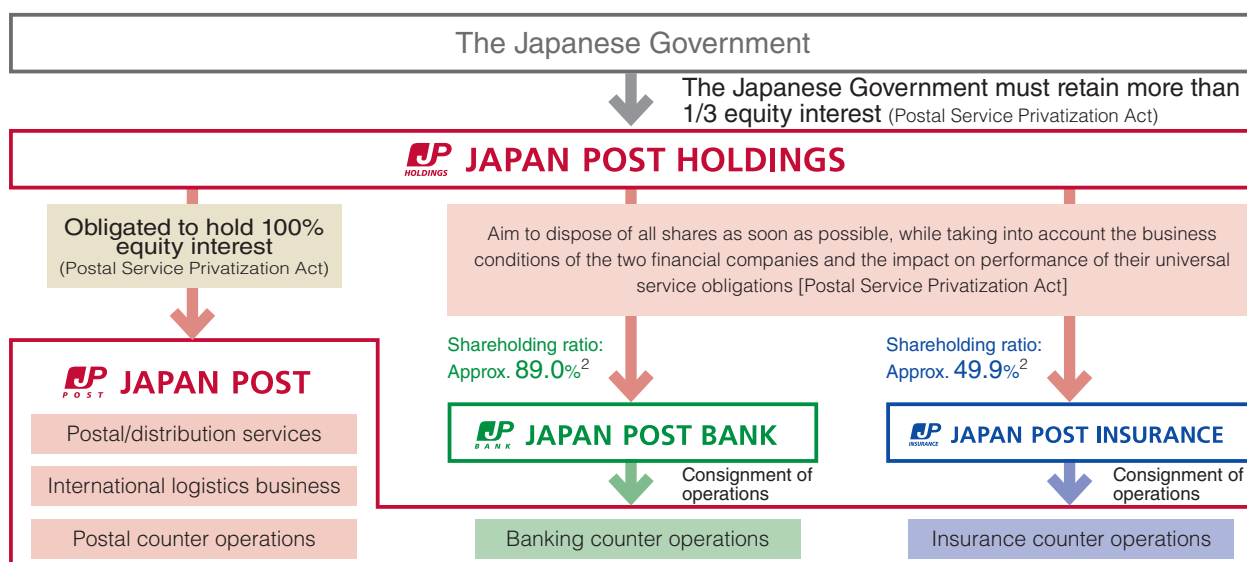


Our Position within the Japan Post Group

▶ Structure of the Japan Post Group

- The life insurance business, carried out by Japan Post Insurance, is one of the three main businesses of the Japan Post Group.
- In view of its universal service obligation, Japan Post Holdings aims to dispose of its entire equity interest in Japan Post Insurance and Japan Post Bank as soon as possible, in accordance with the Postal Service Privatization Act.¹



Notes: 1. Universal service refers to the obligation of Japan Post Holdings and Japan Post Co. to maintain a post office network to ensure that postal services, simple savings, transfer and receivables and payables settlement services, and easy-to-use life insurance services can be used uniformly at post offices via user-oriented simple methods, and that such services can be used in a universally fair manner in the future throughout Japan. Insurance counter operations include insurance solicitation for whole life insurance and endowment insurance, and accepting claims for payment of maturity and survival benefits for such insurance at post offices (Article 7-2 of the Postal Service Privatization Act and Article 5 of the Act on Japan Post Holdings Co., Ltd.).
 2. Ratio of the number of shares held to the total number of issued shares excluding treasury shares.

