

Outside Directors Roundtable Discussion



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Expectations for Japan Post Insurance as It Takes Its First Step Toward *Growth and Challenge* Under the New Management Structure

Under new President ONISHI's leadership, the Company launched its new Medium-Term Management Plan in the fiscal year ending March 31, 2027.

Outside Directors TOMII, HOSOYA, and UNO held a roundtable discussion, exchanging candid views on the challenges and expectations ahead.

Reflections and Observations on the Fiscal Year Ended March 31, 2026

TOMII: In the stock market, the Company's stock price was at a low level a year ago, but it has recovered as management set clear goals and maintained consistent dialogue with the market. I see the recovery as a re-evaluation of aspects that had previously been undervalued.

However, what matters now is how much the Company can strengthen its actual capabilities to drive its market valuation higher going forward. It is true that Japan's population is declining, and the insurance market will likely shrink overall as a result. Even so, many customers' concerns about retirement

and illness remain insufficiently addressed by current products, and I believe the Company has significant room to respond to such unmet needs by leveraging its strengths. Japan Post Insurance has a distinctive advantage in its frequent contact with elderly customers and its ability to visit customers at their homes. I believe there is still much the Company can do to protect customers' lives through the power of insurance.

HOSOYA: As the Company works to reverse the decline in the number of policies in force, following the occurrence of incidents such as the cross-selling incident, it has encountered new challenges in agency supervision and regulatory compliance. The Company viewed these challenges as opportunities to develop new initiatives, and I believe this was a year in which it advanced discussions on the New Medium-Term Plan and clarified its strategy going forward.

Now the Company is at a genuine turning point. It must manage its operations in a way that earns the confidence of its shareholders and investors and execute its growth strategies steadily.

UNO: Over the past year, I have been interested in the questions of whether the Company's activities are earning the trust of its customers, whether the Company is reaching new customers, and whether those factors are translating into applications from them.

In its sales activities, the Company has begun an initiative in which the head office and the front lines work as one through the organization, a call center-based lead-generation unit, rather than leaving everything to the front lines. It has already shifted its performance evaluation system to assess process as well as results. Going forward, I believe that refining the process indicators in line with the Company's strategic direction will lead to stronger outcomes. On many occasions, I have spoken with a large number of employees and have been struck by how many are diligent and talented. Since many employees have genuine pride and confidence in their work, I believe the Company can further strengthen the connection and collaboration between the head office and the front lines, and that the strength of that collaboration will result in an even more resilient organization. I also found that many employees in the Retail Service Division are genuinely dedicated to serving customers, which reinforced my sense that the Company as a whole has considerable potential for further growth.

Driving the New Medium-Term Management Plan and Future Growth

TOMII: The New Medium-Term Plan, which launched this fiscal year, identifies "Establishment of the JPI

Value Delivery Model" as one of its key strategies. The Company has organized its efforts around how to deliver its value to as many customers as possible. Strengthening its marketing to reach customers is an ongoing challenge. Over the past year or two, the Company has begun taking various steps, and I believe it must continue raising awareness of this priority across the entire organization.

Turning to the second key strategy, "Asset Management that Responds to Changes in the Investment Environment and Resolution of Social Issues," the results of our various new initiatives are beginning to emerge. In particular, the Company's impact investments have received high praise. Under the third key strategy, "Take on the Future," the organization is actively pursuing new initiatives within a framework of sound risk-taking, and I intend to support that effort.

UNO: Under the strategy for the establishment of the "JPI Value Delivery Model," Japan Post Insurance has set out to build on the consolidation of previously scattered customer touchpoints into a unified operational framework. The goal is to increase those touchpoints further, so that customers will choose to stay with Japan Post Insurance throughout their lives.



I too have high hopes for these efforts. I believe it is important to add the strengths of digital technologies to the strengths of physical channels, such as post offices, and to establish a solid framework that enables the Company to connect with more customers and earn their trust.

HOSOYA: Whether Japan Post Insurance is offering products that customers find attractive is also a critical question. Insurance products are often said to be difficult to differentiate, yet the industry offers a wide variety of products. It is essential to consider which



customer segments would benefit from which products, then concentrate resources to differentiate accordingly. I believe it is important to work toward making Japan Post Insurance products appealing to customers, including through the familiar post offices near them.

