



Sustainability Report 2021



JAPAN POST INSURANCE Sustainability Report 2021 Contents

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Editorial Policy

Beginning fiscal 2021, Japan Post Insurance publishes an annual sustainability report. Our aim here is to provide stakeholders with information on the results of our efforts toward a sustainable society, including our approach to sustainability, as well as reports on our activities in each relevant area. Our information disclosures reference GRI Standards and other disclosure standards in addition to requests from stakeholders. We strive to enhance information disclosures related to sustainability on our corporate website, updating information promptly and as needed.

Scope of This Sustainability Report

Organizations Covered: Japan Post Insurance Co., Ltd. (unless noted otherwise)

Reporting Period: Data included in this report is current as of March 31, 2021 in principle. However, where we provide the latest information available as of the publication of this report, we include an indication to that effect.

Sustainability Report Publication Date

Sustainability Report 2021 in English was published on March 31, 2022.

▶ Annual Report

https://www.jp-life.japanpost.jp/english/aboutus/financial/en_abt_fnc_ar.html

Message From CEO



SENDA Tetsuya

Message From CEO
Director and President, CEO,
Representative Executive Officer

Striving to be an Insurance Company with a sense of “Warmth,” Protecting Customers’ Lives by Providing Life Insurance Products

We trace our beginnings back over 100 years as the Postal Life Insurance Service. Since that time, Japan Post Insurance has continued to support the lives and happiness of our customers through the insurance business. Through a nationwide network of post offices, Japan Post Insurance protects the lives and life stages of our customers, remaining close and learning about local communities, while offering support in times of need. The essence of Japan Post Insurance business activities is an ongoing effort toward sustainability, and our desire to support lives through insurance has ever been, and will ever remain, unchanged.

In this way, we have endeavored to be a close part of our customers’ lives, supporting them in times of need. At the same time, we experienced in 2019 that we have been the source of trouble and concern to many individuals due to various problems in the solicitation quality issues. I want to take this opportunity to again express my deepest apologies. As a result of these problems, we have faced one of the most challenging business environments since our foundation. That we have lost a great deal of customer trust is a very serious matter to us.

Our current Medium-Term Management Plan (FY2021-FY2025), which we published in early fiscal 2021, returns to the root of our management philosophy –“Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being”–and has clearly demonstrated our social mission (purpose) that “We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.”

Our social mission (purpose) is to provide life insurance through a community-based network of post offices, and to respond accurately to the needs of society in this age of the 100-year life. This mission includes reliable and smooth insurance claim payments, which represent the most critical point of contact between us and our customers, and is the primary role of life insurance. Listening carefully to feedback from customers and other stakeholders, which change according to the times and needs of local communities, we aim to be a life insurance company that offers warmth, satisfaction, and peace of mind to customers, demonstrating the “quality unique to Japan Post Insurance” through our business activities.

Message From CEO

Sustainability Policy and Social Challenges (Materiality) to Address with Priority

We have set a “Sustainability Policy” to 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.

The SDGs are international goals that aim to create a more sustainable and better world. These goals serve as guides to meet the needs of society and our customers, representing values worthy of respect and achievement, not only from individuals, but also from corporations. We recognize that achieving the SDGs is a universal, top priority for management at our company, which takes on the challenge of solving social issues through the life insurance business.

To fulfill our social mission (purpose) based on the sustainability policy, we set up five “Social Challenges

(Materiality) to Address with Priority.”

Five Social Challenges (Materiality) to Address with Priority

- (1) Provide insurance products and services through the network of post offices, etc.
- (2) Contribute to the development of communities and society; and environmental conservation
- (3) Extend healthy life expectancy through health promotion, etc. - Increase well-being
- (4) Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself
- (5) Corporate governance supporting the meaning of our business and social mission

(1) Provide insurance products and services through the network of post offices, etc.

With the coming age of the 100-year life, we are seeing rapid progress in aging, declining birthrates, population declines, urbanization, and depopulation of rural areas. And while the use of digital technology advances worldwide, there is also a digital divide, or a gap between those who use digital technologies easily and those who do not. Amid these circumstances, we have been asked to offer more functions beyond the traditional service as a life insurance provider in times of emergency. Customers are seeking ways to live a secured and healthy post-retirement life, as well as to prepare for inheritances and asset succession. We must meet these needs while offering warmth and convenience, not only through in-person interactions through our network of post offices, but also through the convenience of digital technologies as we engage in digital transformation (DX).

From the perspective of responding in a detailed manner to the diversifying needs of customers, we continue to improve how we support the life plans and family lives of our customers, building long-term relationships of trust, and establishing new Japan Post Insurance sales systems that provide high-quality, conscientious, and expert after-sales follow-up. At the same time, we endeavor to develop products that meet the coverage needs of all generations, and will launch new products that meet the needs of our customers.

Moreover, We strive to improve corporate management by making the most of the valuable asset of customer feedback, aiming to achieve a customer satisfaction level of 90% or higher (*1) and one of the highest Net Promoter Score (NPS)[®] (*2) in the industry as part of our medium-term management plan targets.

(*1) 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.

(*2) Net Promoter Score (NPS)[®]: An index that measures customer loyalty (attachment and trust) to a company or brand (Net Promoter Score is a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc.).

Message From CEO

(2) Contribute to the development of communities and society; and environmental conservation

Climate change and other global environment issues are becoming increasingly important. The 26th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26) held in November 2021 adopted an outcome document stating that supporters will pursue efforts to limit the increase in the average global temperature to 1.5°C.

Our own greenhouse gas emissions targets aim to reduce emissions by 46% by fiscal 2030 based on fiscal 2019 levels. We will reduce the electricity used in our offices, adopt electricity from renewable sources, and use hybrid vehicles for sales activities to reduce direct emissions of greenhouse gases. We are also working to reduce indirect greenhouse gas emissions by reducing the amount of copy paper used in our offices, digitizing documents delivered to customers, engaging in work-style reform (telework, etc.), and improving convenience for customers through expanded remote and digital contact points.

As an asset owner that manages assets over the long term based on insurance premiums received from customers, we recognize that society expects us to be involved in

the climate change measures of our investment and financing partners. We are actively involved in these activities from the perspective of making a contribution to environmental conservation.

Specifically, we engage in initiatives related to climate change and the global environment, aiming to become carbon-neutrality by the year 2050. We implement investments and loans that contribute to decarbonized societies and conduct negative screening of investments in new project financing for coal-fired power generation in Japan and overseas. Our investments and loans that contribute to decarbonized societies, constructive dialogue (engagement) with investees, and asset management that addresses other ESG (environment, social, governance) issues fulfill our responsibility as an asset owner. One of the targets defined to accomplish during the span of our Medium-Term Management Plan (FY2021 to FY2025) is to achieve total power output of 1.5 million kW from renewable energy facilities in which we invest and finance. In this way, we set an example encouraging Japan and the world to become carbon neutral.

(3) Extend healthy life expectancy through health promotion, etc. - Increase well-being

As average life expectancies increase, we see a growing emphasis on extending the healthy life expectancy and avoiding bed confinement, dementia, or other conditions that require nursing care. Healthy life expectancy is the period of a healthy and fulfilling life in which individuals achieve a state of physical, mental, and social well-being. We believe we make a significant contribution to meeting needs for health and the revitalization of local communities by encouraging the spread of “Radio-Taiso” exercise for many years. We have leveraged our unique strengths to support “Radio-Taiso” as well as the Sukoyakanpo health support app that we developed.

“Radio-Taiso” was established by The Postal Life Insurance Bureau of the Ministry of Communications (the predecessor of Japan Post Insurance) . This program has a storied history of local community support, and is familiar to many as a means for encouraging local health and community interaction. In addition to “Radio-Taiso” events held in

groups, we have endeavored to communicate the appeal of “Radio-Taiso” as an exercise habit for health maintenance at home, where people are spending much more time due to COVID-19.

In addition to “Radio-Taiso” events in collaboration with local governments and other communities across Japan, we also held all-Japan elementary school “Radio-Taiso” competitions. Other related activities include “Radio-Taiso” exercise for many years via digital technology, developed in response to the COVID-19 pandemic, and “Radio-Taiso” one-point lesson videos on YouTube. In these efforts, we encourage everyone to engage in “Radio-Taiso” at any time and in any place. To support the health management of the working generation and corporations, we have expanded our support to provide one-point “Radio-Taiso” lessons at offices. We have also launched a joint-research project with specialized institutions to verify the medical health benefits of “Radio-Taiso”.