▶ Additional Restrictions Under the Postal Service Privatization Act

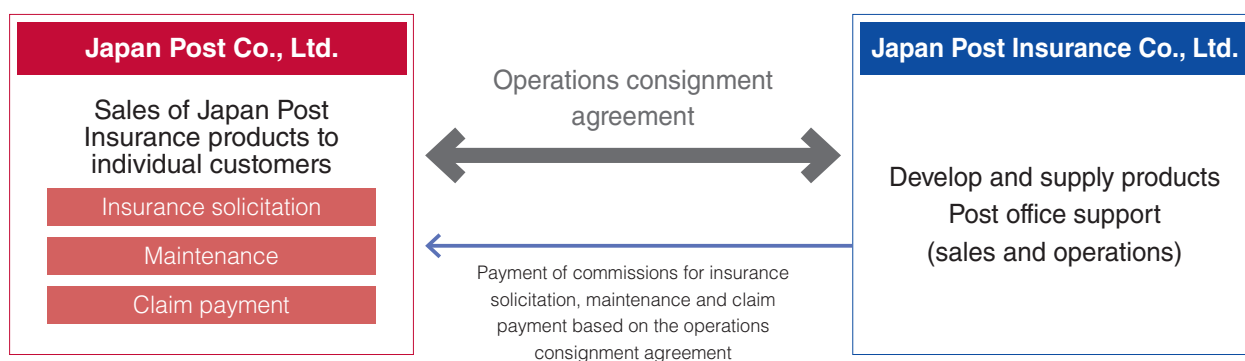
- There are additional restrictions under the Postal Service Privatization Act to ensure fair competition with other life insurance companies.
- As the percentage of Japan Post Insurance shares held by Japan Post Holdings fell below 50% in May 2021, a part of additional regulatory restrictions relating to new businesses was relaxed, thereby establishing an environment in which the Company can further provide insurance services to meet our customers' needs.

Item	Additional Restrictions Under the Postal Service Privatization Act		
	Until Japan Post Holdings disposes of 50% or more of the shares of the Company	After Japan Post Holdings disposes of a 50% or more of all the shares of the Company until the designated date ²	After the designated date ²
New business	Approval by the specified ministers ¹ (a hearing at the Postal Privatization Committee is required)	Prior notification to the competent ministers (obligation to consider competitors, notification to the Postal Privatization Committee is required)	No regulations under the Postal Service Privatization Act ³
Limit on coverage amount	Prescribed in a cabinet order (a hearing at the Postal Privatization Committee is required to revise) - Limit on coverage amount: in principle, ¥10 mn (total of ¥20 mn after 4 years have elapsed since start of coverage (ages 20-55))		No regulations under the Postal Service Privatization Act
Subsidiary	Prohibited from acquiring or holding as a subsidiary or merging with any insurance company - No specific statutory rules applicable to our minority investments, which is acquiring voting rights below 50%		No regulations under the Postal Service Privatization Act

Notes: 1. Specified ministers: Prime Minister (Commissioner of the Financial Services Agency) and Minister for Internal Affairs and Communications
 2. Designated date: The earlier of (i) the disposal of 50% or more of Japan Post Holdings' equity interest in the Company and the determination by the Prime Minister and the Minister for Internal Affairs and Communications that the additional restriction does not apply to the Company and (ii) the disposal of Japan Post Holdings' entire equity interest in the Company
 3. Regulations under the Insurance Business Act will continue.

► Provision of Services through Post Offices

- The Company has entered into an operations consignment agreement with Japan Post Co., which has a nationwide network of post offices, and sells life insurance through post offices nationwide.
- The Company pays Japan Post Co. commissions for insurance solicitation, maintenance and claim payment based on the operations consignment agreement.



Commissions for insurance solicitation, maintenance and claim payment

○ Commissions for insurance solicitation

Payment of commissions for insurance solicitation operations consigned to Japan Post Co. is mainly linked to new policies (solicitation results).

Commissions are calculated based on a formula generally used in the life insurance industry and are paid in installments over several years.

○ Commissions for maintenance and claim payment

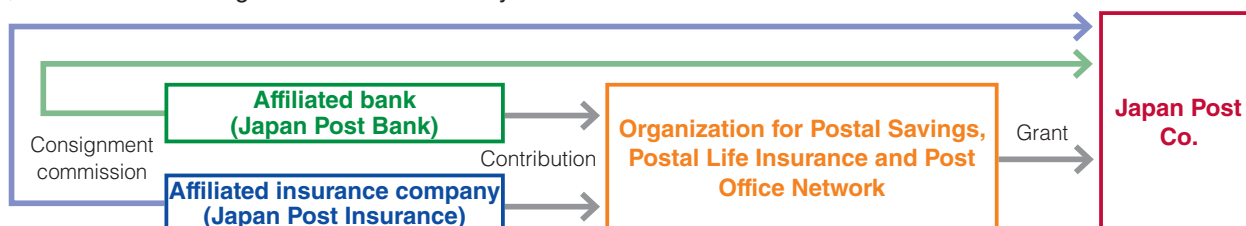
For maintenance and claim payment services consigned to Japan Post Co., a unit price is set and paid based on the processing time of the service at post offices.

