

With regard to the impact of climate change on our asset management business, we analyzed the impact of changes in the economic environment associated with the transition to a decarbonized society on our assets under management through 2050 by using multiple climate scenarios published by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS). As a result, under some scenarios, we, who hold yen-denominated interest-bearing assets such as Japanese government bonds, expect an increase in interest margin due to a gradual increase in domestic and international long-term interest rates.

### (3) Analysis of the impact of climate change on our life insurance business

Regarding the impact of climate change on our life insurance business, in the fiscal year ended March 31, 2022, we applied the RCP8.5 scenario based on the IPCC Fifth Assessment Report to analyze the quantitative impact on claim payments due to an increase in the number of tropical infectious disease cases as well as the impact of a new infectious disease pandemic which leads to the significant decline in the business performance on the value of new business. We believe that the impact of both of these events on our financial soundness is limited, and we will work to understand the risks through further research, stress testing, and other analyses.

## 3. Decarbonization initiatives

We will implement initiatives related to the transition to a low-carbon society as an operating company and an institutional investor to achieve carbon neutrality and enhance the resilience of our business.

### Initiatives as an operating company

To reduce GHG emissions from our business operations, we are promoting environmental conservation efforts with our facilities and vehicles, and by employees.

#### ● Energy conservation and use of renewable energy in facilities and vehicles

In our offices, we are working to reduce energy consumption by improving the operation of lighting and air conditioning systems and introducing energy-saving equipment. Our locations, Otemachi Place Tower and some other offices, use electricity generated from renewable energy sources, thereby contributing to the reduction of CO<sub>2</sub> emissions. We are also striving to reduce CO<sub>2</sub> emissions by gradually introducing hybrid and eco-friendly vehicles to the fleet of those used in our operations.

Note: Please see our website for other environmental conservation initiatives.

🔗 <https://www.jp-life.japanpost.jp/english/aboutus/sustainability/environment/activity.html>



### Initiatives as an institutional investor

We have clarified our basic concept on climate change in our ESG Investment Policy and are taking the following actions in order to promote the decarbonization of our investment portfolio.

#### ● Implementation of ESG integration

We have introduced ESG integration, in which ESG factors are considered in addition to financial information when making investment decisions for all assets under management. For sectors with particularly high GHG emissions, we comprehensively evaluate the status of the investee's efforts to address climate change and incorporate this into our decision-making process when making investments and loans. With regard to negative screening, which excludes specific sectors from the scope of investment, we do not invest in new domestic or foreign project finance related to coal-fired power generation, which has high GHG emissions and is feared to have an impact on climate change.

#### ● Implementation of stewardship activities

We place a high priority on addressing climate change in our Stewardship Activities Policy.

For details of our Stewardship Activities Policy, please see our website.

📄 [https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship\\_policy.pdf](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_policy.pdf)

##### ● Engagement with investees

In addition to domestic equities and domestic corporate bonds, we also engage in dialogue on climate change initiatives with respect to other assets under our management, taking into account the characteristics of each asset. We also participate in engagement initiatives and actively engage in collaborative engagement. If the situation does not improve despite ongoing dialogue, we will consider escalation. Please see page 73 for the initiatives we are participating in.

##### ● Response through shareholder voting

Our Policy on Exercise of Shareholder Voting Rights state that, in principle, we will oppose the election of internal and outside directors and auditors who are deemed responsible for events that have a serious impact on the environment. In addition, we judge shareholder proposals on environmental issues from the perspective of maximizing long-term shareholder profits and the degree of environmental impact.

Please see our website for more information on our Policy on Exercise of Shareholder Voting Rights.

📄 [https://www.jp-life.japanpost.jp/aboutus/company/assets/pdf/stewardship\\_voting.pdf](https://www.jp-life.japanpost.jp/aboutus/company/assets/pdf/stewardship_voting.pdf) (in Japanese)

#### ● Measurement and management of GHG emissions from the investment portfolio

We measure the GHG emissions of our investment portfolio annually. Based on the results of this analysis, we manage our investment portfolio to achieve our GHG emissions reduction targets.

#### ● Promoting investments that contribute to the decarbonization of society

We are actively making investments that contribute to the decarbonization of society to promote the decarbonization of society. In addition to providing funds to the green finance market, we are actively pursuing investments in renewable energy.

#### Major investment examples

Since January 2017	Investment in solar power generation and other renewable energy projects (project finance)
May 2019	Investment in a Climate Awareness Bond
January & May 2021	Investment in a green bond to support green recovery (realization of a sustainable society after the COVID-19 crisis)
July 2021	Investment in a transition bond to support efforts to reduce greenhouse gas emissions

## Risk Management

We conduct a questionnaire periodically each year for executive officers above a certain rank to appropriately reflect management's awareness of the impact, likelihood of occurrence, countermeasures, and effects of business risks and other risk factors that could have a material impact on the financial position, operating results, cash flow status, and EV (embedded value) and other indicators of corporate value of the Group. Based on the results of the questionnaire, the Risk Management Committee and the Executive Committee deliberate and hear opinions from outside directors. Business risks and other risk factors are classified into most significant risks, significant risks, and risks other than the above, and risks related to climate change are classified as significant risks and are recognized as risks that may have a significant impact on management in the future <sup>(Note)</sup>. In the management of climate change risk, we are promoting the refinement of risk identification by continuing and upgrading scenario analysis, and considering reflecting this in existing risk management processes such as identification, management, and assessment.

Note: Please see our website for details. 📄 [https://www.jp-life.japanpost.jp/IR/management/business\\_risk.html](https://www.jp-life.japanpost.jp/IR/management/business_risk.html) (in Japanese)



## Metrics and Targets

### Metrics and targets for the operations

We have set the following greenhouse gas emissions (GHG emissions) reduction targets for Scope 1 (direct emissions from the company) and Scope 2 (emissions associated with the use of electricity and other resources supplied by other companies) (excluding increases due to new business), and are working toward achieving carbon neutrality.

Our GHG emissions (Scope 1 and Scope 2) results

	Unit	FY2020/3	FY2021/3	
		Base year results	Results	Reduction rate
Scope 1	tCO <sub>2</sub> e	4,443.2	3,397.4	23.5%
Scope 2		14,496.8	14,064.9	3.0%
Total		18,940.0	17,462.3	7.8%

#### Targets:

<FY2031/3>

Reduce 46% compared to FY2020/3

<FY2051/3>

Aim to achieve carbon neutrality

Note: Please see our website for details. [https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/esg\\_data\\_environment.pdf](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/esg_data_environment.pdf)

### Metrics and targets for an asset owner

#### ● GHG emissions and reduction targets for investment portfolios

We measure and disclose Scope 3 Category 15, or GHG emissions metrics for our investment portfolios. We calculated GHG emissions metrics for domestic and foreign listed equities, domestic and foreign corporate bonds portfolios including business loans, and government and agency bonds portfolios. The scopes covered in the carbon emissions calculation are direct emissions of greenhouse gases by investee companies (Scope 1), indirect emissions from purchased electricity (Scope 2), and emissions from supply chains other than purchased electricity (Scope 3).

Based on our GHG analysis, we set GHG emission reduction targets for the investment portfolios (subject assets are domestic and foreign listed equities and domestic and foreign corporate bonds including business loans). We aim to be carbon neutral in our investment portfolio by 2050, and to achieve a 50% reduction (compared to FY2021/3) as an interim target by FY2030/3 (end of March 2030).

(Please see website for details. <https://www.jp-life.japanpost.jp/english/aboutus/sustainability/environment/tcfd.html>)

GHG emissions metrics for investment portfolios (As of March 31, 2021)

Subject asset	Carbon emissions <sup>1</sup> Scope 1&2	Carbon emissions Scope 1 to 3	Carbon footprint <sup>2</sup> Scope 1&2 + direct suppliers of Scope 3	Carbon intensity <sup>2</sup> Scope 1&2 + direct suppliers of Scope 3	Weighted average carbon intensity <sup>2</sup> Scope 1&2 + direct suppliers of Scope 3
(Unit)	(tCO <sub>2</sub> e)	(tCO <sub>2</sub> e)	(tCO <sub>2</sub> e/million yen)	(tCO <sub>2</sub> e/million yen)	(tCO <sub>2</sub> e/million yen)
Domestic equities	1,777,434	4,985,142	0.70	1.70	1.53
Foreign equities	330,032	571,842	0.62	2.75	2.18
Domestic corporate bonds <sup>3</sup>	5,860,001	8,552,928	2.55	5.59	5.31
Foreign corporate bonds	2,277,353	3,526,636	0.87	3.76	3.90
Total	10,244,820	17,636,548	1.68	3.41	3.33

Notes: 1. This refers to GHG emissions, and they are also called financed emissions. For details on the calculation definition, please see our website.

2. For details on the calculation definition, please see our website.

3. Includes business loans.

#### ● Targets related to renewable energy

As a KPI for the period of our Medium-Term Management Plan (FY2021–FY2025), we aim to achieve a total power output of 1.5 million kW from the renewable energy facilities that we lend money to and invest in (limited to the power output from the renewable energy facilities that we lend money to and invest in, after calculating our holdings). As of March 31, 2022, this figure stood at 730,000 kW.

### Column: Initiatives related to biodiversity

We recognize the importance of understanding and addressing the impact of our operations on natural capital, particularly biodiversity.

This is an area closely related to climate change, and we will closely monitor developments in the Taskforce on Nature-related Financial Disclosures (TNFD) and consider ways to appropriately respond and disclose this information.



# Health Promotion and Increase Well-Being

## ► Popularization and Promotion of “Radio-Taiso”



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

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

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

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



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



▲ Official Twitter (in Japanese)

## “Radio-Taiso” events are held throughout Japan.

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

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

### All-Japan Elementary School “Radio-Taiso” Competition

We also hold the All-Japan Elementary School “Radio-Taiso” Competition with the aim of contributing to children’s physical fitness.

Launched in 2014, this year marks the 9th year of the competition. In order to convey the appeal of “Radio-Taiso” to as many children as possible, Lucario, a Pokémon supporting “Radio-Taiso,” participates in the award ceremony and visits schools that hold on-site classes of “Radio-Taiso.”



## Collaborative Research of “Radio-Taiso”

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

## “Radio-Taiso” Attendance Card

Every year, we create and distribute “Radio-Taiso” Attendance Cards to many people through post offices and our branches nationwide.

To encourage children to actively engage in “Radio-Taiso,” we have appointed Lucario, who appears in Pokémon popular among children, as a Radio-Taiso Pokémon. In the fiscal year ending March 31, 2023, we have distributed cards with designs of various Pocket Monsters as well as Lucario, the Pokémon supporting “Radio-Taiso.”