Message From CEO

(4) Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself

Creating work environments in which every employee feels motivated, including employees who interact directly with customers and employees who support them in the background, is an essential part of providing services that satisfy customers. One of the major causes behind the solicitation quality issues is the awareness of employees and corporate culture. We recognize that reforming corporate culture by revitalizing internal communications and making other efforts is an urgent matter for us. We must support the activities of a diverse base of human resources and adopt work styles not bound by time or place to create environments in which employees experience self-fulfillment and job satisfaction. Establishing a corporate culture in which employees contribute actively is a top priority requiring management to take the initiative.

To revitalize internal communications, we established a system (Direct Suggestions to the President of Japan Post Insurance) for employees to submit feedback and suggestions to the CEO. Direct Suggestions to the President of Japan Post Insurance allows employees to

provide suggestions promptly and in real time. We believe this system is becoming very valuable from the perspective of customer experience, risk management, and enhancing corporate value.

Further, we pursue initiatives to encourage employee autonomous growth. These initiatives include regular dialogues between executives and employees and career planning support for each employee to design their own career path.

Here, we offer professional experiences and self-improvement of skills for employees to achieve their career plans. Managers, who are the core of our organization, must improve their own skills if we are to encourage employees to maximize their capabilities. We respect the viewpoint of customer-first and take the initiative to solve all manner of issues in embodying our management philosophy. At the same time, we strive to change the mindset and behavior of managers to ensure we engage in management allowing each employee to feel motivated to work with their own hopes and dreams.

(5) Corporate governance supporting the meaning of our business and social mission

Corporate governance is the foundation of management. We recognize that governance issues were one of the major reasons we experienced the solicitation quality issues.

To prevent the solicitation quality issues from occurring again, we recognize that the most important management priority is to make sure to implement customer-first business activities. Therefore, we are pursuing a fundamental shift in sales solicitation policies and activities, committing to highly ethical principles that comply with laws, regulations, and social norms. We will strive to rebuild relationships of trust with customers through careful after-sales follow-up, while also improving systems for monitoring sales solicitations and strengthening the PDCA cycle.

We must avoid allowing the solicitation quality issues to fade from our memories and strive to avoid any recurrence. To this end, we will continue to conduct internal training and other measures to ensure compliance and to enhance corporate governance.

We will also continue to disclose information about our organization in an appropriate manner, and provide accurate and reliable sustainability-related information.

From these perspectives, we will continue to do our utmost to improve governance to regain the trust of our customers.

Message From CEO

Toward Achieving Sustainability

As a life insurance company, we have established a Sustainability Committee as a specialized committee to pursue company-wide efforts that address the materialities described above in an integrated manner. The Sustainability Committee plays a central role in overseeing sustainability management plans for the company, establishing, improving, and reinforcing a framework to pursue sustainability management. The committee is also responsible for company-wide initiatives, monitoring, managing, and overseeing the PDCA cycle. On the other hand, We have introduced initiatives for employees to engage in opinion exchange in

small groups, discussing topics such as materiality of the company to foster awareness regarding sustainability.

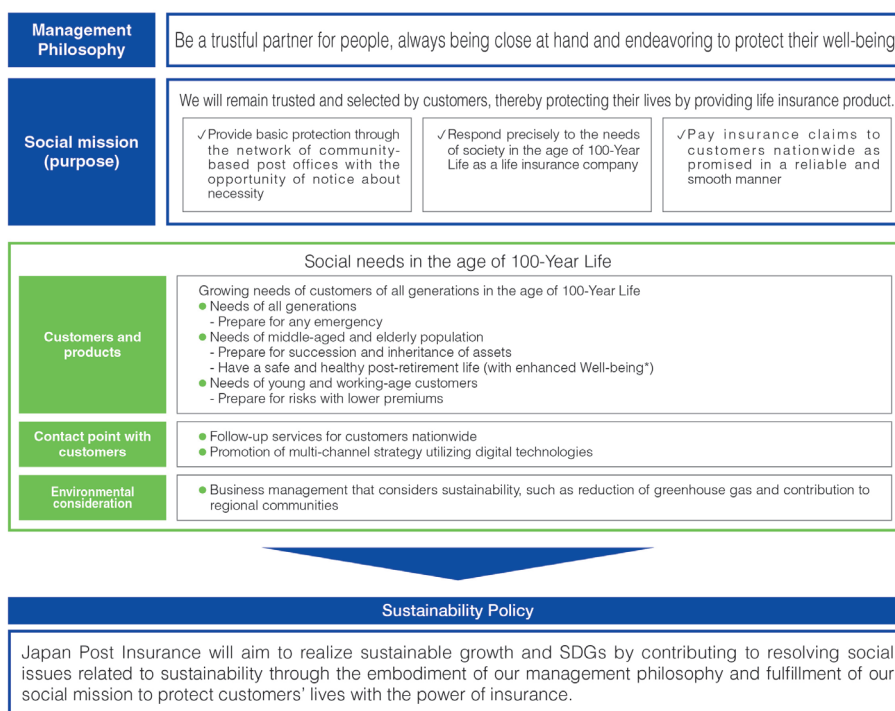
Sustainability management in collaboration with our employees is how we grow our business while contributing answers to issues faced by our customers and society. By confronting issues, meeting challenges, and taking action, we will achieve sustainability and the sustainable growth of corporate value. I would like to ask for your understanding and support in our efforts toward the future of Japan Post Insurance.

The Concept of Sustainability

Basic Concept

Our predecessor, Postal Life Insurance Service, was launched with the social mission of “protecting the means of fundamental livelihood of the public through simple procedures.” We have been privatized, but our mission to support people’s lives through insurance has not changed. Under our management philosophy “Be a trustful partner for people, always being close at hand and endeavoring to protect

their well-being”, we have set a “Sustainability Policy” to help resolve social issues and to work to achieve SDGs by fulfilling our social mission (purpose) and meeting social needs in an age of the 100-year life. We are also working to resolve issues related to sustainability through our business activities.

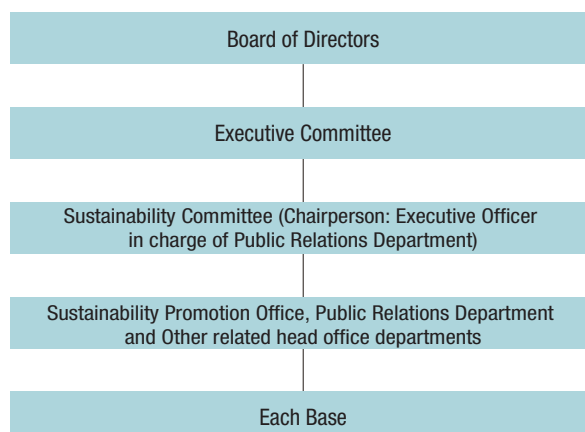


Sustainability Promotion System

To strengthen our sustainability promotion system, we set up the Sustainability Committee as a consultation committee for the Executive Committee and the Sustainability Promotion Office in April 2021.

The Sustainability Committee promotes strategies, plans, etc. that contribute to resolving social issues related to sustainability by discussing specific strategies toward the realization of SDGs, reporting on the implementation of sustainability activities, etc.

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.



The Concept of Sustainability

Sustainability Implementation Plan

To ensure the effective and smooth implementation of our sustainability activities, we have formulated a cross-divisional Sustainability Implementation Plan that outlines measures that are closely related to each other. The Sustainability Implementation Plan designates a responsible officer for each plan, and progress is reported regularly to the Sustainability Committee.

Sustainability Implementation Plan for FY2021

- (1) Achieving the SDGs through efforts to promote decarbonization and ESG
- (2) Achieving the SDGs through environmental and social contribution activities
- (3) Achieving the SDGs through initiatives to improve customers' well-being and management support, including health promotion and health management
- (4) Achieving the SDGs through efforts to protect customers with the power of insurance by improving the value of the customer experience
- (5) Achieving the SDGs through our response to customers in emergency situations
- (6) Achieving the SDGs through work style reform
- (7) Achieving the SDGs through the promotion of understanding of diversity
- (8) Improving and strengthening management as a basis for promoting various initiatives
- (9) Improving and strengthening compliance as the foundation for promoting various initiatives

▶ P12 Status of Our Sustainability Promotion Measures

Promoting Sustainability at Each Base

To achieve solutions to social issues through all our business activities, we are taking initiatives to promote sustainability at each base.