Commissions include a commission proportional to the number of policies in force, the number of post offices, etc. (basic commission), and a commission based on the performance of the maintenance of policies in force and follow-up activities (incentive commission).

► Overview of the Grant and Contribution System

- The Act to Partially Revise the Act on the Management Organization for Postal Savings and Postal Life Insurance was enacted on December 1, 2018.
- From the fiscal year ended March 31, 2020, the basic expenses required for the maintenance of the post office network will be covered by the funds provided to Japan Post Co. from the Organization for Postal Savings, Postal Life Insurance and Post Office Network using the contributions from Japan Post Insurance and Japan Post Bank.

► Framework of the grant and contribution system

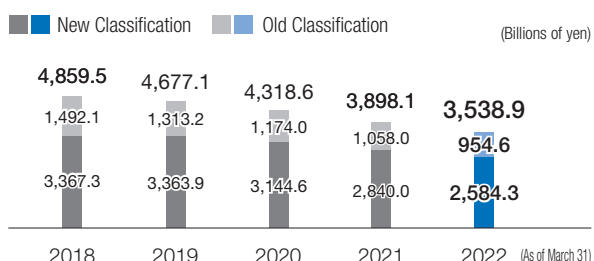


Financial and Non-Financial Highlights

Financial Highlights

Annualized Premiums from Policies in Force (Individual Insurance)^{1,2}

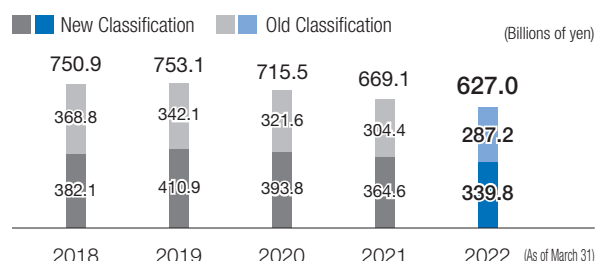
¥3,538.9 billion



As of March 31, 2022, annualized premiums from policies in force (individual insurance) amounted to ¥3,538.9 billion including reinsured Postal Life Insurance Policies (insurance), a 9.2% decrease year on year.

Annualized Premiums from Policies in Force (Third-Sector Insurance)³

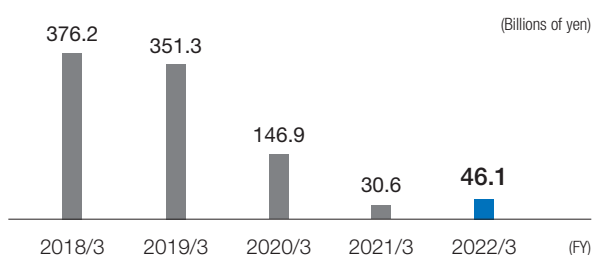
¥627.0 billion



As of March 31, 2022, annualized premiums from policies in force (third-sector insurance) amounted to ¥627.0 billion including reinsured Postal Life Insurance Policies, a 6.3% decrease year on year.

Annualized Premiums from New Policies (Individual Insurance)

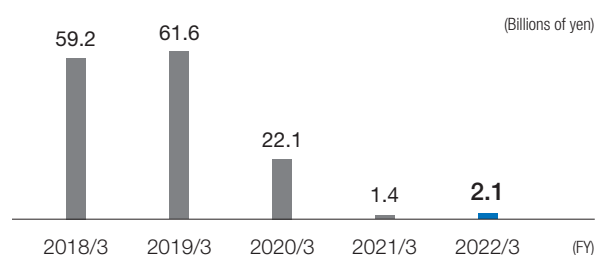
¥46.1 billion



During the fiscal year ended March 31, 2022, annualized premiums from new policies (individual insurance) amounted to ¥46.1 billion, a 50.7% increase year on year. This is a significant decrease compared to the fiscal year ended March 31, 2019, before the solicitation quality issues occurred.