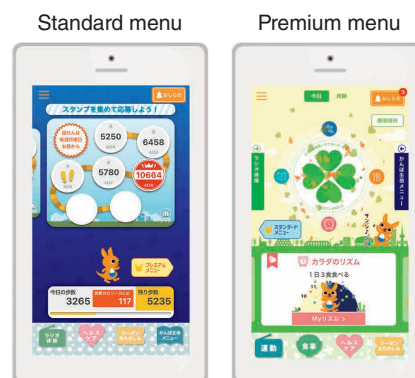


©2022 Pokémon. ©1995-2022 Nintendo/Creatures Inc. /GAME FREAK inc.

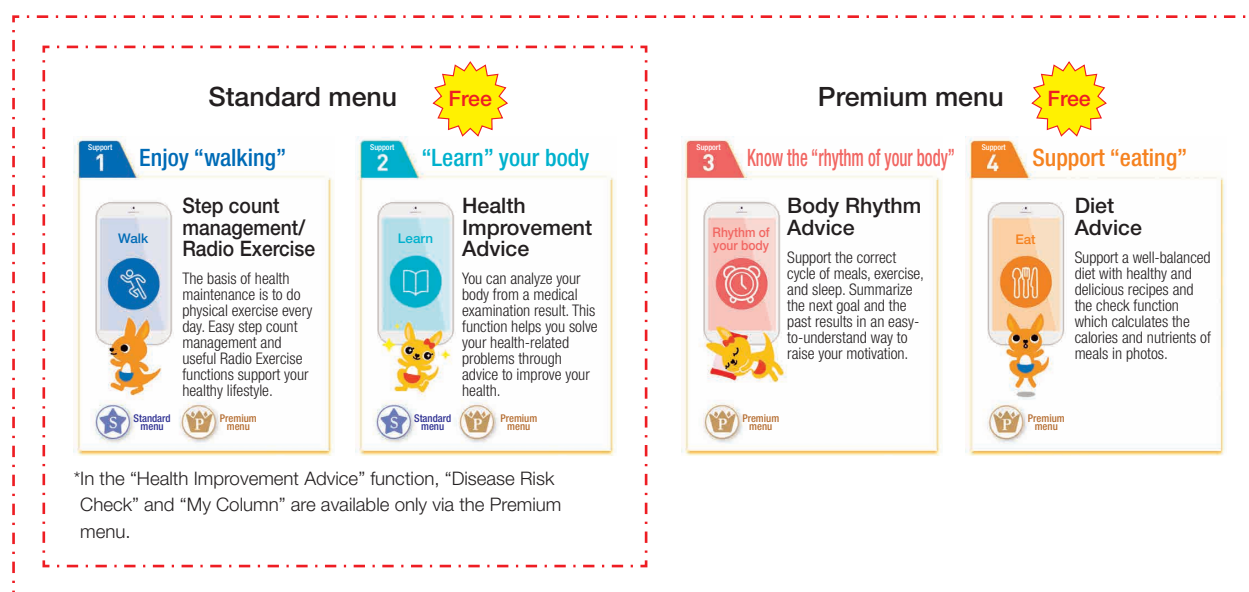
Pocket Monsters and Pokémon are registered trademarks of Nintendo, Creatures, and GAME FREAK.

## ► Providing Services through a Health Support App

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



### ○ Main Functions of the Sukoyakanpo Health Support App



## ► Promotion of Kampo Platinum Life Service

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

### Provision of health and medical information

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

### Establishment of systems friendly to elderly customers/ training of employees

- Establishment of a dedicated call center for elderly customers
- Encouraging employees to acquire qualifications
  - Care-Fitter
  - Dementia Supporter

# Corporate Culture Reform

## ► Recognition of the Environment and Basic Strategy

Since the revelation of various problems related to the solicitation quality of our products, Japan Post Insurance has returned to the management philosophy for reconstruction and sustainable growth, and has been working on company-wide reform of our corporate culture in order to regain customers' trust.

In the Medium-Term Management Plan (FY2021–FY2025) set forth in the fiscal year ended March 31, 2022, our basic policy is for management and employees to share a common vision for the future and to become a company where each and every employee grows together with the company with job satisfaction. Specifically, we are implementing the following measures to revitalize communication within the company and to reform the personnel system.

<b>Revitalizing communication</b>	<ul style="list-style-type: none"> <li>● Conduct regular dialogues between the management and employees</li> <li>● Continue to implement the employee proposal system, and utilize it for business improvement</li> </ul>	<b>Initiatives to strengthen management capabilities</b>	<ul style="list-style-type: none"> <li>● Achieve management reform to enhance human resource development</li> <li>● Rebuild human resources development and training systems for managers</li> </ul>
<b>Support for diverse career formation</b>	<ul style="list-style-type: none"> <li>● Create systems for each employee to set up his or her career plan</li> <li>● Offer career paths to synchronize growth of company and growth of each employee</li> </ul>	<b>Enhance the personnel evaluation system</b>	<ul style="list-style-type: none"> <li>● Establish an evaluation system that allows each employee to work on improvement</li> <li>● Reform to an objective evaluation system by introducing a mechanism to evaluate as an organization</li> </ul>

In the fiscal year ending March 31, 2023, approximately 13,000 employees, including consultant employees of Japan Post Co., became our employees under the new Japan Post Insurance sales system. The entire company, including these employees, will share the company's policies and initiatives, create a culture that ensures that customer expectations are met, and work together to improve service.

In order to confirm that these initiatives are taking root, we conduct an ES survey (employee satisfaction survey) twice a year to check the state of our organization. We intend to use these surveys as the basis for organizational improvement activities throughout the company and at each workplace to ensure sustainable growth in the future.

## ► Revitalization of Internal Communication

To revitalize internal communication, we are developing measures for information dissemination from management, information dissemination from employees, and mutual understanding between management and employees, and between the head office and front lines. Specifically, we are implementing the following initiatives.

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



In the fiscal year ending March 31, 2023, we will continue to implement these initiatives to improve the openness between management and employees and between organizations as well as further strengthen internal collaboration, so as to foster a sense of unity and trust between organizations.

## ► Support for Diverse Career Formation

We are constructing a mechanism to support every employee to set up their own career plan, gain professional experience, and improve their skills for the realization of that plans, in order to promote the independent growth of employees. Specifically, we will proceed with such measures as the acquisition and accumulation of information about the future hopes and development policies of employees through employee dialogue (career interviews), the clarification of personnel, skills, etc. necessary for each department going forward, personnel allocation that contributes to the growth of employees, and the establishment of a personnel system in which employees can select from diverse work styles.

In addition, we will establish a system to improve the quality of these measures by consolidating employee information in our talent management system, centrally managing and visualizing data, and improving the sophistication of human resource operations.

## ► Initiatives to Strengthen Management Capabilities

### ■ Clarification of Roles Required of Managers

In order to reform the corporate culture, managers, who will play a central role in reform, are expected to carry out their duties from the perspective of management, not only to fulfill their own responsibilities, but also to create an environment in which subordinate employees can fully demonstrate their abilities, without being preoccupied only with their own organization's interests. To this end, in order to further clarify the conventional personnel evaluation criteria and link them to specific actions, we have revised the evaluation items into six categories: customer orientation; completion of tasks; creativity, innovation, and challenge; leadership; human resource development; and integrity; with examples of actions taken by managers for each item being defined on a seven-point scale.

In addition, we have established a personnel evaluation system for performance, in which managers who take on the challenge of higher goals are given higher evaluations.

Furthermore, in order to promote employees who are capable of fulfilling these roles to managers, we will incorporate outside perspectives into the selection process and promote younger employees earlier.

### ■ Strengthening the Management System through Coaching

We are implementing a coaching-based management system to create a work environment in which all employees can experience personal growth and job satisfaction at Japan Post Insurance.

By practicing a management style in which managers are close to employees and give them awareness through coaching, we will nurture employees who take initiative and continue to make changes.

## ► Enhance the Personnel Evaluation System

We are working to realize “personnel evaluations for the development of human resources” through which all employees can find their “strengths” and “weaknesses” and improve their capabilities. Specifically, by setting personnel evaluation items in conjunction with management policies, etc., and by holding human resource development meetings for all employees in their divisions, we ensure the validity and objectivity of goal setting, evaluation results, and development policies in personnel evaluations, thereby addressing the growth and development of employees as an organization.



## ► Human Resources Development

### ■ Human Resources Development Basic Policies

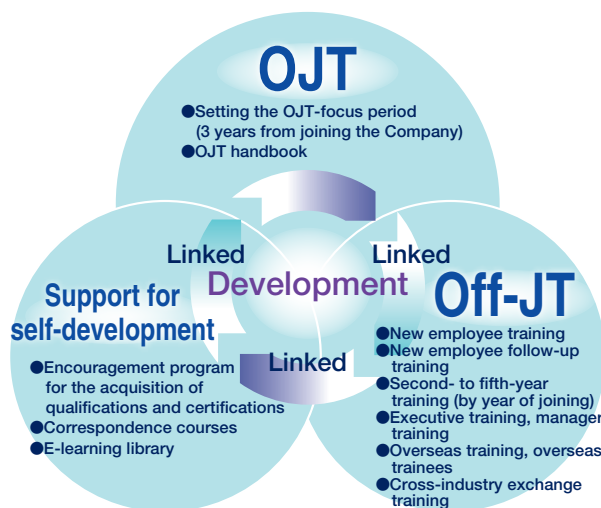
(Human Resources Development Basic Policies)

- We shall cultivate human resources who have 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.

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 grow together with the Company with job satisfaction, while always being mindful of corporate social responsibility.

In addition to training by job level according to employees’ positions, such as training for new employees, we also make voluntary training programs available in order to develop their capabilities. We also provide programs to support employees’ self-development, including a program encouraging employees to acquire qualifications and certifications.

Through the linkage of these programs with practical training at each workplace, we promote effective human resources development so that “all employees can develop their talents and work with energy and vitality.”



### ■ Development of Management Leaders Who Will Lead the Company in the Future

For the sustainable growth of the Company, it is essential to continuously develop management leaders who can flexibly and promptly respond to changes of the times and lead the organization. To this end, we will strategically develop our employees in the context of a long-term plan and formulate a training program to continuously produce management leaders who will support the Company's growth.

### ■ Human Resources Development in the Digital Field

In order to systematically develop human resources in the digital field, we are implementing a separate development curriculum for each type of human resources. A curriculum has been prepared for managers, planning staff, development staff, and others. Its feature is the training lineup that is unique and tailored to our business operations, while utilizing the common training programs of the Japan Post Group. This fiscal year, we have started agile practical training (working style), and will gradually expand the curriculum.

We also conduct on-the-job training (OJT) in parallel with these trainings. This is an environment in which participants can learn the necessary skills and knowledge by working in pairs with experienced employees and incorporating knowledge from outside the company.

In the future, we will build a framework for continuously producing digital human resources and accelerate the promotion of digital transformation.

# Employee Roundtable Discussion

## Efforts for and Results of Corporate Culture Reform—Past and Future



Under the theme of corporate culture reform, which we have been working on since the fiscal year ended March 31, 2021, we asked our employees to share their views on and how they have been addressing the issues at their respective sites. We also asked them to discuss what is needed for further reconstruction and sustainable growth.