Appointment of a Sustainability Key Person

In order to promote company-wide sustainability activities, we have appointed a sustainability key person at each business site. The sustainability key persons play a leading role in encouraging employees to change their behavior, and

are responsible for organizing training programs to promote understanding and awareness of sustainability at their sites, as well as for specifying and promoting various activities.

Conducting Study Sessions and e-Learning Training

To deepen understanding of sustainability and SDGs, we conduct online study sessions for our appointed sustainability key persons by inviting external lecturers. We also offer e-learning training for all employees. We also provide

opportunities for employees to exchange opinions in small groups on the theme of sustainability, so that each employee can make sustainability their own business and take autonomous action.

The Concept of Sustainability

Kampo Reform Project / SDGs (Sustainability Activities) Category Prize

The Kampo reform project is an internal newsletter program that aims to reform our corporate culture by revitalizing inner communication, in which each base announces and promotes its own activities as an initiative for FY2021. We have set up the SDGs (sustainability activities) category as one of the categories of the project and award the category prize based on votes from employees. In this way, we are able to share our efforts at each site, leading to an increase in new initiatives.



Materiality

Social Challenges (Materiality) to Address with Priority

Basic Concept

To fulfill our social mission through our life insurance business and to contribute to the resolution of sustainability-related social issues, we set up five “Social Challenges (Materiality) to Address with Priority.”

In identifying this materiality, we have used SDGs as a basis. In addition, since the main initiatives in the Medium-Term Management Plan (FY2021-FY2025) are deeply connected to this materiality, by addressing this, we aim to achieve SDGs as well as sustainable growth.

Social Challenges (Materiality) to Address with Priority	Goals of Achieving SDGs	Main Initiatives in our Medium-Term Management Plan (FY2021-FY2025)
<p>1 Provide insurance products and services through the network of post offices, etc.</p>		<ul style="list-style-type: none"> • Provide basic protection and services through the network of community based post offices • Integrate the network of post offices and digital contact points through DX promotion • Develop products that respond to the protection needs of all generations
<p>2 Contribute to the development of communities and society and environmental conservation</p>		<ul style="list-style-type: none"> • Initiatives for carbon neutrality • Initiatives in accordance with the TCFD proposal • Promote ESG investment
<p>3 Extend healthy life expectancy through health promotion, etc. - Increase well-being</p>		<ul style="list-style-type: none"> • Popularize “Radio-Taiso” • Provide services utilizing health promotion app “Sukoyakanpo” • Provide insurance services based on interest in health promotion and social needs • Promote ESG investment • Respond to the spread of COVID-19
<p>4 Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself</p>		<ul style="list-style-type: none"> • Corporate culture reform/work style reform • Human resources development, strengthening the use of human resources • Promote diversity (promoting expanding roles for female employees, providing support for balancing work and childcare/ nursing care, promoting employment of persons with disabilities, and responding to gender diversity)
<p>5 Corporate governance supporting the meaning of our business and social mission</p>		<ul style="list-style-type: none"> • Regain customers’ trust • Thorough compliance • Strengthen corporate governance

* The 17 color wheel means that the promotion of ESG investment is related to all 17 goals of the SDGs.

Achieving SDGs

The SDGs (Sustainable Development Goals) are universal goals adopted by the United Nations General Assembly in September 2015 with the aim of ending poverty and pursuing a sustainable future. It outlines 17 goals and 169 specific targets to achieve, to solve global issues by 2030.

Based on our management philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being”, we will also contribute to achieving SDGs by solving social issues through our business activities.



Materiality Identification Process

Along with the formulation of the Medium-Term Management Plan (FY2021-FY2025), we have reviewed our materiality based on what we aim to achieve.

Identification Process

STEP1

Extracting social issues

From the 169 targets of the SDGs, we extracted life insurance business-related social issues for the Company.

Company social issues	
1.	Provision of basic insurance services
2.	Contribution to the prevention of the spread of infectious diseases
3.	Risk prevention through health promotion
4.	Health management
5.	Contribution to Universal Health Coverage
6.	Human resource development
7.	Health and financial literacy
8.	Support for balancing work with childcare and nursing care
9.	Increasing the ratio of female managers
10.	Promotion of telework
11.	Support for female activities
12.	Practical use of renewable energy
13.	Improvement of energy efficiency
14.	Investment in clean energy
15.	Corporate culture reform and work style reform
16.	Promotion of employment of people with disabilities
17.	Safe and secure working environment
18.	Facilitation of customer access
19.	Efforts to reduce CO₂ emissions

Company social issues	
20.	Promotion of innovation, research, and study
21.	Promotion of diversity
22.	Promotion of business and human rights
23.	Contribution to the local community
24.	Proper disposal of waste (volunteer cleaning)
25.	Recycling of resources
26.	Disclosure of sustainability information
27.	Addressing climate change
28.	Education on climate change
29.	Prevention of marine pollution
30.	Approaches to natural capital and biodiversity
31.	Elimination of antisocial forces
32.	Ensuring compliance
33.	Elimination of money laundering, etc.
34.	Anti-corruption
35.	Corporate governance
36.	Responsible investment
37.	Cooperation with local governments and local communities
38.	Promotion of ESG investment

* Social issues in boldface type are important issues that were finally selected by our company.

STEP2

Identifying materiality

We identified materiality by prioritizing the extracted social issues using two standards: “expectations from stakeholders” and “importance for us (strategic importance).”

[Expectations from stakeholders]

Opinions received from stakeholders (customers, investors, employees and local communities, and the international community)

[Importance for us (strategic importance)]

Relevance to what we aim to achieve (management philosophy, management policy, and social mission (Purpose))

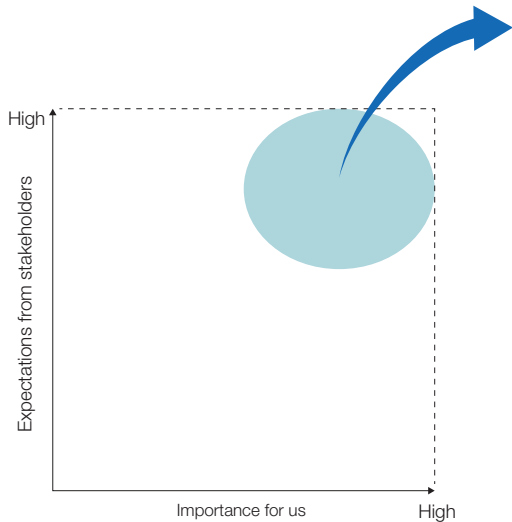
Materiality

Materiality Identification Process

STEP3

Verifying and determining important issues

We discussed and determined the details of the identified materiality at the Sustainability Committee and Executive Committee, and report them to the Board of Directors.



<p>1 Provide insurance products and services through the network of post offices, etc.</p> <p>1. Provision of basic insurance services</p> <p>18. Facilitation of customer access</p> <p>20. Promotion of innovation, research, and study</p>	
<p>2 Contribute to the development of communities and society; and environmental conservation</p> <p>19. Efforts to reduce CO₂ emissions</p> <p>23. Contribution to the local community</p> <p>27. Addressing climate change</p> <p>38. Promotion of ESG investment</p>	
<p>3 Extend healthy life expectancy through health promotion, etc. - Increase well-being</p> <p>2. Contribution to the prevention of the spread of infectious diseases</p> <p>3. Risk prevention through health promotion</p> <p>38. Promotion of ESG investment</p>	
<p>4 Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself</p> <p>6. Human resource development</p> <p>15. Corporate culture reform and work style reform</p> <p>21. Promotion of diversity</p>	
<p>5 Corporate governance supporting the meaning of our business and social mission</p> <p>32. Ensuring compliance</p> <p>35. Corporate governance</p>	

(*1) The numbers (1 to 38) in each materiality corresponds to the numbers of the material issues identified from the 38 social issues extracted in STEP 1.
 (*2) The 17-color wheel means that the promotion of ESG investment is related to all 17 goals of the SDGs.