Annualized Premiums from New Policies (Third-Sector Insurance)

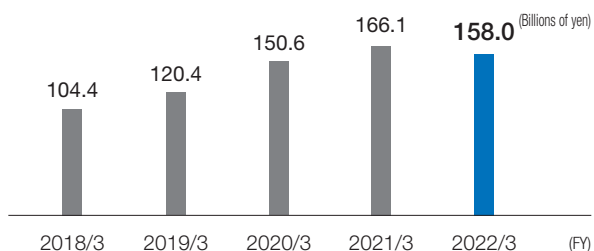
¥2.1 billion



During the fiscal year ended March 31, 2022, annualized premiums from new policies (third-sector insurance) amounted to ¥2.1 billion, a 49.0% increase year on year (refer to "Annualized Premiums from New Policies (Individual Insurance)").

Net Income (Consolidated)⁴

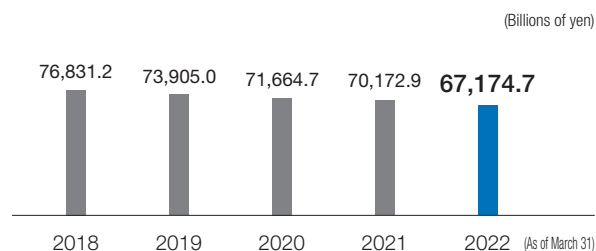
¥158.0 billion



Net income in the fiscal year ended March 31, 2022 decreased ¥80.0 billion (4.8%) year on year to ¥158.0 billion.

Total Assets (Consolidated)

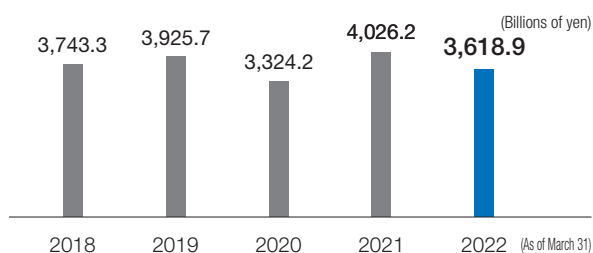
¥67,174.7 billion



We manage insurance premiums entrusted from customers and hold assets such as securities in order to provide for payments of insurance claims and others. Total assets as of March 31, 2022 amounted to ¥67,174.7 billion.

Embedded Value (EV)⁵

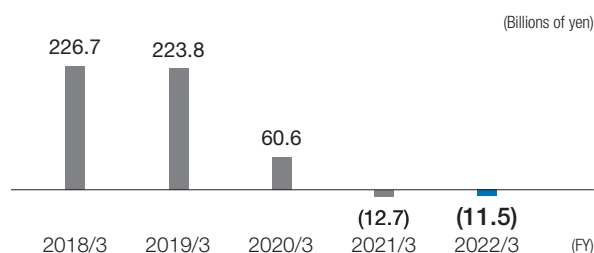
¥3,618.9 billion



Embedded value (EV) is one of the corporate value indicators for life insurance companies. Our EV as of March 31, 2022 was ¥3,618.9 billion, a ¥407.2 billion decrease year on year, mainly due to a decrease in net assets in association with the acquisition of treasury shares in May 2021 and a decrease in unrealized gains on foreign bonds in line with rising overseas interest rates.

Value of New Business⁵

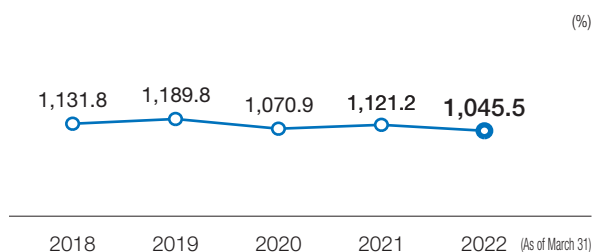
¥(11.5) billion



The value of new business is the present value of future profits expected from new business. The value of new business was negative because certain operating expenses were necessary for acquiring new policies regardless of the scale of sales efforts, while the volume of new policies was small in the fiscal year ended March 31, 2022.