### Continuous efforts are essential for corporate culture reform

**<KURANOUCHI>** Since the inappropriate solicitation issue was discovered in 2019, we have recognized that reform of our corporate culture, which is the foundation of our efforts to regain customers' trust, is essential, and have been making company-wide improvements.

Recognizing that the most important factor in making improvements was to listen to the opinions of employees who work closer to customers, we began by collecting and analyzing the opinions of employees. We received much feedback from employees on issues related to the corporate culture such as the coordination between the front line and the head office. From this point, we have decided to take stock of the issues one by one and work to resolve all of them.

It is important in corporate culture reform to grow and develop the company through continuous improvement efforts and the PDCA cycle. To this end, we introduced an ES (employee satisfaction) survey in the second half of the fiscal year ended March 31, 2021, and have established a company-wide and individual workplace improvement cycle by using this semi-annual survey as the backbone for verifying effectiveness and formulating and implementing action plans.

The first ES survey revealed low trust in management as an issue. Therefore, we recognized the importance of first focusing on communicating the business vision from the management level and then strengthening the

management skills of managers, who act as relays to correctly convey this vision to employees, and we have been implementing both initiatives in parallel.

The above is an overview of our company-wide efforts, but we are also promoting efforts to reform our corporate culture at each of our business sites. What issues have been identified at your sites, and what initiatives have been implemented to address these issues?

**<SHIMIZU>** In the first ES survey, the results for the Tohoku Regional Headquarters, to which I belong, were considerably lower than those for the entire company. After digging deeper into the issues, I found that the biggest problem was the lack of cohesiveness as a department. There was no communication between supervisors and subordinates, and it was difficult for subordinates to express their opinions to their supervisors.

In order to improve the culture, we implemented two initiatives. The first was to provide an opportunity once a month during the lunch hour for the senior manager and employees to engage in dialogue about work and day-to-day problems. The second was to hold an information sharing meeting once a week to present what kind of work is currently being done, including the progress status, and share it with all employees. As a result, I feel that we are growing as an organization, as we can openly express our daily concerns and dissatisfaction and easily talk about how we would like to work on a new project.

**<OCHI>** I was transferred to the Toyama Branch two years ago, and since all the branch managers were replaced at the same time, I had the impression that almost everyone was starting out as a new acquaintance. Since we didn't



even know what kind of work each other had done before, we didn't know how we should treat each other either.

An ES meeting was initiated at the proposal of new employees and managers. Members who had never met each other and were of different positions would get together in groups of five or six and talk for about an hour. We could talk about anything from our personal lives to our current work-related problems and dissatisfaction.

Thanks to the five or six meetings held over the course of a year, there is no one I have not talked to before, and I believe that this has brought managers and employees, as well as between employees, closer together. Whenever we are involved in some kind of work, we can communicate with each other based on an understanding of each other's areas of expertise and the nature of the work we have been doing, so I think it has become easier to talk to each other and to ask for advice. By approaching the workplace with a sense of unity, I feel that knowledge and skills are being shared among employees, leading to high-quality work.



### Communication using small talk to improve psychological security is also effective



**<SHODOJI>** The Customer Experience Department, to which I belong, was a newly established department with almost no routine work, and we all started out in a state of confusion with employees unsure of their jobs tasks and goals. Looking back, I think employees in our

department did not exactly have a common understanding of their jobs at the beginning. In response to this situation, senior general manager and other managers used morning meetings and other opportunities to quickly communicate the department's policies and actively communicate with each employee to ensure that they were heading in the same direction.

In addition, not only managers but also employees actively shared information necessary for their work, for example, by compiling and disseminating reports on information gathered at external seminars, and worked to share a common goal and vision.

**<SUZUKI>** Since the inappropriate solicitation issue, the Public Relations Department, in cooperation with the Human Resources Strategy Department, has been studying measures focused on revitalizing communication within the company in response to the lack of coordination between organizations. The first step was to start sending out the President's Message, an informational newsletter containing the President's thoughts, to employees on a regular basis as communication between management

and employees is, after all, a key to change. Since May 2020, the newsletter has been published twice a month, and many employees have commented that they now have a better understanding of the company's direction and vision, and we feel that we have laid the foundation for a corporate culture in which management and employees are looking in the same direction regarding the future of the company.

The next area of improvement was communication among employees. Recently, more people have been working remotely due to the promotion of work-life balance and the COVID-19 pandemic and study groups that used to be held have been cancelled owing to voluntary restraint, leading to a decrease in direct communication among employees. We have started small meetings in response to these issues. This measure allows employees



to talk with various people at their sites during work hours on topics related to the company and their surroundings, and is designed to maintain communication among employees even in remote environments or during a COVID-19 resurgence.

Naturally, everyone is engaged in regular communication such as reporting, liaison, and consultation in the course of their work. Having said that, from the perspective of psychological security, it seems that people tend to feel more secure and safe when they are engaging in communication that is based on private topics such as small talk, consultation, and recent events. We would like to create an organizational culture in which people recognize the importance of such basic communication and take the initiative in doing so.

### Autonomous thinking and active efforts to transcend departmental barriers are the key

**<KURANOUCI>** Based on the company's achievements and changes to date, what initiatives do you think are necessary at your sites in the future?

**<SHODOJI>** We asked our business sites to suggest measures to improve CX<sup>(Note)</sup>. Although not many ideas were raised in the first half of the fiscal year ended March 31, 2022, I have the impression that the number of ideas submitted has gradually increased since the second half of the fiscal year. I feel that everyone's steady efforts are leading to the spread of CX.

We at the Customer Experience Department now have more opportunities to interact with other departments, however still feel the down-side of a vertically divided organization from time to time. As everyone has remarked, there seems to be more openness at each site, and communication has become smoother regardless of position, but I think there is still a long way to go beyond departmental barriers, and I hope we can come up with ideas to achieve this.

**<OCHI>** In the fiscal year ended March 31, 2022, the corporate culture at the Toyama Branch has improved

tremendously as a result of head office-led measures and department-unique measures. Some initiatives such as aforementioned small meetings and CS Conference are showing positive results at our own branch, and we would like to make further improvements by continuing these initiatives. While the sense of unity within the branch has become stronger, I am also concerned that new members to be assigned will be left behind. I would like to implement initiatives to build cohesion with new members.

As SHODOJI mentioned, communication between departments and across vertical lines is an issue for the future. Cooperation with the regional headquarters and other branches is not easy due to the COVID-19 pandemic, but I hope we can at least create opportunities to share the status of initiatives with the four branches in the same area. <SHIMIZU> It is true that the openness at the Tohoku Regional Headquarters has improved, and the ES survey scores have also improved. However, employee satisfaction is not something that is given to employees, but something that they create on their own, and I am concerned that if we take a passive attitude toward employee satisfaction, we will end up back where we were. I thought it was important to proactively approach and encourage our supervisors and newcomers.

The regional headquarters is in an intermediate position between the branches and the head office. As a regional headquarters with low barriers, in a positive sense, I would like to create an atmosphere in which it is easy to receive various consultations from the head office and branches.



In addition, there are six branches in the Tohoku area, but because face-to-face employee training is not possible due to the COVID-19 pandemic, we are not able to adequately train and follow up with employees, and I believe that many employees are left feeling anxious and worried on their own.

We would like to provide employees with opportunities for growth by devising and implementing online and other training programs, and at the same time, we would like to build and strengthen horizontal connections among branches.

Note: CX is an abbreviation for Customer Experience.

### New mechanisms are being developed for the next step in corporate culture reform

<SUZUKI> I believe that the fiscal year ended March 31, 2022 was a year in which we took action on a variety of issues and felt a positive response. In the fiscal year ending March 31, 2023, about 13,000 employees of the Retail Service Division has joined our branches to form a new Japan Post Insurance sales system. Because the number of employees has more than doubled, I believe that a sense of unity as a company will become more important than ever.

A survey on internal communication shows a correlation that the sites that read the internal newsletter have better

communication, and someone commented that “through small meetings, I was able to get to know other people, which improved the atmosphere in the branch.” I would like to spread these initiatives to everyone in the Retail Service Division. It is a basic thing, but I believe that the accumulation of small things done by each site and each employee will make a big difference to the company as a whole. I would like to continue to think of mechanisms to make this possible.

<KURANOUCHI> The Human Resources Strategy Department is considering reforming the corporate culture in three steps. Step 1 is for management to communicate the management vision and for the entire company to share and recognize the same direction. Step 2 is to improve the management skills of middle managers, who are the link between management and employees. Step 3 is to achieve a state in which each and every employee thinks autonomously and works with a sense of satisfaction.

President SENDA has recently been saying, “It is important to ask yourself what you can do for the customer and move on.” This means creating a culture in which employees can move autonomously, which is exactly what we are aiming for in Step 3, corporate culture reform. It will take more time to reach this state, but over the past two years, through measures such as sharing the company’s vision and strengthening the management skills of managers, we have seen changes that suggest that the foundation is being built for employees to move actively.

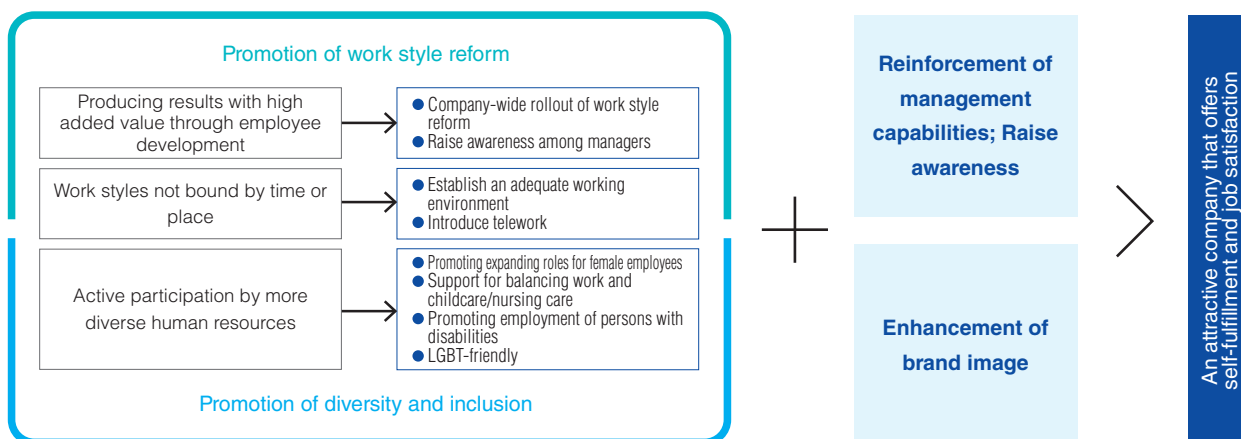
In order to foster a culture in which employees can move autonomously, I think it is important to create an environment that encourages employees to take on challenges without fear of failure, and to share responsibility as a team, including managers, after taking on a challenge. I would like to create a system and culture in which employees can move on their own based on the behavior of managers that draws out autonomy from employees and the awareness of what we should do for our customers with the support of managers.