Materiality

Status of Our Sustainability Promotion Measures

We have established five materiality standards to promote sustainability.



In order to effectively and smoothly promote our sustainability activities, we have formulated a sustainability

implementation plan, which is a cross-divisional compilation of closely interrelated measures, and are implementing a variety of initiatives.

Materiality (*1, 2)	Main Initiatives in our Medium-Term Management Plan (FY2021-FY2025)	Targets for FY2025 (*4)	Sustainability Implementation Plan (Initiatives for FY2021) (*3)
<p>1 Provide insurance products and services through the network of post offices, etc.</p> <p>1. Provision of basic insurance services 18. Facilitation of customer access 20. Promotion of innovation, research, and study</p> 	<ul style="list-style-type: none"> Provide basic protection and services through the network of community based post offices Integrate the network of post offices and digital contact points through DX promotion Develop products that respond to the protection needs of all generations 	<p>Customer satisfaction Aim for 90% or more (*5) NPS® Aim for One of the highest in the industry (*6)</p>	<p>(4) Achieving the SDGs through efforts to protect customers with the power of insurance by improving the value of the customer experience</p> <ul style="list-style-type: none"> Provision of insurance services to improve CX <ul style="list-style-type: none"> Preparation of consultant (employees who mainly visit customers' homes) activities as life insurance specialists and the introduction of a customer representative system Promote internal understanding of the importance of CX Follow-up activities to ensure customer satisfaction (policy coverage confirmation activities) Expansion of age range for ordinary endowment insurance Improve the sophistication of the use of customer feedback and develop a system for receiving real-time evaluations of our services at each important point of contact with customers Promote DX to improve CX <ul style="list-style-type: none"> Preparation for building infrastructure for CX improvement, including customer centers and customer databases Expansion of claim procedures available web service for policyholders (My Page) <p>(5) Achieving the SDGs through our response to customers in emergency situations</p> <ul style="list-style-type: none"> Response to customers in emergency situations <ul style="list-style-type: none"> Implement of emergency treatment Implementation of emergency treatment in response to the spread of COVID-19 Consideration and implementation of responses to customers in the event of other emergencies
<p>2 Contribute to the development of communities and society; and environmental conservation</p> <p>19. Efforts to reduce CO₂ emissions 23. Contribution to the local community 27. Addressing climate change 38. Promotion of ESG investment</p> 	<ul style="list-style-type: none"> Initiatives for carbon neutrality Initiatives in accordance with the TCFD proposal Promote ESG investment 	<p>CO₂ emissions FY2030 (compared to FY2019) Reduce 46% (*7, 8) Aim to achieve carbon neutrality by 2050 (*8)</p> <p>ESG investment (Total power generation output from renewable energy facilities that we lend money to and invest in)</p>	<p>(1) Achieving the SDGs through efforts to promote decarbonization and ESG</p> <ul style="list-style-type: none"> Initiatives for decarbonization <ul style="list-style-type: none"> Reduce electricity consumption at all facilities Paperless Implementation of Cool Biz Use of HV vehicles and promotion of eco-driving Use renewable energy to power large facilities Promotion of green purchasing Measurement of CO₂ in investment portfolios, analysis implementation, and disclosure preparation Dissemination of ESG initiatives both internally and externally <ul style="list-style-type: none"> Provide information on our ESG initiatives to our stakeholders SDGs/ESG education Information disclosure in line with TCFD recommendations Promotion of ESG investment <p>(2) Achieving the SDGs through environmental and social contribution activities</p> <ul style="list-style-type: none"> Implementation of environmental and social contribution activities <ul style="list-style-type: none"> Volunteer activities (cleaning, collection, blood donation, etc.), sponsorship and donations Management of the results of environmental and social contribution activities and sharing of information on good practices Consideration of donations based on the number of respondents to the customer survey Support and public relations activities for sports for the disabled Publication of various information guides in braille
<p>3 Extend healthy life expectancy through health promotion, etc. - Increase well-being</p> <p>2. Contribution to the prevention of the spread of infectious diseases 3. Risk prevention through health promotion 38. Promotion of ESG investment</p> 	<ul style="list-style-type: none"> Popularize "Radio-Taiso" Provide services utilizing health promotion app "Sukoyakanpo" Provide insurance services based on interest in health promotion and social needs Promote ESG investment Respond to the spread of COVID-19 	<p>Aim for 1.5 million kW during the Med-Term Management Plan period</p>	<p>(3) Achieving the SDGs through initiatives to improve customers' well-being and management support, including health promotion and health management</p> <ul style="list-style-type: none"> Promotion of "Radio-Taiso" <ul style="list-style-type: none"> Contribution to the improvement of well-being through the development of "Radio-Taiso" sessions and the promotion of "Radio-Taiso" to local residents through post offices, etc. Contribution to the promotion of children's health through the spread of "Radio-Taiso" to children Promotion of support for health management and welfare programs by promoting "Radio-Taiso" in the workplaces of corporate customers Collection of knowledge on "Radio-Taiso" Implementation of measures to improve employee health Provision of services using the health support app Sukoyakanpo Promotion of Kampo Platinum Life Service <ul style="list-style-type: none"> Provision of free telephone consultation service on "health, medicine, nursing and childcare," as well as "taxes in life" Training of human resources friendly to the elderly - Promotion of qualifications for care-fitter, senior citizen certification, and dementia supporters

Materiality

Status of Our Sustainability Promotion Measures

Materiality (*1, 2)	Main Initiatives in our Medium-Term Management Plan (FY2021-FY2025)	Targets for FY2025 (*4)	Sustainability Implementation Plan (Initiatives for FY2021) (*3)
<p>4 Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself</p> <p>6. Human resource development</p> <p>15. Corporate culture reform and work style reform</p> <p>21. Promotion of diversity</p> 	<ul style="list-style-type: none"> Corporate culture reform/work style reform Human resources development, strengthening the use of human resources Promote diversity (promoting expanding roles for female employees, providing support for balancing work and childcare/nursing care, promoting employment of persons with disabilities, and responding to gender diversity) 	<p>FY2030 the ratio of female managers at the head offices: 30% (*9) (Strive to establish an adequate environment, raise awareness and develop human resources with a view to increasing employees who wish to become managers and executives, in an effort to increase female managers outside the head office as well)</p> <p>Rate of taking childcare leave: 100% for both male and female employees</p> <p>Rate of employees with disabilities: 2.5%</p>	<p>(6) Achieving the SDGs through work style reform</p> <ul style="list-style-type: none"> Initiatives to corporate culture reform <ul style="list-style-type: none"> Identifying issues and problems throughout the company and in each organization and department from results of the ES survey, and implementation of various improvement measures in a multi-layered approach Revitalization of internal communication through "Direct Suggestions to the President of Japan Post Insurance" for employees to directly present opinions and proposals to the President Initiatives to work style reform <ul style="list-style-type: none"> Promotion of telework (development of infrastructures, review of work styles in each workplace based on telework, review of tasks that cannot be improved in the workplace, reform of management based on telework) Create systems for each employee to set up his or her career plan <p>(7) Achieving the SDGs through the promotion of understanding of diversity</p> <ul style="list-style-type: none"> Support for balancing with childcare and nursing care <ul style="list-style-type: none"> Implement a return-to-work program Running seminars for married couples on return-to-work Support for employees who are raising children or caring for family members to balance work and family life through flexible operation of telework Partnerships with childcare facilities (corporate use quota) that meet the individual needs of employees Promotion of expanding roles of female employees <ul style="list-style-type: none"> Provision of mentoring training to support newly appointed female managers Mind-building training for general employees to executives Building a network for information exchange and horizontal cooperation among female sales staff Training regarding measures for unconscious bias Initiatives to promote employment for people with disabilities <ul style="list-style-type: none"> Strengthen efforts to promote employment for people with disabilities (establish a system of leaders to promote employment for people with disabilities, set targets for each area, and manage progress) Acceptance of work experience training Initiatives to promote understanding of LGBT <ul style="list-style-type: none"> Dissemination of information to understanding of LGBT Expand ALLY through educational activities using our LGBT ALLY logo mark Sponsorship of LGBT events (Tokyo Rainbow Pride) <p>(8) Improving and strengthening management as a basis for promoting various initiatives</p> <ul style="list-style-type: none"> Initiatives to improve management <ul style="list-style-type: none"> Strengthening management capabilities (more clearly showing the image of managers we desire and implementation of management training, etc.) Restructuring of the human resource development and training system for managers
<p>5 Corporate governance supporting the meaning of our business and social mission</p> <p>32. Ensuring compliance</p> <p>35. Corporate governance</p> 	<ul style="list-style-type: none"> Regain customers' trust Thorough compliance Strengthen corporate governance 	<p>—</p>	<p>(9) Improving and strengthening compliance as the foundation for promoting various initiatives</p> <ul style="list-style-type: none"> Implementation of initiatives based on the Compliance Program (a specific action plan to promote compliance)

(*1) The numbers (1 to 38) in the "Materiality" column correspond to the numbers of the material issues identified from the 38 social issues in the materiality identification process (STEP1) (P10).