Consolidated Solvency Margin Ratio

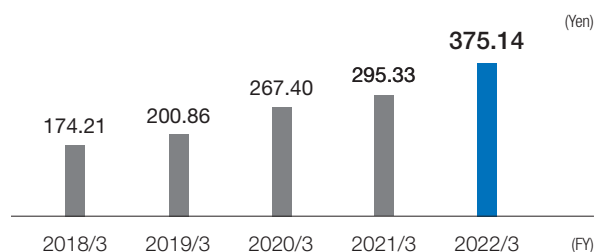
1,045.5%



Our consolidated solvency margin ratio as of March 31, 2022 remained high at 1,045.5%, significantly exceeding 200%, the criterion of prompt corrective action by the regulatory agency.

Earnings per Share (EPS)⁶

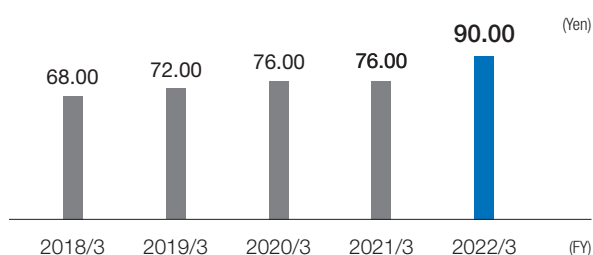
¥375.14



During the fiscal year ended March 31, 2022, earnings per share amounted to ¥375.14, a ¥79.81 increase year on year.

Dividend per Share (DPS)

¥90.00



The dividend per share for the fiscal year ended March 31, 2022 was ¥90.

- Notes: 1. "New Classification" indicates policies in force underwritten by Japan Post Insurance, whereas "Old Classification" indicates Postal Life Insurance Policies that we received from the Management Network in the form of reinsurance.
2. The annualized premiums under "Old Classification" are calculated based on the same methods used for "New Classification."
3. "Third-sector insurance" includes annualized premiums corresponding to medical benefits (including hospitalization and surgery benefits).
4. Net income attributable to Japan Post Insurance
5. Please see pages 74-75 and 183-185 for the details of EV and the value of new business.
6. Figures for EPS are stated on a consolidated basis.

Non-Financial Highlights

Customer Satisfaction ⁷

78%

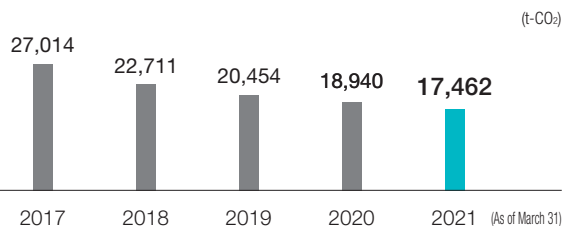


2018/3 2019/3 2020/3 2021/3 2022/3 (FY)

We conduct a Customer Satisfaction Survey (Customer Feedback Survey) to improve services based on customers' evaluations.

Carbon Dioxide (CO₂) Emissions ⁸

17,462 t-CO₂



During the fiscal year ended March 31, 2021, CO₂ emissions were 15,823 t-CO₂ from our facilities and 1,639 t-CO₂ from vehicles, amounting to total emissions of 17,462 t-CO₂. As efforts to reduce CO₂ emissions, we are improving the operation of lighting and air-conditioning systems at our facilities and promoting a switch to hybrid and eco-friendly vehicles.

Ratio of Female Managers ⁹

9.1%



2018 2019 2020 2021 2022 (As of April 1)

We strive to promote women's career activities as an important diversity promotion measure. We conduct systematic training to support medium- to long-term career development for female employees and aim to increase the ratio of female managers at the head offices to 30% or more by FY2031/3.

Rate of Taking Childcare Leave

97.0%



2018 2019 2020 2021 2022 (As of March 31)

We aim for a childcare leave utilization rate of 100% for both male and female employees by establishing an environment in which childcare leave is easy to use regardless of employee gender, as part of our efforts to create a working environment where every employee can work actively.