In addition, since approximately 13,000 employees, including consultant employees, from Japan Post Co. have become our employees in the fiscal year ending March 31, 2023 under the new Japan Post Insurance sales system, it is necessary for the entire company, including these employees, to work together to improve services for customers. We will share the company’s policies and initiatives and continue to build a culture that will ensure we meet our customers’ expectations.



## Work Style Reform

Japan Post Insurance is taking various initiatives during the period covered by the Medium-Term Management Plan, which includes a phase for development and reconstruction of work style reform, to develop human resources who can produce results with high added value through the participation of more diverse human resources and work styles not bound by time or place. Based on the know-how we have accumulated up to now, we are rolling out work style reforms throughout the Company to create a corporate culture where all employees find self-fulfillment and job satisfaction.



Initiatives in each organization



### Improving the Work Environment

Through ES surveys and opinions from employees, we will clarify “images of the ideal company and workplace for employees,” and make continual improvements. In particular, in order to focus on the work style reform in the Retail Service Division, which has become our new organization in April 2022 under the new Japan Post Insurance sales system, we will listen to a wide range of employee opinions and promote optimal improvement activities to create a comfortable work environment, as we will also work to improve ES.

### Promoting Telework

We are working to improve operations and productivity via telework. In the fiscal year ending March 31, 2023, we will promote the use of telework, aiming for a frequency of twice a week.

To promote telework, we will improve operations and efficiency by thoroughly implementing telework management, enhancing communication, and strengthening storage service functions, as well as expand satellite offices to enable employees to choose a work style that suits them.

# Promoting Diversity and Inclusion

Japan Post Insurance aims to be a company where diverse human resources can play an active role in a variety of workplaces and positions.

To this end, we will further promote diversity and create a workplace where all employees can recognize and respect each other's diversity and continue to work with peace of mind.

## Promoting Expanding Roles of Female Employees

As part of our efforts to promote diverse human resources, we are promoting expansion of roles of female employees.

We support the medium- to long-term career development for female employees by providing training by job level for female employees and formulating network among employees.

We also create an environment that welcomes diverse opinions regardless of gender by holding seminars on unconscious bias.

We will continue to promote further initiatives to achieve a ratio of female managers of 30% by April 1, 2031.



## Support for Balancing Work with Childcare and Nursing Care

We support our employees so that they can continue to work with peace of mind while raising children or caring for family members. Up until now, we have continuously worked to promote the use of childcare leave, develop and enhance various systems, and hold different seminars. In addition, since the introduction of telework in the fiscal year ended March 31, 2021, we have realized flexible work styles for employees through the use of telework (working from home and mobile work).

In recognition of these efforts, we received "Platinum Kurumin" certification from the Ministry of Health, Labour and Welfare in the fiscal year ended March 31, 2019, and we were newly registered as a "Company Promoting Support for Balancing Family and Work certified by the Tokyo Metropolitan Government" in the fiscal year ended March 31, 2022.

## LGBT-Friendly

In order to make our company a place where each and every employee can play an active and lively role, we are promoting the creation of a company where all employees can play an active role regardless of their gender.

Through continuous efforts in training to deepen understanding of diverse genders and promotion measures to expand the number of LGBT allies who consider LGBTQ+ as an involved party, we have been certified as Gold in the PRIDE INDEX for five consecutive years.



Our trademarked LGBT ALLY logo

## Promoting Support and Employment for People with Disabilities

We actively promote the employment of people with disabilities recognizing that fairly evaluating and providing work opportunities for a diverse population is a part of our corporate social responsibility. In addition, we are promoting measures such as establishing a dedicated consultation service for employees with disabilities and providing opportunities for dialogue, thereby supporting the retention of employees with disabilities in the workplace.

### Support for athlete employees

We contribute to the formation of a diverse society through support for wheelchair tennis.

In the fiscal year ended March 31, 2020, we supported OHTANI Momoko, one of the world's top wheelchair tennis players, as a member of our team. She became a full-time employee of the Company in the fiscal year ended March 31, 2021, and we continue to provide her with support.

In the fiscal year ended March 31, 2022, OTANI competed in the Tokyo 2020 Paralympic Games and achieved brilliant results, including a bronze medal in the women's doubles competition.



Wheelchair tennis player  
OHTANI Momoko



# Outline of the Corporate Governance Structure

## ► Basic Concept of Corporate Governance

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

### Basic Policy Regarding Corporate Governance

[https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate\\_governance/corporate\\_governance.html](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/corporate_governance.html)

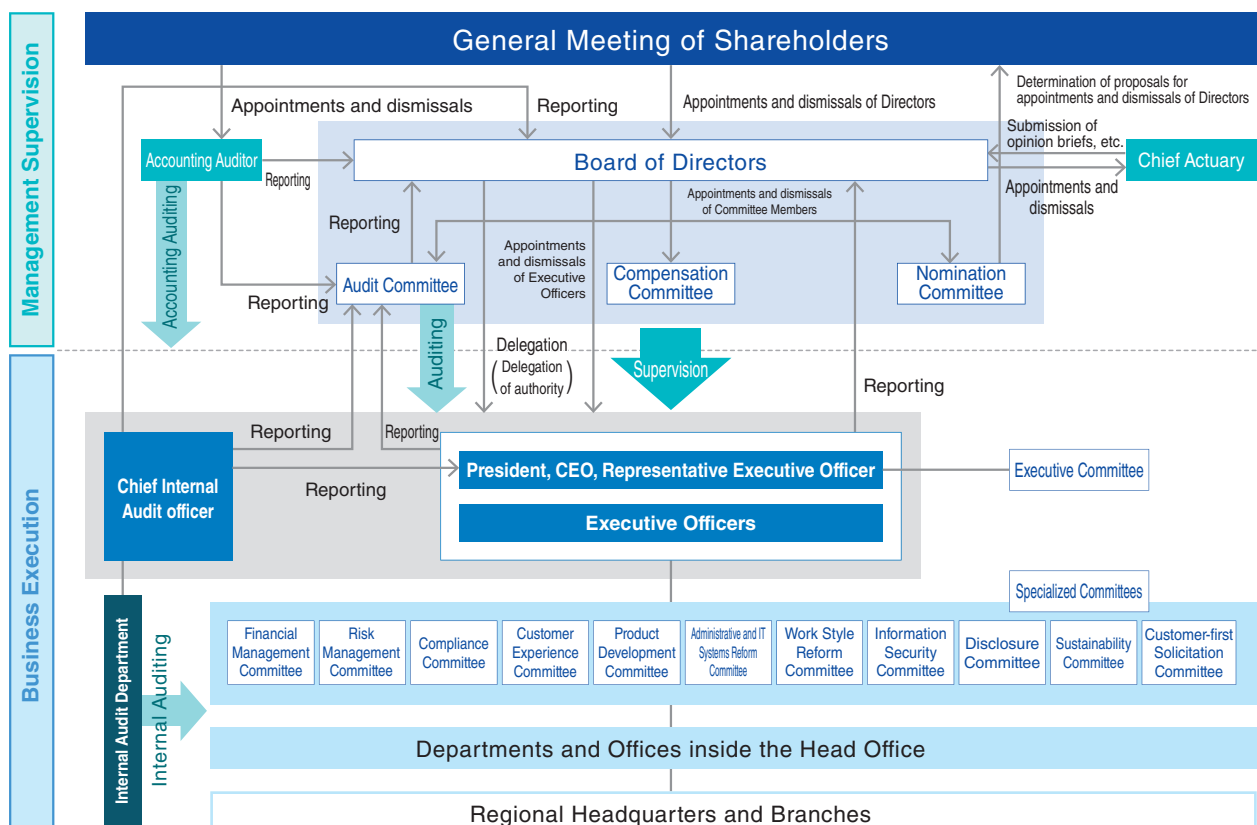
### (Basic Concept of Corporate Governance)

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

## ► Outline of the Corporate Governance Structure

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

### Corporate Governance Structure



## ► Board of Directors (Management Supervision)

The Board of Directors of the Company determines matters such as the basic management policy of the Company, segregation of duties of Executive Officers and the fundamental policy for establishment of internal control systems and has the authority of supervising the execution of duties by Executive Officers. Meanwhile, the Board of Directors promotes the development of a framework that enables supervision of management from the external and broader perspective by appointing lawyers and corporate managers as Outside Directors.

The three committees, the Nomination Committee, the Audit Committee and the Compensation Committee, have been established to fully utilize external views on the management of the Company and ensure the transparency and fairness of decision-making of the management. The specific roles of these committees are as follows:

### ● Nomination Committee

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

Committee Chair: HARADA Kazuyuki (Outside Director)

Members: SENDA Tetsuya, MASUDA Hiroya, SAITO Tamotsu (Outside Director), YAMAZAKI Hisashi (Outside Director)

### ● Audit Committee

The committee audits the execution of duties by Directors and Executive Officers, prepares audit reports, determines the content of proposals regarding the election and dismissal of the accounting auditor to be submitted to general meetings of shareholders and approves the compensation for the accounting auditor.

Committee Chair: SUZUKI Masako (Outside Director)

Members: NARA Tomoaki, YAMAZAKI Hisashi (Outside Director), TONOSU Kaori (Outside Director)

### ● Compensation Committee

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

Committee Chair: SAITO Tamotsu (Outside Director)

Members: MASUDA Hiroya, HARADA Kazuyuki (Outside Director), TOMII Satoshi (Outside Director)

(Membership composition as of July 1, 2022)

## ► 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](https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_directors.pdf)

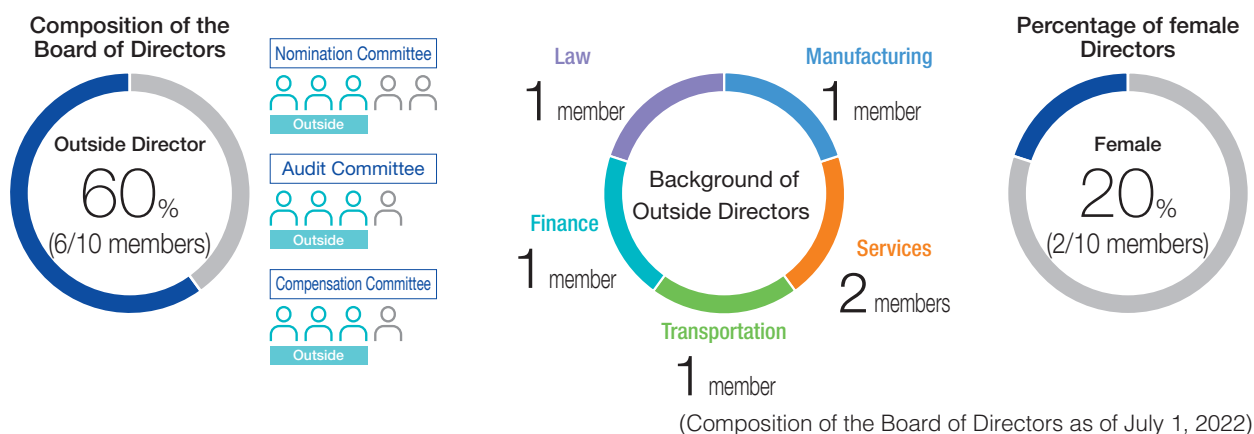
### 📄 Designation Criteria for Independent Officers

[https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent\\_officers.pdf](https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent_officers.pdf)



## ► Composition of the Board of Directors

The Company's Board of Directors has a high level of independence and diversity, with a majority (6 out of 10 members) of Outside Directors from a wide range of backgrounds and including two female Directors.