(*2) The 17 color wheel means that the promotion of ESG investment is related to all 17 goals of the SDGs.

(*3) The numbers in "(1) to (9)" in the "Sustainability Implementation Plan" column correspond to the plan numbers specified in the Sustainability Implementation Plan (P7).

(*4) Targets for CO₂ emissions and the ratio of female managers at the head office are targets to be achieved by the dates indicated in the respective tables.

(*5) The total percentage of customers who responded as "satisfied" and "somewhat satisfied" with a 5-level rating of customer satisfaction.

(*6) NPS® (Net Promoter Score) is an index that measures customer loyalty (attachment and trust) to a company or brand and registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc.

(*7) Subject to Scope 1 (direct emissions from the company) and Scope 2 (emissions associated with the use of electricity, etc. supplied by other companies) of the four main companies of Japan Post Group. Increases due to new businesses such as the real estate business have been excluded.

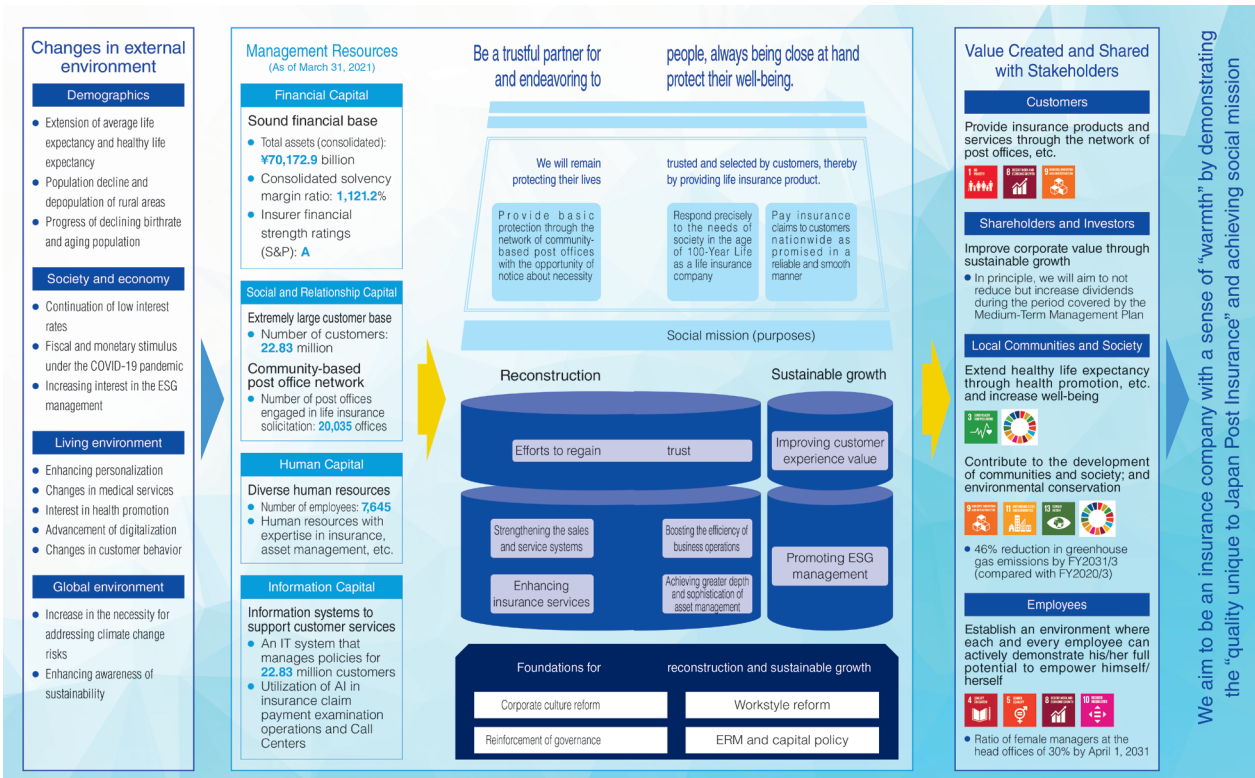
(*8) In order to achieve the targets, the carbon neutralization is necessary, including the popularization of renewable energy in Japan. Japan Post Group will also support the carbon neutralization of Japan and the world. We will support the Paris Agreement and promote efforts to achieve carbon neutrality.

(*9) Ratio of female managers at the head offices of the four main companies of Japan Post Group. The Group aims to achieve the ratio above as of April 1, 2031, a date when the effect of the initiatives up to FY2030 will have become apparent.

Materiality

Value Creation Process

Japan Post Insurance will reconstruct into a company that is truly trusted by its customers and shift to a business model that positions customer experience value as the top priority, to realize sustainable growth while fulfilling our social mission to protect customers' lives by providing insurance products.



Stakeholder Engagement

Stakeholder Engagement

Basic Concept

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

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

Means of communication

- Call Center
- Website (Contact form)



Means of communication

- General Meeting of Shareholders
- IR
- Annual Report

Means of communication

- Radio Exercise events
- Volunteer activities



Means of communication

- ES Survey
- Internal company newsletter
- Training

Stakeholder Engagement

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.

Basic Policy for Customer-first Business Operations

In the best interests of every customer, we announced our vision for customer-first business operations, along with the measures needed to ensure its realization in terms of our framework and business operations, as our "Basic Policies for Customer-first Business Operations."

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

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

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

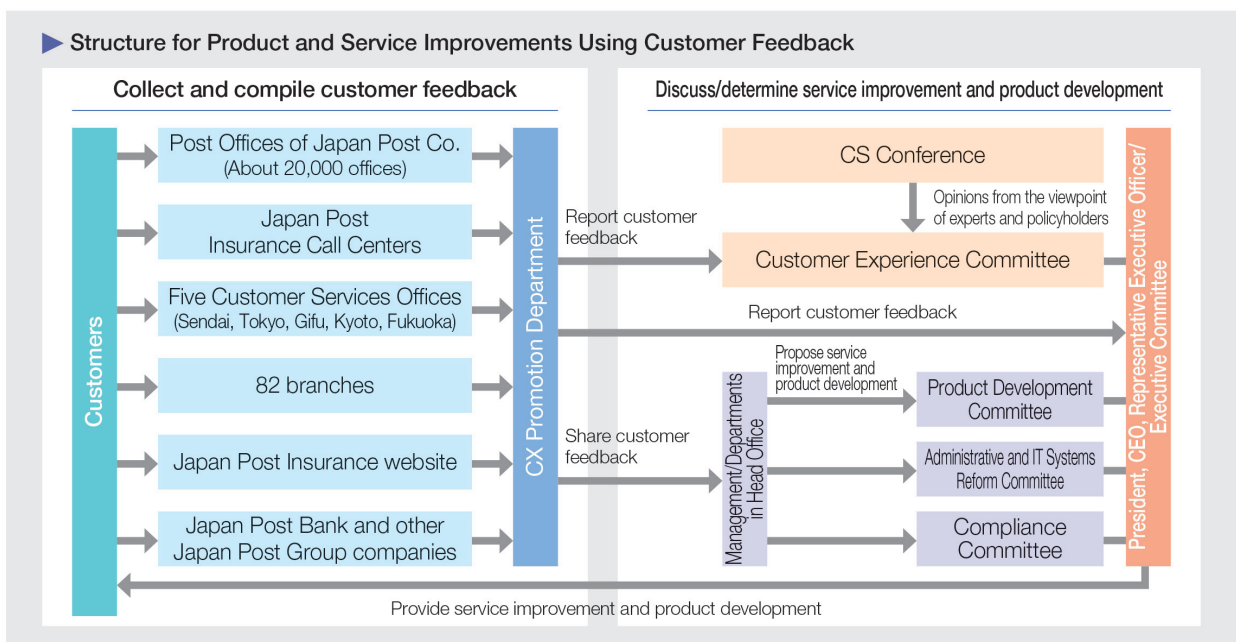
Initiatives to Utilize Customer Feedback in Management

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.