Ratio of Employees with Disabilities ¹⁰

2.32%



2018/3 2019/3 2020/3 2021/3 2022/3 (FY)

Based on the philosophy of respecting human rights and creating workplaces in which a diverse workforce can participate actively, we are actively promoting the employment of people with disabilities at all of our locations nationwide, and are supporting their retention in the workplace.

Notes: 7. The satisfaction level was evaluated on a five-point scale of "satisfied," "somewhat satisfied," "not satisfied or dissatisfied," "somewhat dissatisfied," and "dissatisfied," and the total ratio of customers who answered "satisfied" and "somewhat satisfied" is shown. The result of the survey of FY2018/3 is not shown because its survey method differs from the current one. In FY2020/3, the Customer Satisfaction Survey was not performed as we concentrated our efforts on insurance claim surveys and other initiatives.

8. Emissions from facilities and vehicles of all organizations within Japan Post Insurance.

9. The ratio fell significantly in comparison to April 1, 2021 due to the increase in the number of employees assigned to Japan Post Insurance from Japan Post Co., Ltd. in conjunction with the shift to the new Japan Post Insurance sales system.

10. As of June 1 of each year

External Evaluation and Support for Initiatives

Credit Ratings

As of June 1, 2022

To provide our customers and shareholders with a deeper understanding of the Company, we have acquired credit ratings from rating agencies.

Rating and Investment Information, Inc. (R&I)

AA-

Insurance Claims Paying Ability

Japan Credit Rating Agency, Ltd. (JCR)

AA

Ability to Pay Insurance Claims Rating

Standard & Poor's (S&P)

A

Insurer Financial Strength Ratings

Note: Ratings are the opinion of the rating agencies and do not represent any guarantee by the rating agencies regarding the payment of insurance claims or other matters. Ratings could change in the future based on the judgment of the rating agencies.

We are improving customer experience value and striving to establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself. As a result of our efforts, we have been awarded the following evaluations.



White 500



Platinum Kurumin



PRIDE INDEX



Tomonin Mark



Telework Pioneer
Top Hundred Telework Pioneers



DX Certification Program

Support for Initiatives

We have expressed our support for various initiatives, both in Japan and overseas, and we are enhancing our efforts to realize a sustainable society.



United Nations Global Compact



CDP



CA100+



TCFD



PRI



JCI



SIMI



PCAF

インパクト志向金融宣言
Japan Impact-driven Financing Initiative
Japan Impact-driven Financing Initiative

Major Financial and Non-Financial Data

Financial data	As of/For the years ended March 31	2013	2014	2015	2016
Results of operations and financial position					
Ordinary income	¥	11,834.9	¥ 11,234.1	¥ 10,169.2	¥ 9,605.7
Ordinary profit		528.9	462.7	492.6	411.5
Core profit		570.0	482.0	515.4	464.2
Spread (positive/negative spread)		(4.7)	54.2	66.9	97.4
Core profit attributable to life insurance activities		574.7	427.8	448.4	366.8
Net income		90.6	62.8	81.3	84.8
Capital stock		500.0	500.0	500.0	500.0
Number of shares issued (Thousands of shares)		20,000	20,000	20,000	600,000
Total assets		90,463.5	87,092.8	84,915.0	81,545.1
Contingency reserve		2,683.6	2,588.7	2,498.7	2,374.8
Reserve for price fluctuations		522.8	614.2	712.1	782.2
Securities		72,557.1	69,377.9	66,276.2	63,609.9
Major financial soundness indicators					
Consolidated solvency margin ratio (%)		1,468.8	1,625.1	1,644.2	1,570.3
Economic solvency ratio (ESR) (%)		—	—	179	167
Status of policies					
Annualized premiums from policies in force (individual insurance)		5,686.8	5,393.9	5,182.5	5,031.4
Annualized premiums from policies in force (third-sector insurance)		789.9	768.6	748.0	738.7
Annualized premiums from new policies (individual insurance)		431.6	439.0	457.8	485.3
Annualized premiums from new policies (third-sector insurance)		40.8	49.1	41.1	49.5
Corporate value					
EV		2,866.2	3,386.8	3,613.7	3,151.0
Value of new business		181.6	185.1	154.9	192.7
Per share indicators					
Earnings per share (EPS) (Yen)		4,533.93	3,140.11	4,066.16	
			104.67	135.54	141.50
Dividend per share (DPS) (Yen)		1,137.51	840.43	1,226.38	56.00
(of which, interim dividend per share)		[—]	[—]	[—]	[—]