## ► Skills Matrix for Directors

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

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

Skill item \ Name	SENDA Tetsuya	ICHIKURA Noboru	NARA Tomoaki	MASUDA Hiroya	SUZUKI Masako	SAITO Tamotsu	HARADA Kazuyuki	YAMAZAKI Hisashi	TONOSU Kaori	TOMII Satoshi
Corporate management <sup>1</sup>	●	●	●	●	●	●	●	●	●	●
Financial affairs/ Accounting	●	●	●			●				●
Legal/ Risk management/ Compliance	●	●	●	●	●	●	●	●	●	●
Human resources/Human resources development	●		●	●	●	●	●	●	●	
Sales/Marketing	●	●			●		●			
ICT/DX <sup>2, 3</sup>	●		●		●	●			●	
Community/Society	●	●	●	●	●	●	●	●	●	●
Finance/Insurance	●	●	●	●					●	●
Asset management	●	●	●							●

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

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

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

## ► Status of Operations of the Board of Directors, etc.

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

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

The operations of the Board of Directors and the committees in the fiscal year ended March 31, 2022 were as follows.

<b>■ Board of Directors</b> <b>Number of meetings held:</b> <b>13</b>		<b>Attendance rate:</b> <b>99%</b>	<b>Average length of meeting:</b> approx. <b>1</b> hour and <b>30</b> minutes
Major matters resolved by Board of Directors in the fiscal year ended March 31, 2022		<ul style="list-style-type: none"> <li>● Medium-Term Management Plan (FY2021–FY2025)</li> <li>● Management Plan for the fiscal year ending March 31, 2023</li> <li>● Disclosures reflecting revisions to the Corporate Governance Code</li> <li>● Revision of FY2021 consolidated results forecast</li> </ul>	

<b>■ Nomination Committee</b> <b>Number of meetings held:</b> <b>5</b>	<b>■ Audit Committee</b> <b>Number of meetings held:</b> <b>16</b>	<b>■ Compensation Committee</b> <b>Number of meetings held:</b> <b>7</b>
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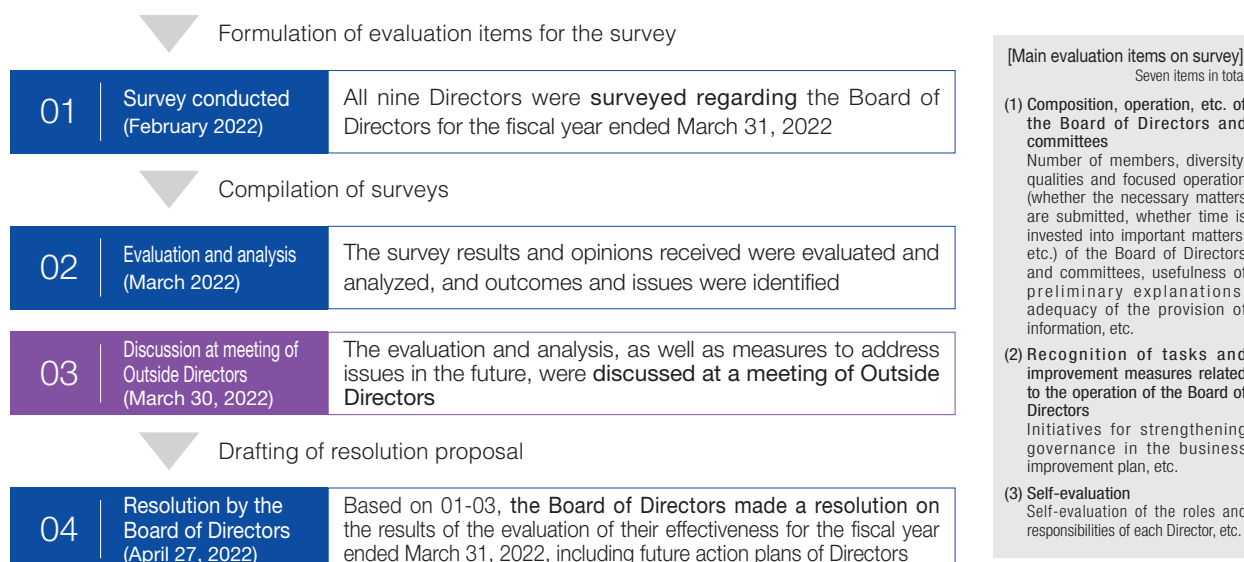
## ► Evaluation of the Effectiveness of the Board of Directors

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

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

[https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate\\_governance/effectiveness\\_evaluation.html](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/effectiveness_evaluation.html)

### Process for evaluating effectiveness of the Board of Directors for the fiscal year ended March 31, 2022



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

#### Initiatives for FY2023/3 based on the effectiveness evaluation

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

## ► Executive Compensation

### ■ Compensation Policies for Directors and Executive Officers

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

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

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

#### 📄 Compensation Policies for Directors and Executive Officers by Individual

[https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/compensation\\_policies.pdf](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, 2022)

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)	27	27	—	2
Outside Directors	48	48	—	5
Executive Officers	833	678	154	32

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

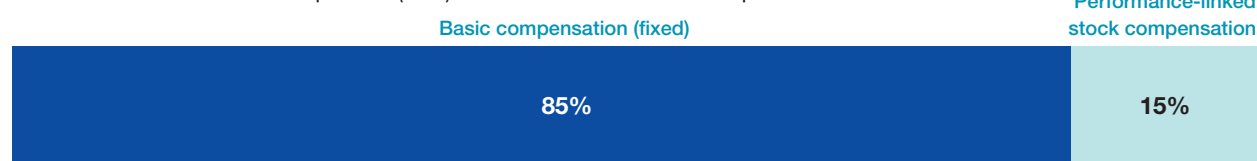
2. The amount recorded as performance-linked stock compensation is the amount recorded in the fiscal year ended March 31, 2022. In principle, we record the amount assumed to have been incurred during the fiscal year at the end of every fiscal year as an allowance and reverse these allowances at the time of officers' retirement (payment). The finalized amount could differ from the recorded amount of allowances.

3. No bonuses are paid.

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

[https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate\\_governance/corporate\\_governance.html](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/corporate_governance/corporate_governance.html)

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



Notes: 1. Basic compensation (fixed) is calculated based on the actual payment in the fiscal year ended March 31, 2022.

2. Performance-linked stock compensation is calculated by multiplying the points granted based on the actual performance in the fiscal year ended March 31, 2022 by the stock price on the date of point grant for those in office and by the stock price on the date of retirement for those retiring.

## ► Internal Control Systems (Business Execution)

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

### ■ Outline of Organization and Systems

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

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

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

### ■ Initiatives for Internal Control

We have resolved the “Fundamental Policy for Establishment of Internal Control Systems” at a meeting of the Board of Directors as a fundamental policy related to the establishment of a system for ensuring proper operations (revised on March 25, 2020). Pursuant to the aforementioned policy, the Company is striving to establish appropriate internal control systems, including the development of the following systems:

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

### ■ Internal Audit System

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

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

# Directors and Executive Officers (As of August 10, 2022)

## Directors



### SENDA Tetsuya

Director and President, CEO, Representative Executive Officer  
Number of shares of the Company held 6,900 shares  
Number of years and months in office as a Director 2 years  
Status of attendance at the Board of Directors  
100% (13/13 meetings)

#### Reasons for election

He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the corporate planning, business process and other departments of the Company, and has also taken part in the management of the Company as President, CEO, Representative Executive Officer. We elected him because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.

#### Significant concurrent positions:

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)



### ICHIKURA Noboru

Director and Deputy President, Representative Executive Officer  
Number of shares of the Company held 2,000 shares  
Number of years and months in office as a Director 2 years  
Status of attendance at the Board of Directors  
100% (13/13 meetings)

#### Reasons for election

He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the finance and other departments of Japan Post Holdings Co., Ltd., the parent company of the Company, and has also taken part in the management of the Company as Deputy President, Representative Executive Officer. We elected him because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.

#### Significant concurrent positions:

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)



### NARA Tomoaki

Director  
Number of shares of the Company held 4,900 shares  
Number of years and months in office as a Director 1 year  
Status of attendance at the Board of Directors  
100% (10/10 meetings)

#### Reasons for election

He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the investment, business process and risk management and other departments of the Company, and also has a career in the management of the Company as Senior Managing Executive Officer. We elected him because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.

#### Significant concurrent positions:

None

#### Past experience, positions and responsibilities

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



### MASUDA Hiroya

Director  
Number of shares of the Company held - shares  
Number of years and months in office as a Director 2 years  
Status of attendance at the Board of Directors  
100% (13/13 meetings)

#### 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 Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd., the parent company of the Company. We elected him because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.

#### Significant concurrent positions:

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

#### Past experience, positions and responsibilities

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



### SUZUKI Masako

Outside Director  
Number of shares of the Company held 3,200 shares  
Number of years and months in office as a Director 6 years  
Status of attendance at the Board of Directors  
100% (13/13 meetings)

#### Reasons for election

We expect her to fulfill supervisory and monitoring functions over management based on her experience and insight as a management expert nurtured through her career in the management of companies in the field of deploying human resource and health support services including Pasona Group Inc. Since taking office as Director of the Company in June 2016, she has been deeply engaged in discussion at the Board of Directors, the Audit Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We elected her because we expect her to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.

#### Significant concurrent positions:

Executive 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. May 2012 Auditor of Benefit One Health Care Inc. Jan. 2016 President and Representative Director of Benefit One Health Care Inc. Jun. 2016 Director of the Company (current position) Jun. 2018 Director, Executive Vice President of Benefit One Inc. Jul. 2019 Executive Advisor of Pasona Group Inc. (current position) Dec. 2019 President and Representative Director of Pasona Force Inc. (current position)



### SAITO Tamotsu

Outside Director  
Number of shares of the Company held 1,300 shares  
Number of years and months in office as a Director 5 years  
Status of attendance at the Board of Directors  
100% (13/13 meetings)

#### Reasons for election

We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of IHI Corporation, a company operating internationally. Since taking office as Director of the Company in June 2017, he has been deeply engaged in discussion at the Board of Directors, the Nomination Committee, the Audit Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We elected him because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.