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 received a lot of feedback comments from our customers through the post offices and Japan Post Insurance

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



Stakeholder Engagement

Engagement with Customers

Cases of Product and Service Improvements Using Customer Feedback

Our business is supported by the various opinions we receive from our customers. In fact, we have improved a number of services based on the advice we received.

We will continue to respond sincerely to customer feedback and utilize such feedback in our operations.

▶ **Cases of Product and Service Improvements Using Customer Feedback (Annual Report 2021)**

https://www.jp-life.japanpost.jp/english/aboutus/financial/assets/pdf/2021/disc21_all.pdf#page=66

Approach to Policyholder Protection

We strive to resolve complaints about insurance payments and other matters through our Customer Service Offices and other departments.

In certain cases, it is difficult to resolve a dispute in the course of customer consultations, such as when a customer is not convinced by the explanations provided by the Customer Service Offices, and the customer will request a

review from a third party. In these cases, we form Claims-Related Services Review Session consisting of outside attorneys and other individuals to conduct an impartial review at the request of the policyholder. This approach protects the legitimate interests of policyholders and other parties, while we maintain the proper execution of assessments and other operations.

▶ **Approach to Policyholder Protection (in Japanese)**

<https://www.jp-life.japanpost.jp/aboutus/customer-voice/protection/>

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.

▶ **Customer Satisfaction Survey (Annual Report 2021)**

https://www.jp-life.japanpost.jp/english/aboutus/financial/assets/pdf/2021/disc21_all.pdf#page=66

▶ **P119 Customer Satisfaction Survey (Customer Feedback Survey) Results (ESG Data)**

Gratitude and Compliments From Customers

We publish notes of gratitude and compliments received from customers.

We continue to strive to improve services from the point of view of the customer to receive even more positive feedback.

▶ **Customer Feedback (Gratitude and Compliments) (Annual Report 2021)**

https://www.jp-life.japanpost.jp/english/aboutus/financial/assets/pdf/2021/disc21_all.pdf#page=66

Quantity and Content of Customer Feedback (Complaints)

To increase the transparency of our management, we disclose complaints received from our customers and provide a breakdown of the number of complaints.

▶ **Quantity and Content of Customer Feedback (Complaints) (Annual Report 2021)**

https://www.jp-life.japanpost.jp/english/aboutus/financial/assets/pdf/2021/disc21_all.pdf#page=84

Stakeholder Engagement

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 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.

conditions. We also participate in conferences for institutional investors organized by securities companies.

During FY2021, from the perspective of preventing the spread of COVID-19, we held an online company information session for individual investors in July, viewed by numerous individuals.



Company Information Session for Individual Investors held on July 13, 2021

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

IR Schedule

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

► **IR website**

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

Stakeholder Engagement

Engagement with Shareholders and Investors

Details of the General Meeting of Shareholders held this year

Date:	June 16, 2021
Meeting duration:	34 minutes
Number of attending shareholders:	62
Mailing date of Convocation Notice:	May 31, 2021
Disclosure date of Convocation Notice on website:	May 21, 2021

To prevent the spread of COVID-19, the 15th Ordinary General Meeting of Shareholders was held with the health and safety of shareholders as the first priority. We took measures to prevent the spread of infection, such as taking temperature readings using thermography and other methods, wearing face masks, having alcohol sanitizer available, spacing the seats far apart, and making some Directors attend the meeting through an online meeting system. 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.

► **General Meeting of Shareholders**

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

We worked on ensuring 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 ensuring the exercise of voting rights via the Internet and introducing a mechanism to enable easy exercising 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.

Engagement with Employees

Corporate Culture Reform and Work Style Reform

We are 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.



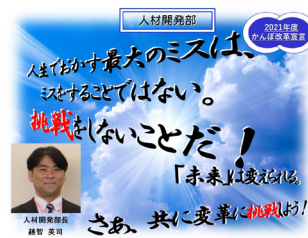
Efforts to Improve the Work Environment

Employee Satisfaction Survey (ES Survey)

We conduct employee satisfaction surveys (ES surveys) annually to clarify “images of the ideal company and workplace for employees,” to identify the issues and problems of each base and make continual improvements.

Declaration of Kampo Reform

All department heads have implemented the Declaration of Kampo Reform to ensure top management drives and promotes work style reform. Company top management expresses the Company’s policy regarding work style reform, using this declaration as a tool to convey the thoughts of department heads to employees.



Declaration of Kampo Reform by All Department Heads



Stakeholder Engagement

Engagement with Employees

Efforts to Improve Communication

To strengthen coordination between the head office and the front lines, as well as information communicated from management, we implement communication measures, such as the introduction of “Direct Suggestions to the President of Japan Post Insurance” for employees to directly present opinions and proposals to the President, periodic distribution of messages from the President to all employees, and opinion

exchange meetings between officers and employees.

We will continue these communication programs, strengthen collaboration not only between the head office and front-line personnel but also with organizations and departments, and aim to become a company that strives to respond to customers’ expectations with company-wide togetherness.

Direct Suggestions to the President of Japan Post Insurance

As with feedback from customers, management and related departments focus on the effectiveness and feasibility of implementing opinions and proposals received from employees through “Direct Suggestions to the President of Japan Post Insurance” to improve operations. In addition, they function to detect risks.

Dialogue with Management

In February 2020, we began conducting meetings for the exchange of opinions between management and employees (Dialogue with Management) to broadcast messages from management to employees and foster better internal communications.

President's Message: Mr. Senda's Frankly Speaking

Since FY2020, we have published *Mr. Senda's Frankly Speaking* twice monthly on our portal site. This message is an opportunity for President Senda to speak frankly to employees. Our president holds a dialogue with executives and employees related to each topic, such as corporate culture reform and Medium-Term Management Plan, and then conveys his frank thoughts on the topic to all employees.



Stakeholder Engagement

Engagement with Employees

Small Meetings for Addressing Sustainability

To encourage understanding of sustainability, we hold regular meetings at the workplace level to exchange opinions about sustainability. In principle, these meetings consist

of small groups to foster an environment in which every person can express his or her ideas freely.

Promotion of Telework

We strive to improve operations and productivity via telework. We also strive for employee well-being, and in FY2020, we began implementing telework, aiming for a frequency of twice a week. To implement telework more effectively, we continue to improve the telework environment

through paperless work, more flexibility and training in the use of communication tools, and the adoption of cloud storage services to cope with the increase in data volume. In these ways and more, we strive to break away from work flows based on the premise of physical office attendance.

Engagement with Local Communities and Society

We provide simple, easy-to-understand products and services to our customers through post offices nationwide. Our management policy also stipulates that we contribute to the development of local communities and society. We carry out a variety of activities as a member of the local communities we serve.

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. In this age of 100-year lifespans, we hold “Radio-Taiso” events

all over the country to help solve social issues related to health and community revitalization.

▶ Radio-Taiso (in Japanese)

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

Community-Based Social Contribution Activities

We provide support to organizations and events that contribute to the development of local communities and society. In addition, as a member of the local community, our locations across the country engage in community-based volunteer activities and sponsor neighborhood events.

▶ P71 Social Contribution Activities

Support for Initiatives

We express support and sign on to various initiatives, striving to exchange information for the benefit of community and social development.

▶ P110 External Evaluation and Support for Initiatives

Dialogue with Experts

Japan Post Group holds periodic dialogues with experts to receive opinions and proposals about the group.