Non-financial data	As of/For the years ended March 31	2018	2019	2020	2021	2022
Customer satisfaction (%)		—	82	—	79	78
Carbon dioxide (CO ₂) emissions (t-CO ₂)		22,711	20,454	18,940	17,462	—
Number of employees (Persons)		7,490	7,617	7,638	7,645	7,545
Male (Persons)		4,301	4,307	4,270	4,233	4,147
Female (Persons)		3,189	3,310	3,368	3,412	3,398
Ratio of female managers (%)		10.5	12.1	11.9	12.1	9.1
Head offices (%)		—	—	—	—	13.9
Average age (Years)		38.8	39.0	39.4	39.9	40.5
Male (Years)		41.7	41.8	42.1	42.7	43.2
Female (Years)		35.0	35.3	35.9	36.5	37.3
Average years of service (Years)		14.6	14.7	15.0	15.4	15.9
Male (Years)		17.5	17.5	17.8	18.3	18.7
Female (Years)		10.7	11.0	11.5	11.8	12.5
Rate of employees with disabilities (%)		2.21	2.31	2.47	2.31	2.32
Rate of employees with disabilities (for the entire Japan Post Group) (%)		—	—	—	2.36	2.35
Number of foreign employees (Persons)		3	4	4	4	5
Monthly average amount of overtime per employee (Hours)		9.0	8.4	8.9	7.1	8.6
Rate of taking paid leave (%)		89.2	87.7	93.9	90.6	89.8
Rate of taking childcare leave (%)		58.7	64.5	81.7	90.6	97.0
Male (%)		17.6	28.5	65.3	80.7	92.7
Female (%)		98.8	100.0	99.4	100.0	100.0
Return-to-work rate of employees who took childcare leave (%)		99.3	98.2	97.7	96.8	98.0
Number of employees who returned to work (Persons)		143	162	169	210	243
Number of employees who took nursing care leave (Persons)		—	6	14	10	6
Status of retention of new employees (after 3 years) (%)		89.7	84.4	87.2	86.0	86.8

(Billions of yen unless specifically indicated)

	2017	2018	2019	2020	2021	2022
¥	8,659.4	¥ 7,952.9	¥ 7,916.6	¥ 7,211.4	¥ 6,786.2	¥ 6,454.2
	279.7	309.2	264.8	286.6	345.7	356.1
	390.0	386.1	377.1	400.6	421.9	437.1
	78.5	65.8	58.4	80.4	76.3	140.7
	311.4	320.3	318.7	320.1	345.6	296.4
	88.5	104.4	120.4	150.6	166.1	158.0
	500.0	500.0	500.0	500.0	500.0	500.0
	600,000	600,000	600,000	562,600	562,600	399,693
	80,336.7	76,831.2	73,905.0	71,664.7	70,172.9	67,174.7
	2,254.0	2,114.3	1,962.7	1,797.3	1,611.3	1,690.9
	788.7	916.7	897.4	858.3	904.8	972.6
	63,485.2	60,130.9	58,451.5	55,870.5	55,273.6	53,417.5
	1,290.6	1,131.8	1,189.8	1,070.9	1,121.2	1,045.5
	176	186	225	116	205	169
	4,979.6	4,859.5	4,677.1	4,318.6	3,898.1	3,538.9
	736.1	750.9	753.1	715.5	669.1	627.0
	507.9	376.2	351.3	146.9	30.6	46.1
	55.7	59.2	61.6	22.1	1.4	2.1
	3,355.6	3,743.3	3,925.7	3,324.2	4,026.2	3,618.9
	36.8	226.7	223.8	60.6	(12.7)	(11.5)
	147.71	174.21	200.86	267.40	295.33	375.14
	60.00	68.00	72.00	76.00	76.00	90.00
	[—]	[—]	[—]	[38.00]	[—]	[45.00]