#### Significant concurrent positions:

Senior Counselor of IHI Corporation  
Outside Director of Oki Electric Industry Co., Ltd.  
Outside Director of Furukawa Electric Co., Ltd.  
Outside Director of KAJIMA CORPORATION

#### 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. 2008 Director, 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 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) Jun. 2021 Outside Director of Furukawa Electric Co., Ltd. (current position) Jun. 2022 Outside Director of KAJIMA CORPORATION (current position)





**HARADA Kazuyuki**

Outside Director

Number of shares of the Company held - shares  
Number of years and months in office as a Director 4 years  
Status of attendance at the Board of Directors 92% (12/13 meetings)

#### Reasons for election

We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of Keikyu Corporation, a company serving as a social infrastructure with a strong public nature. Since taking office as Director of the Company in June 2018, he has been deeply engaged in discussion at the Board of Directors, the Nomination Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We elected him because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.

#### Significant concurrent positions:

Chairman of the Board, 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 and Representative Director of Keikyu Corporation Jun. 2015 Outside Director of Japan Airport Terminal Co., Ltd. (current position) Jun. 2018 Director of the Company (current position) Jun. 2019 President and Executive Officer of Keikyu Corporation Apr. 2022 Chairman of the Board, Representative Director of Keikyu Corporation (current position)



**YAMAZAKI Hisashi**

Outside Director

Number of shares of the Company held 1,000 shares  
Number of years and months in office as a Director 2 years  
Status of attendance at the Board of Directors 100% (13/13 meetings)

#### Reasons for election

We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a legal expert nurtured through years of experience as a judge and attorney-at-law. Since taking office as Director of the Company in June 2020, he has been deeply engaged in discussion at the Board of Directors and the Audit Committee, and actively provided opinions and suggestions especially from the perspective of legal affairs and compliance. We elected him because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committee. We believe that he can appropriately perform duties as an Outside Director based on the aforementioned reasons.

#### Significant concurrent positions:

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

#### Past experience, positions and responsibilities

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



**TONOSU Kaori**

Outside Director

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

#### Reasons for election

We expect her to fulfill supervisory and monitoring functions over management based on her experience and insight as an IT governance and risk management expert nurtured through her career involving many engagements in overall system risk assessment and advisory activities at accounting firms. We elected her because we expect her to contribute to maintaining and strengthening governance of the Company through opinions and suggestions based on these considerable experience and achievements. She has not previously been involved in the management of a company as an officer of a stock company, however, we believe that she can appropriately perform duties as an Outside Director based on the aforementioned reasons.

#### Significant concurrent positions:

Outside Director of Internet Initiative Japan Inc.

#### Past experience, positions and responsibilities

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



**TOMII Satoshi**

Outside Director

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

#### Reasons for election

We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of Development Bank of Japan Inc., a bank making investments and loans with a strong public nature. We elected him because we expect him to contribute to maintaining and strengthening governance of the Company through opinions and suggestions based on these considerable experience and achievements.

#### Significant concurrent positions:

Chairman of DBJ Investment Advisory Co., Ltd.

#### Past experience, positions and responsibilities

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

## Executive Officers

President, CEO  
Representative Executive Officer  
**SENDA Tetsuya**

Managing Executive Officer  
**MIYANISHI Yoshiki**

Managing Executive Officer  
**FUJII Shinsuke**

Managing Executive Officer  
**MIYAZAWA Hitoshi**

Executive Officer  
**MAETANI Isao**

Executive Officer  
**NISHIZAWA Yuki**

Deputy President  
Representative Executive Officer  
**ICHIKURA Noboru**

Managing Executive Officer  
**KOIE Junko**

Managing Executive Officer  
**HARUNA Takayuki**

Executive Officer  
**MIYAMOTO Susumu**

Executive Officer  
**KUROSAKI Yoshiyuki**

Executive Officer  
**HAMASAKI Rika**

Deputy President  
Executive Officer  
**SHIMA Toshitaka**

Managing Executive Officer  
**TANAKA Motonori**

Managing Executive Officer  
**KUME Takeshi**

Executive Officer  
**MURO Takashi**

Executive Officer  
**SHIGEMATSU Jun**

Executive Officer  
**HANDA Shuji**

Senior Managing Executive Officer  
**HIRONAKA Yasuaki**

Managing Executive Officer  
**ONISHI Toru**

Managing Executive Officer  
**IIDA Takashi**

Executive Officer  
**IMAIZUMI Michinori**

Executive Officer  
**YOSHIDA Syouchi**

Senior Managing Executive Officer  
**TACHIBANA Atsushi**

Managing Executive Officer  
**SAKAMOTO Hidekazu**

Managing Executive Officer  
**YOKOYAMA Masamichi**

Executive Officer  
**TAGUCHI Yoshihiro**

Executive Officer  
**KIMURA Yoshihisa**

## Outside Director Roundtable Discussion

### A New Start for Japan Post Insurance — Striving to Achieve Sustained Corporate Growth



SAITO Tamotsu  
Outside Director



HARADA Kazuyuki  
Outside Director



SUZUKI Masako  
Outside Director



YAMADA Meyumi  
Outside Director



YAMAZAKI Hisashi  
Outside Director

What policies should be set for the future under the new Japan Post Insurance sales system, and how should we work to achieve growth? Our Outside Directors, with a wealth of experience in their respective fields, discussed their vision for leveraging the strengths of Japan Post Insurance from multiple perspectives.

Note: This Outside Director roundtable discussion was held in May 2022.

**We must be attuned to the spirit of our management philosophy and focus on dialogue with our customers.**

**Q: What initiatives should be carried out in order to achieve a sales system that leverages the strengths of Japan Post Insurance and lives up to customers' ideals?**

**SAITO:** Our management philosophy embodies our desire to protect consumers' lives with insurance products. I believe that if all of our employees are united in this belief and work diligently to put it into practice, we will earn the trust of society.

**HARADA:** The general public is very familiar with Japan Post Insurance because of its presence in post offices nationwide. It's a company that customers feel close to – one which can help them out when they are in need. We recognize the new Japan Post Insurance sales system, in which the Japan Post Group will work together as one to provide comprehensive consulting services, as a framework that will further meet those expectations.

**SUZUKI:** Each and every one of our employees interact with customers with sincerity as they strive to meet the customers' needs. I was reminded once again of the necessity of that sincerity. The close communication with customers, providing answers that accurately address requests – every one of these interactions, while they may be small on their own, build up to establish trust from our customers.

**YAMADA:** Japan Post Insurance is off to a new start, surrounded by a wide variety of customer opinions. To make this system even better, I think it's important that our employees trust the company, and that we create an environment in which all employees are on the same page, working towards the same goals.

**YAMAZAKI:** The new account manager system has made it possible to maintain direct, ongoing contact with customers. We hope that this system will allow us to understand our customers' situations, respond to their needs, and develop new products in the future that reflect their feedback.



**Q: Could you please share your thoughts on what measures you believe will be necessary to reform the Company's corporate culture?**

**SAITO:** In my experience, transforming a company's corporate culture is not something that can be done in a day. First, you need to change peoples' mindsets. To achieve that, you need to devote time and effort to make it easier for employees to do their jobs, to visualize their career plans, and the like. Japan Post Insurance is implementing pioneering measures, such as the introduction of an internal venture program. We also believe that incorporating flexible operations in our work processes and placing importance on their results will help to reform the corporate culture.

**HARADA:** This reorganization has resulted in tremendous changes to the sales system. I feel that this demonstrates to the employees how truly committed the Company is. I think the our corporate culture reform will be accelerated by making dramatic changes to areas that are difficult to address due to the scale of our organization.

**SUZUKI:** I think everyone, from management to employees, needs to change their mindset. I think that all employees share a sufficient sense of urgency. On the other hand, what about sustainable growth? What kind of career paths can mid-level and junior employees, who will create the next generation, plan for their future, and how should they demonstrate their abilities to achieve them? These are matters that directly affect the lives of workers. I feel that creating a clearly defined personnel system will also be essential to reforming the Company's corporate culture.

**YAMADA:** In order to produce greater unity between management and employees, we need to create an organization with a sense of openness. How do employees relay feedback from customers to management? How does upper-level management absorb this feedback? Systems like Direct Suggestions to the President are meaningful, but it is difficult to establish a unified organization without creating a corporate culture in which employees can feel secure speaking up. That's the kind of culture we need to foster through our corporate culture reform.

**YAMAZAKI:** On top of that, our corporate culture reform can't be accomplished if customer perspectives are disregarded. The opportunities for online meetings have increased due to the COVID-19 pandemic, but in addition to them, we need to communicate with our customers such as by, for example, providing friendly, relaxed communication spaces. Face-to-face communication is currently difficult, but we need to use the telephone, email, customer visits to post offices, social media, and other methods to stay in frequent touch with our customers, so that their input doesn't go to waste. Having many points of



contact with customers will, without a doubt, make Japan Post Insurance even better.

**Using our nationwide network of post offices to make sustainable growth a reality**

**Q: What measures do you think could be taken during the course of these reforms to rediscover and showcase the strengths of Japan Post Insurance?**

**SAITO:** There are post offices in every corner of Japan, and I think the familiarity the public has with Japan Post Insurance is a major strength. We can provide services that meet modern needs by attentively identifying the intentions of our existing policyholders and their family members. As one example of such measures, Japan Post Insurance is dedicated to promoting the health of customers, while Japan Post Co., offers the Post Office Watch Service. In addition, mail delivery personnel can also have an idea of the health status of residents when their mail starts piling up. One possible measure would be to link and coordinate the strengths of Japan Post Co., and Japan Post Insurance, thereby providing comprehensive services as Japan Post Group.

**HARADA:** Japan Post Insurance is already offering insurance products such as endowment insurance and educational endowment insurance, assisting with wealth-building of the public. I think these products convey a strong message of our dedication to wealth-building for the public. Our new products, such as medical insurance, should have a similarly strong message. By enhancing insurance with added value, such as through the Post Office Watch Service discussed earlier by Director SAITO, we can showcase to policyholders the qualities of our insurance products which set them apart from those of competitors. I would like for us to provide the value that only Japan Post Insurance can by leveraging our nationwide network of post offices.

**SUZUKI:** Japan Post Insurance is a company that serves as a pillar of peoples' lives, able to provide support to policyholders in time of need through our nationwide network. This is already a point of pride for our employees, but I'd like for employees to reaffirm their roles once again in the Reiwa era. I believe it's vital that we make sure each and every employee understands that we're not simply a large-scale company, but a company that is deeply linked to the day-to-day lives of the public.