▶ **Stakeholder Engagement**

<https://www.japanpost.jp/en/sustainability/sustainability-management/engagement.html>

ESG Investment Initiatives

As a universal owner* that manages diverse, long-term assets worth approximately 70 trillion yen, we are working to realize a sustainable society, improve investment results and reduce risks over the long term. In order to realize them, we promote investments that contribute to the achievement of the SDGs and the resolution of social issues, taking ESG

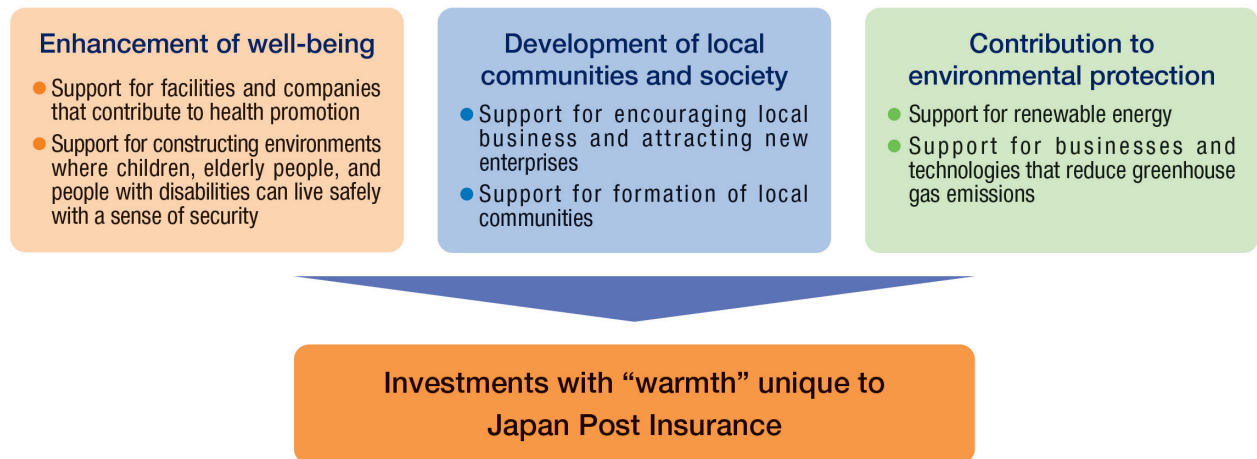
factors into consideration for all assets under management.

We also help society to attain carbon neutrality by proactively evaluating investee’s business activities helping society transition toward a low-carbon society and providing them with financial support.

* An institutional investor investing large amounts and diversifying broadly across overall capital markets.

Priority Initiative Themes of ESG Investments

We focus on the “enhancement of well-being,” “development of local communities and society,” and “contribution to environmental protection” as initiative themes and make investments with “warmth” unique to Japan Post Insurance.



ESG Investment Initiatives

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.

Our ESG Investment Policy stipulates that ESG factors should be incorporated into the investment process and that we should engage in constructive dialogue and shareholder voting with consideration to ESG elements.

In October 2021, we revised the ESG Investment Policy in light of the strengthening of our ESG investment framework.

This revision added items such as a sense of “warmth” unique to Japan Post Insurance, priority ESG investment initiative themes, and environment-related items in line with the TCFD Recommendations.

Revisions to our ESG investment policy are deliberated at the Responsible Investment Advisory Sectional Meeting and reported to the Sustainability Committee and the Executive Committee.

ESG Investment Policy

October 15, 2021

JAPAN POST INSURANCE Co., Ltd.

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

ESG Investment Initiatives

Governance structure for promoting responsible investments

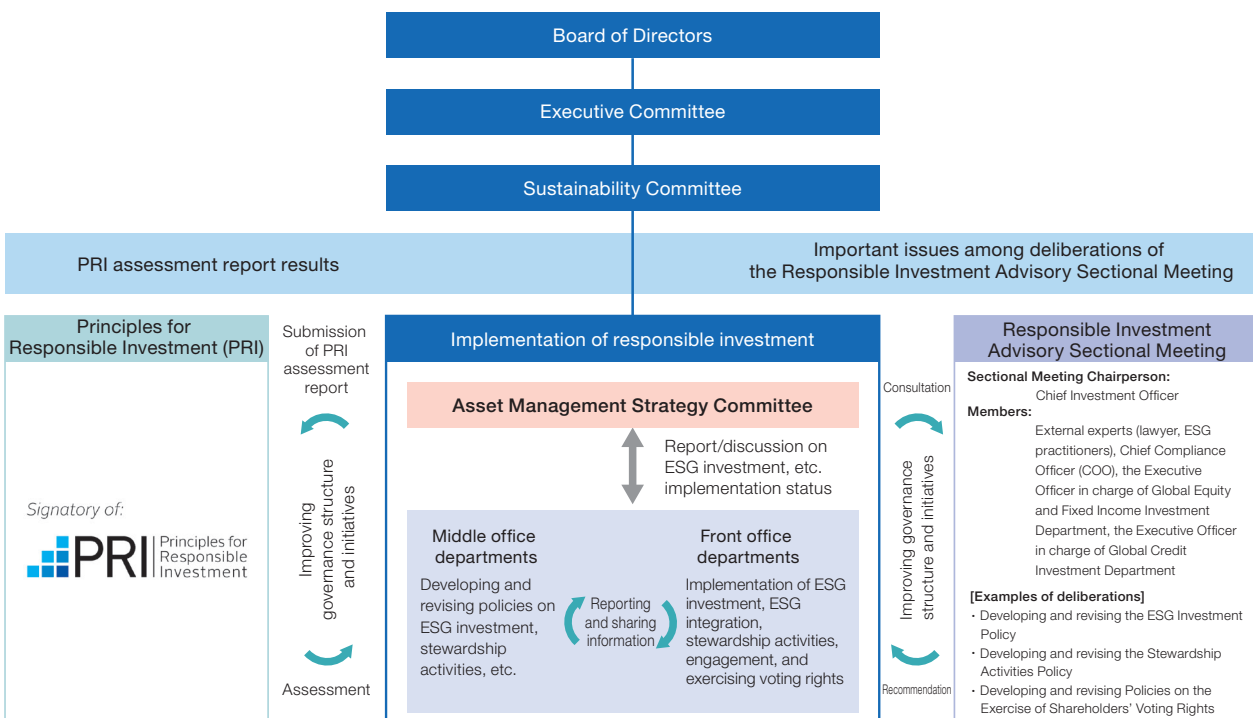
At Japan Post Insurance, we work to promote responsible investment, including ESG investment and stewardship activities, under the following governance structure.

In order to strengthen the Company's sustainability promotion system, we established the Sustainability Committee as an advisory committee to the Executive Committee in April 2021, and renamed the former Responsible Investment Advisory Committee to the Responsible Investment Advisory Sectional Meeting, making it a specialized sub-committee.

The Responsible Investment Advisory Sectional Meeting

deliberates objectively and professionally on matters related to conflicts of interest that may affect the exercise of shareholder voting rights, as well as matters material to investment based on our social responsibility as an institutional investor. The meetings are held twice a year in principal.

In addition, the Asset Management Strategy Committee, which is attended by practitioners from various asset management departments and the executive officer in charge, discusses and reports monthly on initiatives such as ESG integration and engagement (constructive dialogue) for each asset.



Initiatives as a Signatory to the Principles for Responsible Investment (PRI)

We signed the Principles for Responsible Investment (PRI) in October 2017. We promote ESG investments in accordance with PRI and report the status of the initiatives once a year. In the Assessment Report 2020 for activities in

2019, we received the highest rating of "A+" for "Listed Equity - Active Ownership" and "A" for "strategy and governance," "Listed Equity - Incorporation" etc.

Signatory of:



ESG Investment Initiatives

Initiative Participation

We are active in becoming signatories and supporters for initiatives in Japan and overseas, working to resolve issues.

▶ P110 External Evaluation and Support for Initiatives

Initiatives as a Long-term Investor

As a universal owner that manages diverse, long-term assets, we are working to realize a sustainable society, improve investment results and reduce risks over the long term. In order to do this, we take various ESG factors into consideration when making investment decisions.

As a life insurance company, we carry long-term insurance liabilities, and since we implement asset and liability management (ALM) as a basic policy in our asset management, we invest mainly in fixed-income assets that are designed for

long-term investment.