- Notes: 1. The financial data represent consolidated figures. However, core profit, number of shares issued, status of policies and dividend per share represent non-consolidated figures. Furthermore, net income represents net income attributable to Japan Post Insurance.
2. The total number of shares issued is truncated to the nearest thousand.
3. The Company implemented a 30:1 stock split effective August 1, 2015. The lower rows of the fiscal years ended March 31, 2014 and 2015 for EPS have been calculated assuming the stock split was implemented on April 1, 2013.
4. The Company cancelled its treasury stock on May 31, 2019, reducing the total number of shares issued by 37,400 thousand shares.
5. The Company cancelled its treasury stock on August 20, 2021, reducing the total number of shares issued by 162,906 thousand shares.
6. The consolidated solvency margin ratios have been calculated in accordance with the provisions set forth in Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and in the public notification No.23 issued by the Financial Services Agency in 2011.
7. In the calculation of the consolidated solvency margin ratio from March 31, 2016 onwards, the total amount of solvency margin was partially amended in accordance with the Cabinet Office Ordinance No.16 of 2016. Accordingly, the consolidated solvency margin ratios on March 31, 2013 through 2015, and March 31, 2016 onwards were calculated based on different standards.
8. The economic solvency ratio (ESR) is the capital amount based on economic value divided by the integrated risk amount based on economic value and is one of the indicators that represents the financial soundness of life insurance companies (Figures are based on the Company's internal model; 99.5% confidence level). The Company shifted to a new ESR measurement model in the fiscal year ended March 31, 2022.
9. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
10. Annualized premiums from policies in force include reinsured Postal Life Insurance Policies (for individual insurance, limited to Postal Life Insurance Policies (insurance)).
11. Third-sector insurance includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits), and premium payment waivers benefits (excluding disability and including specified diseases and nursing benefits).
12. In the calculation of EV and the value of new business for the fiscal year ended March 31, 2015 onwards, an approach which utilizes the ultimate forward rate is applied as the extrapolation method of interest rates at longer durations of the risk-free rates (an approach in which the forward rates for the last year of the market data onwards are assumed to be the same is used for the fiscal year ended March 31, 2014 and before).
13. The value of new business for the fiscal year ended March 31, 2016 onwards is calculated as the difference between the EV calculated on the basis of the profit and loss for all in-force covered business including new business issued, and the EV calculated on the basis of the profit and loss for all in-force covered business if no new business had been issued (the value of new business for the fiscal year ended March 31, 2015 and before is calculated on the basis of the profit and loss for new business on a stand-alone basis).
14. The Company established a Board Benefit Trust (BBT) in the fiscal year ended March 31, 2017. Shares of the Company held in the trust, which was recorded as treasury stock under the category of shareholders' equity, were included in treasury stock to be deducted from the calculation of the average number of shares during the fiscal year, for the purpose of calculating EPS.
15. CO₂ emissions for the fiscal year ended March 31, 2022 are being compiled at the time of the report's preparation.
16. The number of employees excludes employees assigned to other companies by Japan Post Insurance but includes employees assigned to Japan Post Insurance by other companies. The figures exclude non-regular employees (including indefinite-term employees based on the indefinite-term employment conversion system). The Company shifted to its new Japan Post Insurance sales system in April 2022, and the number of employees as of April 1, 2022 is 20,092.
17. Ratio of female managers represents the ratio as of April 1 of the following fiscal year.
18. Average age and average years of service are based on attained ages and years of service as of March 31 of each fiscal year, and truncated to the first decimal place.
19. Average years of service represents the number of years of continuous service including years at the Ministry of Posts and Telecommunications, the Postal Services Agency (Ministry of Internal Affairs and Communications) and Japan Post.
20. Rate of employees with disabilities represents the number employed by the Company on a non-consolidated basis, as of June 1 of each fiscal year.
21. Rate of employees with disabilities (for the entire Japan Post Group) represents the number employed by all six companies in the Japan Post Group as of June 1 of each fiscal year.
22. Status of retention of new employees represents the retention rate of new graduates for each year after three years from their employment.