## CX improvement by digital tools: Usage in procedures and product development

**Q: Could you please share your thoughts on what should be done to leverage digital technologies to improve the value of the customer experience?**

**YAMADA:** The fusion of our physical nationwide network of post offices and digital technology is certain to become part of our digital technology usage policies. I feel that creating greater familiarity with these technologies among consumers will decide the future direction of Japan Post Insurance. Another measure would be to use digital technologies to handle all insurance operations. Japan Post Insurance will aim to provide support and improve the value provided by the customer experience by creating a system in which everything is handled digitally, from offering contracts to filing claims, while also integrating insurance services that uses insurtech or similar technology to watch over policyholders' lifestyle habits.

**YAMAZAKI:** I agree with Director YAMADA about the usage of digital technology. In the process of leveraging digital technology, I think there will also be a need for analog approaches, such as face-to-face dealings. We will need to make balanced use of both digital and analog, and that balance will depend on factors such as the ages of customers and their digital ability. I think that using digital technology as a starting point and linking it to the strengths of Japan Post Insurance, like our face-to-face interaction and dialogue capabilities, will help us improve the value provided by the customer experience.

**Q: Looking to the future, how should products be developed to meet customer needs in order to enhance our insurance services?**

**YAMADA:** Insurance products will need to meet the needs of the future. With the rising diversification of work styles, there is room for the development of products such as products that pay benefits when people lose their jobs due to illness or unforeseen circumstances. Meanwhile, we will also work to ensure that our customers fully understand the significance of insurance, such as the importance of long-term hospitalization insurance. Our liaison personnel will work to answer customers' questions like concierges, and the feedback from customers will be used in product development. I look forward to seeing what kinds of insurance products this approach will produce.

**YAMAZAKI:** With regard to product development, I think consideration should also be given to, for example, lump-sum payments when customers are rendered unable to work by illness including mental health problems, or on the occasion of customer life

events, such as changing jobs, getting married, giving birth, etc. On the procedural end, the multi-layered check system used at the time of contract is commendable, but repeated confirmation with customers comes across as a hassle. If we reviewed and revised our confirmation items and made it possible to confirm with customers after some time, not just immediately after concluding the contract, I think it would contribute to customer-first business operations.

## Creating a bright future for Japan Post Insurance and becoming a guiding light for customers and communities

**Q: Lastly, could you tell us about the future outlook and your hopes for Japan Post Insurance?**

**SAITO:** Our management philosophy is the heart and soul of our management and employees. Our activities as a company should all be based on that philosophy. In the future, I'd like us to also look towards global expansion, as we carry out initiatives based on our philosophy of protecting all customers' lives by providing life insurance products.

**HARADA:** Under our new sales system as well, I would like for us to continue to meet customers' expectations and live up to our management philosophy of endeavoring to protect their well-being. I hope that each and every employee is confident as they fulfill their respective roles.

**SUZUKI:** In addition to our new sales system, the COVID-19 pandemic has led to sweeping changes to society as a whole. As the environment changes, so does the content of the work we perform. I feel that it is important that we carry out initiatives that transform the work styles and mindsets of each and every employee.

**YAMADA:** Japan Post Insurance is thoroughly rooted in the community, and I feel that the launch of this new sales system will further strengthen the bonds between us and the community. I hope that we also offer solid support as a company so that our employees can contribute to society by supporting the people of the community.

**YAMAZAKI:** I also think that Japan Post Insurance should have strong community ties. I want our employees to truly become part of their communities, engaging in frequent dialogue with customers and adapting to changes in society and the environment, so that we can be a company that truly supports the lives of our customers.



# Engagement with Shareholders and Investors

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

 Disclosure Policy

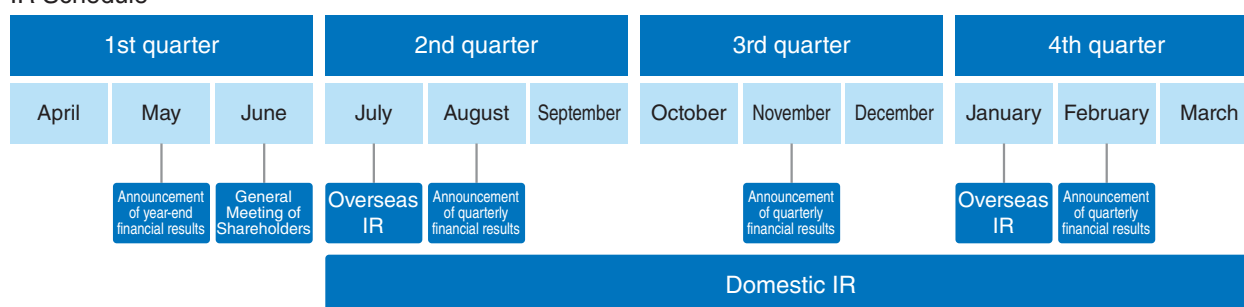
<https://www.jp-life.japanpost.jp/IR/en/information/policy.html>

## ► IR Activities

We have established a page for shareholders and investors on our website (IR website) where we post corporate information for investors such as timely disclosure information in a timely manner. In November 2021, we launched an IR Mailing Service to communicate the latest timely disclosure information and other information related to investor relations.

During the fiscal year ended March 31, 2022, from the perspective of preventing the spread of COVID-19, we held a total of three online company information sessions for individual investors, viewed by numerous individuals. After the announcement of quarterly financial results, our management team holds conference calls and financial results briefings for institutional investors in Japan and overseas to explain management strategies and financial conditions. We also participate in conferences for institutional investors organized by securities companies.

### IR Schedule



 IR website

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

### Details of the General Meeting of Shareholders held this year

Date:	June 15, 2022
Meeting duration:	57 minutes
Number of attending shareholders:	73
Mailing date of Convocation Notice:	May 30, 2022
Disclosure date of Convocation Notice on website:	May 20, 2022

To prevent the spread of COVID-19, the 16th 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, wearing face masks, having alcohol sanitizer available, and ensuring adequate spacing between seats. In addition, we accepted 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 to ensure early sending and disclosure of the Convocation Notice and made it

possible to view the points of the Convocation Notice on a smartphone so that our shareholders would have enough time to carefully review the proposals. Moreover, in addition to introducing easy exercise of voting rights by scanning a 2D code with a smartphone, etc., we addressed the issue of improving how shareholders 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 by 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 improve the way we provide corporate information to shareholders.



# Compliance

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

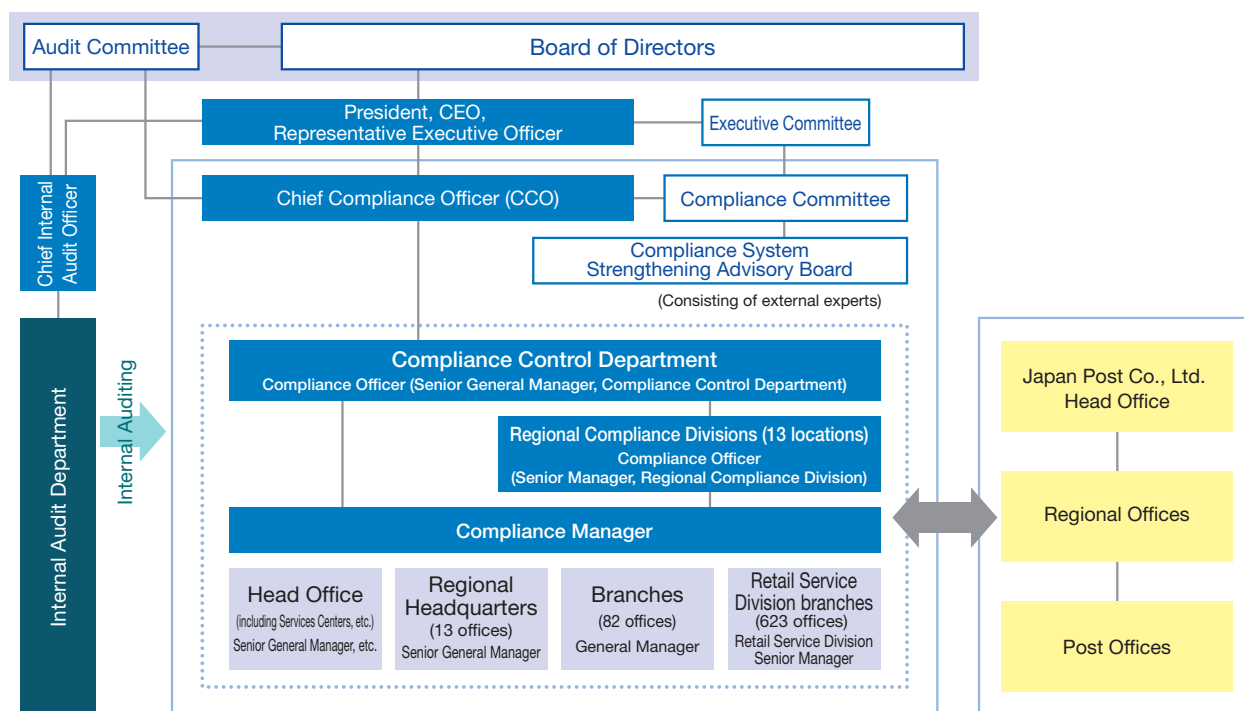
To realize our goal of becoming the “No. 1 Japanese insurance company selected by customers,” Company-wide efforts are undertaken to achieve thorough implementation of compliance.

## ► Compliance Policies

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

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

## ► Compliance Promotion System



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

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

## ► Implementing Compliance Education

Through our Compliance Program, we conduct training courses 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 provide and instill the knowledge of compliance, we also hold e-learning training courses for all executives and employees.

## ► Whistleblowing System

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

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

## ► Measures related to Anti-Money Laundering and Combating the Financing of Terrorism

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

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

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

## ► Initiatives for Protecting Personal Information

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

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

### 📄 Japan Post Insurance Privacy Policy (in Japanese)

[https://www.jp-life.japanpost.jp/policy/privacy/pcy\\_prv\\_statement.html](https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_statement.html)

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

[https://www.jp-life.japanpost.jp/policy/privacy/pcy\\_prv\\_object.html](https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_object.html)

### ► Response to Cybersecurity

Recognizing the risk of cyberattacks as a material risk, we have designated the Chief Compliance Officer as our CISO<sup>1</sup>, 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<sup>2</sup>, an organization that conducts activities in preparation for cyberattacks in ordinary times and emergencies. The CSIRT gathers information in collaboration with external specialized organizations, and works on the development of emergency response procedures for IT systems that need to respond to the threat of cyberattacks. In addition to regular cyber drills, we conduct internal training and drills for executives and employees to continuously improve our response capabilities in the event of a cyberattack.