UNO: How customers choose insurance is also changing significantly. As customers can now ask AI what insurance is best suited to their individual circumstances, it is key to ensure that Japan Post Insurance products are among those recommendations, so that customers are motivated to visit post offices on their own initiative. Leveraging its strengths as a company that customers can confidently trust with their future, Japan Post Insurance should expand its touchpoints to reach underserved segments, such as younger generations. The goal is a world where customers can consult “Kampo-san” or their local post offices whenever they need help.

HOSOYA: More customers today use AI and websites when researching insurance, so investing in a well-built website as the first point of contact will help increase enrollment and streamline operations. Customers typically use the website to narrow down the insurance that would give them peace of mind in their lives, then visit a service counter or similar channel to hear a detailed explanation from a representative before making a final decision. It is therefore important to concentrate human resources at that final stage.

UNO: It is important that Japan Post Insurance be among the options customers consider when researching insurance or choosing where to seek advice. The trust built over its long history is a major strength, and the Company should continue to reinforce it.

Strengthening Governance and Reforming the Corporate Culture

TOMII: On incidents, such as the cross-selling incident, I have continuously visited post offices and branches since these issues arose, listened directly to frontline staff, and reported that feedback to management. At the front lines, I believe the mechanisms to prevent recurrence have steadily taken shape, built through painstaking improvements to highly complex and detailed processes, one by one.

That said, the Japan Post Group is fundamentally a large and complex organization, prone to a wide variety of risks. As Audit Committee Chair, I intend to continue monitoring whether compliance issues are being

addressed, while maintaining direct communication with frontline staff.

UNO: We receive reports on the content and frequency of training, one of the Company's compliance initiatives, and have confirmed that it is being conducted properly. Holding *Frontline meetings* and building mechanisms to collect the voices of frontline employees are important steps in establishing the structures needed for governance to function effectively, and I view them positively.

TOMII: I feel the corporate culture is improving year by year. Previously, when I asked frontline employees about upcoming policies and initiatives, I sometimes received responses such as “I haven’t heard about that” or “That doesn’t concern me.” Now, head office policies are communicated clearly to the front lines, and employees are willing to share their individual opinions and views.

HOSOYA: Frontline employees are genuinely committed to their work, but change also needs to come from the top. When managers take the initiative to open the door to their teams, the genuine commitment frontline employees show can be put to even better use. When I was in management myself, I was often caught off guard—realizing that what I thought was going well was actually a source of frustration for someone on my team.

Expectations for New President ONISHI and the Future of Japan Post Insurance

TOMII: New President ONISHI has deep expertise in the business and a clear vision. I hope Japan Post Insurance will pursue its goals within the Japan Post Group in ways that also benefit the Group as a whole. I expect Japan Post Insurance to achieve two goals: broadly providing the basic insurance services that define its purpose, and establishing the new “JPI Value Delivery Model,” all while ensuring financial soundness.

UNO: It is important for change toward the new vision to start with management, and for transformation efforts to be put into practice. Based on marketing research and other materials, I believe the foundation for advancing a range of initiatives is now in place. I particularly expect Japan Post Insurance to reach a new stage of growth quickly through AI and digital technologies.

HOSOYA: When management changes its ways, I believe their teams will change as well. From a marketing perspective, it is important to focus on essentials: developing products that draw on our resource strengths, delivering products and services suited to customers’ characteristics, and communicating the value of Japan Post Insurance in a way that customers can understand and appreciate.

At the same time, where there are areas that need improvement, I hope the new leadership will move decisively to address them. Rather than finding satisfaction in accumulating materials and tasks, focusing on business value and working continuously to address the root causes of problems efficiently will ultimately drive differentiation.

UNO: Japan Post Insurance is expected to ensure that everyone across the country has access to insurance, and to offer products that give younger people hope for the future. Trust is its greatest asset. I hope the Company will use AI and digital technologies to deliver trusted products and services to more people. I hope Japan Post Insurance will

build on the Japan Post Group’s foundation, unlock further value, and realize its potential to become a truly indispensable insurer.

HOSOYA: The key lies in leveraging Japan Post Insurance’s strengths: the nationwide post office network, approximately 15.77 million customers, and total assets of approximately ¥60 trillion. I believe that executing the New Medium-Term Plan’s initiatives will enable the Company to serve more customers well, achieve corporate growth and enhance corporate value. I will be watching closely as the Company works toward that goal.