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

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

### ► Elimination of Antisocial Forces

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

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

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

# Education for Sales Personnel and Insurance Solicitation Agents

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

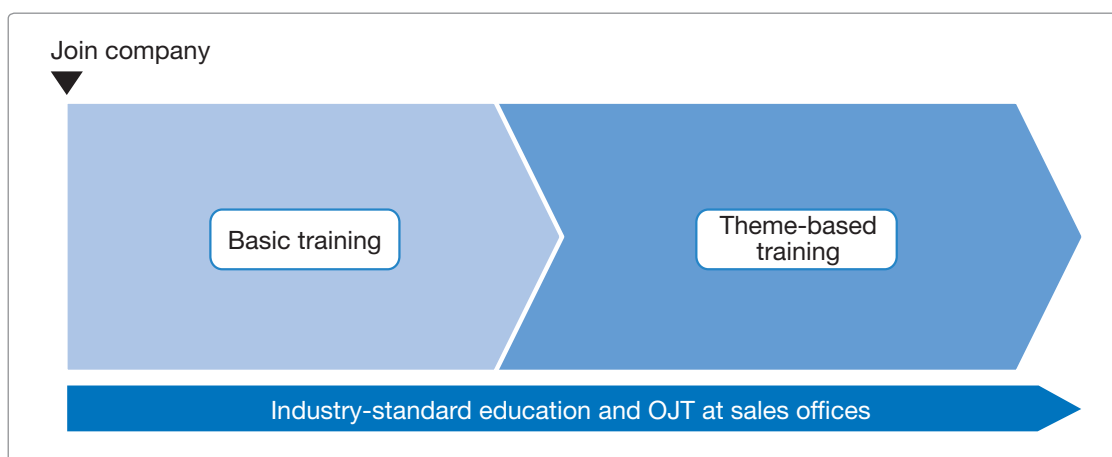
## ► Sales Personnel

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

### ■ Overview of Education

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

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

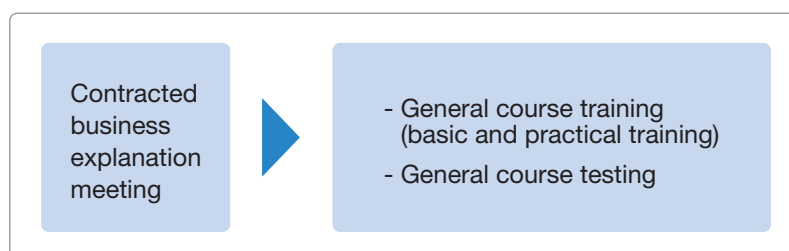


## ► Insurance Solicitation Agents

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

### ■ Overview of Training

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



## ERM and Capital Policy

### ► Recognition of the Environment and Basic Strategy

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

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

### ► Key Initiatives

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

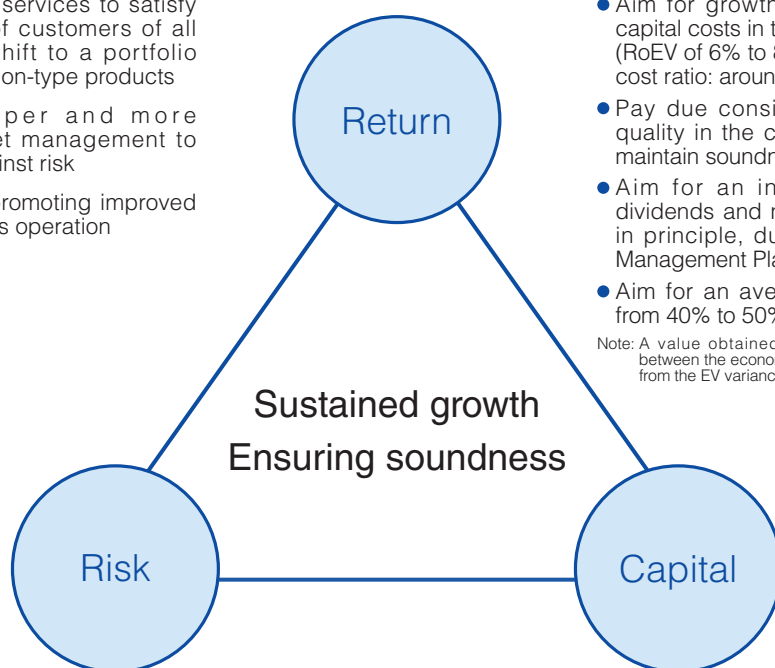
#### Improvement of return against risk

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

#### Improvement of capital efficiency

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

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



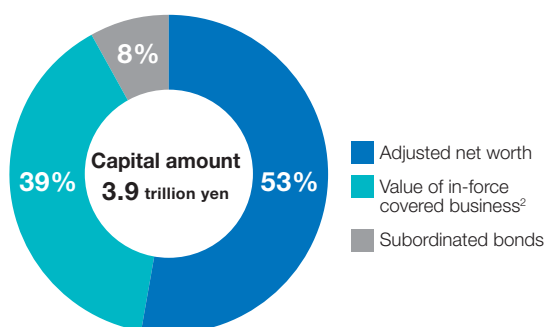
#### Maintaining financial soundness

- Establish and maintain the minimum financial soundness and the assessment criteria (Maintain financial soundness: The minimum solvency margin ratio of 400%, the standard solvency margin ratio of 600%, and ESR (economic solvency ratio) of 100%)
- Aim for the medium- to long-term stability and improvement of ESR while refining measurement methods in anticipation of the introduction of the new solvency regulations
- Implement responses to the introduction of the new solvency regulations, including controlling interest rate risks



## ► Capital and Risk Amount (as of March 31, 2022)

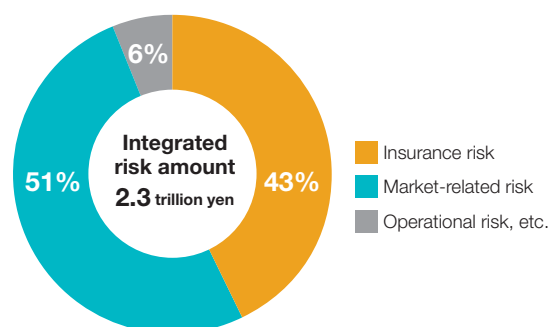
Capital amount



- Aim for EV growth exceeding estimated cost of shareholder's equity in the long term by securing stable profit (RoEV<sup>1</sup> 6%~8%)
- Aim to optimize the balance between soundness and capital costs by incorporating capital raised through debt financing

Notes: 1. A value obtained by excluding the "difference between the economic assumption and actual results" from the EV variance factors

2. Excluding costs to maintain required capital from the value of in-force covered business in EV

Integrated risk amount<sup>3</sup>

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

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

ESR

169%

- To cope with the new solvency regulations, continue to rationalize our measurement method

## ► Risk Appetite Statement

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

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

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.

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").

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

In 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.

The organizational chart illustrates the hierarchy of Dai-ichi Kangaro Bank's risk management system. At the top is the Board of Directors, which oversees the Chief Risk Officer (CRO) and the Executive Committee. The CRO reports to the President, CEO, Representative Executive Officer. The Executive Committee also reports to the President. The CRO oversees the Risk Management Department, which includes the Risk Management Control Section and the Risk Management Sections. The Risk Management Sections are organized by risk category: Investment Risk, Operational Risk, and Risk Management Department. The Risk Management Department includes various departments such as Economic Value Promotion Office, Actuarial and Accounting Department, General Affairs Department, Cash-Flow and Expense Management Department, Investment Risk Management Office, Business Process Planning Department, IT Systems Management Department, Legal Affairs Department, Human Resources Department, Public Relations Department, Real Estate Planning Office, General Affairs Department, Compliance Control Department, and Sales Quality Control Department.

```
graph TD
    Board[Board of Directors] --> CEO[President, CEO, Representative Executive Officer]
    Board --> Audit[Audit Committee]
    Board --> Actuary[Chief Actuary]
    CEO --> ExecCom[Executive Committee]
    CEO --> CRO[Chief Risk Officer CRO]
    CRO --> RiskMgmt[Risk Management Department]
    RiskMgmt --> RiskMgmtSec["(Risk management control section) Risk Management Department"]
    RiskMgmtSec --> RiskMgmtDiv["(Risk management sections) Assign a department for each risk category"]
    RiskMgmtDiv --> InvRisk["Investment Risk"]
    RiskMgmtDiv --> OpRisk["Operational Risk"]
    RiskMgmtDiv --> RiskMgmtDept["Risk Management Department"]
```

(Risk management sections) Assign a department for each risk category													
Insurance Underwriting Risk	Investment Risk			Funding Risk	Market Liquidity Risk	Operational Risk							
	Market Risk	Credit Risk	Real Estate Investment Risk			Processing Risk	Computer System Risk	Legal Risk	Human Risk	Reputational Risk	Tangible Asset Risk	Outsourcing Risk	Compliance Risk
Economic Value Promotion Office, Actuarial and Accounting Department	Investment Risk Management Office, Risk Management Department			Cash-Flow and Expense Management Department	Investment Risk Management Office, Risk Management Department	Risk Management Department							
	General Affairs Department				Business Process Planning Department	IT Systems Management Department	Legal Affairs Department	Human Resources Department	Public Relations Department	Real Estate Planning Office, General Affairs Department	General Affairs Department	Compliance Control Department	Sales Quality Control Department

(Sections carrying out business operations) Departments of head office and branches in charge of business execution

## ► 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.

<b>Insurance Underwriting Risk</b>	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.	<b>Operational Risk</b>	The risk of losses due to improper business processing, inappropriate behavior by executives and employees, improper computer system operations or external events.
<b>Investment Risk</b>	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities.	<b>Processing Risk</b>	The risk of losses due to executives, employees and others neglecting to conduct proper operations, resulting in accidents or engagement in unlawful activities.
<b>Market Risk</b>	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.	<b>Computer System Risk</b>	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.
<b>Credit Risk</b>	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.	<b>Legal Risk</b>	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.
<b>Real Estate Investment Risk</b>	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.	<b>Human Risk</b>	The risk of losses due to unequal, unfair or discriminatory actions, in terms of personnel management.
<b>Funding Risk</b>	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.	<b>Reputational Risk</b>	a) The risk of losses due to the spread of vague information such as rumors, speculations or reputation with regard to the Company, and the spread of misunderstandings, misperceptions or exaggerated interpretations associated with an accident or unlawful acts among policyholders or the mass media. b) The risk of losses due to negative evaluations. For example, there is a great gap between the business activities of the Company and the expectations/trust of stakeholders.
<b>Market Liquidity Risk</b>	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.	<b>Tangible Asset Risk</b>	The risk of losses due to damage to tangible assets caused by disasters or other events.
		<b>Outsourcing Risk</b>	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.
		<b>Compliance Risk</b>	The risk of loss of corporate value due to the loss of trust of stakeholders including customers caused by violations of laws and regulations, rules, and in-house regulations, acts deviating from social norms, acts violating commercial practices and market practices, and acts against social expectations such as acts that do not consider the customer's perspective.

## ► Implementation of Stress Tests

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

In establishing stress scenarios we undertake the following:

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

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

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