Fixed-income assets often have restrictions on sale. As of the end of FY2020, held-to-maturity bonds accounted for 35 trillion yen (50.3%), policy-reserve-matching bonds for 9 trillion yen (13.4%), and loans for 5 trillion yen (7.1%), for a total of 50 trillion yen (70.8%). (*1)

The amount of sales against the average balance of total assets in FY2020 was 0.7 trillion yen, with a turnover rate of 1.1%. (*2)

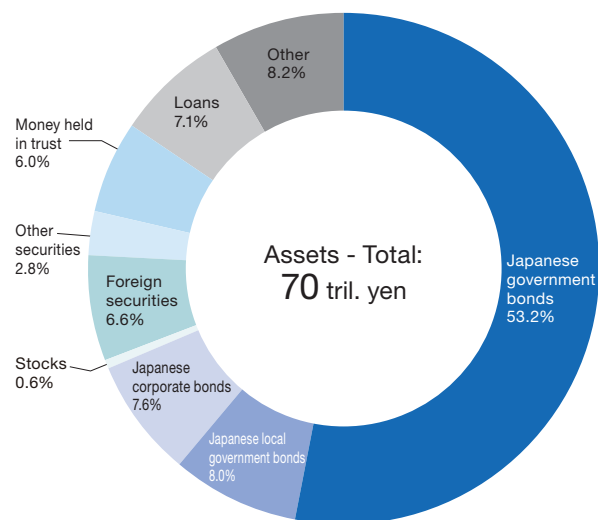
(*1) All ratios are presented as a percentage of total assets.

(*2) Turnover ratio is calculated as the amount of sales divided by the average balance of total assets.

Asset Management Status

(100 million yen, %)

	End of FY2020	Share of Total
Securities	552,745	78.8
Japanese government bonds	373,456	53.2
Japanese local government bonds	55,935	8.0
Japanese corporate bonds	53,252	7.6
Stocks	4,045	0.6
Foreign securities	46,323	6.6
Other securities	19,731	2.8
Money held in trust	41,892	6.0
Loans	49,640	7.1
Other	57,458	8.2
Total assets	701,738	100.0



ESG investment

ESG Investment Initiatives

ESG Investment in the Medium-Term Management Plan (FY2021-FY2025)

In our Medium-Term Management Plan (FY2021-FY2025), we have positioned the promotion of ESG investment as one of our three priority initiatives in asset management, along with deepening asset management and responses to new solvency regulations.

In addition, as a KPI for ESG investment, we have set a target of total power output of 1.5 million kW for the renewable energy facilities in which we invest and finance during the period of this medium-term plan.

▶ **Medium-Term Management Plan**

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

■ **Total power generation output from renewable energy facilities that we lend money to and invest in**

March 31, 2021		Output ^(*)
Domestic	Equity	18.8
	Debt	14.0
Overseas	Equity	19.7
	Debt	8.2
Total		60.7

Target of 1.5 million kW^(*)
under the Medium-term Plan

(*) Unit: 10,000 kW, after calculating the Company's holdings
(**) Limited to power output from renewable energy facilities that we lend money and invest in

Major ESG Investment Initiatives to Date

2008	<ul style="list-style-type: none"> Japan Post Group participated in "United Nations Global Compact"
2014	<ul style="list-style-type: none"> Accepted "Japan's Stewardship Code." Introduced the Code in entrusted management of shares
2016	<ul style="list-style-type: none"> Invested in ESG bonds for the first time (foreign-currency-denominated green bonds issued by The International Bank for Reconstruction and Development)
2017	<ul style="list-style-type: none"> Signed "Principles for Responsible Investment (PRI)" Established the Responsible Investment Advisory Committee
2018	<ul style="list-style-type: none"> Japan Post Group incorporated SDGs into the management framework in the Medium-Term Management Plan
2019	<ul style="list-style-type: none"> Declared support for TCFD and its recommendations Announced the ESG Investment Policy
2020	<ul style="list-style-type: none"> Started negative screening in asset management Started stewardship activities in in-house management of domestic corporate bonds
2021	<ul style="list-style-type: none"> Introduced ESG integration for entire asset portfolio Signed the Japan Impact-driven Financing Initiative Participated in the Social Impact Management Initiative Measured and analyzed GHG emissions of our investment portfolio

Framework for ESG Investments/ Investment Performance

Framework for ESG Investments

Our ESG investment efforts are focused on the items listed right.

- ESG integration
- Engagement and exercising voting rights
- ESG-themed investments and impact investments
- Negative screening

ESG Integration

Having introduced ESG integration for all asset under management, we comprehensively evaluate and use financial information as well as ESG factors. 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.

We have also measured and analyzed the greenhouse

gas emissions of our entire portfolio and for each investees (see page 47), and use the findings to engage with (have constructive dialogue with) carbon intensive sectors and investees to reduce emissions and, finally, to make investment decisions.

In addition, we have established criteria for negative screening (see page 32) in order to resolve ESG issues and realize a sustainable society.

In-House Management

Sovereign Bonds

- We incorporate ESG factors in investee credit evaluation processes, such as when assigning internal credit ratings.
- When making investment decisions and during monitoring, we consider investments after an evaluation of the investee's ESG factors with reference to scores of external ESG ratings.
- When making themed investments, we invest in projects (see page 33) that can broadly contribute to the achievement of the SDGs and the resolution of issues, after checking how funds will be used and their feasibility.
- We conduct impact assessments for themed bonds in which we have invested with the intention of contributing to the resolution of environmental and social issues.

* Our approach to impact assessment is described in the Stewardship Activity Report (https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_taiou_2021.pdf).

Corporate Bonds

- We make a materiality map for each industry sector summarizing importance for every ESG factor, incorporating ESG factors in investee credit evaluation processes, such as when assigning internal credit ratings.
- When making investment decisions and during monitoring, we consider investments after an evaluation of the investee's ESG factors with reference to scores of external ESG ratings.
- When making investment decisions, we assess and consider investee companies' response to climate change, including their efforts to reduce greenhouse gas emissions.
- We evaluate the status of investee company ESG initiatives through dialogues with them and utilizing the information obtained therein.
- When making themed investments, we invest in projects that can broadly contribute to the achievement of the SDGs and the resolution of issues (see page 33), after checking how funds will be used and their feasibility.

Framework for ESG Investments/Investment Performance

Japanese Municipal Bonds/Loans

- We incorporate ESG factors in investee credit evaluation processes, such as when assigning internal credit ratings.
- We regularly check municipalities falling under the Zero Carbon City ^(*) and SDGs Future City ^(**) categories, and consider these for investments and loans.
- We evaluate the ESG initiatives of investee municipalities through dialogues with them and utilizing the information obtained therein.
- We invest in SDG bonds with the aim of contributing to the sustainable growth of local communities.

(*1) As announced by the Ministry of the Environment, a "zero carbon city" is one where the municipality or its chief executive has announced that the municipality aims to reduce CO₂ emissions to net zero in 2050.

(*2) The Cabinet Office selects municipalities proposing outstanding initiatives for achievement of the SDGs as "SDGs Future Cities."

Project Finance

- We incorporate ESG factors in investee credit evaluation processes, such as when assigning internal credit ratings.
- We check environmental impact and other factors when assessing potential investments or loans before making decisions on each.
- We do not invest additionally in coal-fired power generation projects regardless of location because those emit a large amount of CO₂, and we are concerned about an impact on climate change.

Listed Equities

- We use our unique ESG scoring approach to evaluate equity portfolios.
- ESG scoring method:
Items that affect future cash flow and cost of capital are extracted and evaluated for each of the three ESG elements of environment (E), social(S), and governance (G).
- The following two types of funds are managed with consideration of this ESG score:
Dividend funds: Investment in high-dividend companies expected to increase their corporate value over the medium to long term, based on a comprehensive evaluation of the company's ESG initiatives in addition to its financial information
Growth funds: Investment in companies using ESG as a growth opportunity, evaluating their contribution to business performance and growth potential with regard to technological capabilities and business infrastructure contributing to achieving the SDGs and solving issues, while considering financial information

ESG Score (out of 100)	Environment (E)	ESG growth drivers	ESG-related net sales
		ESG-related risks	Evaluation using quantitative data (e.g., CO ₂ emissions)
	Social (S)	ESG growth drivers	ESG-related net sales
		ESG-related risks	Evaluation using quantitative data (e.g., ratio of women in management positions) Qualitative determinations (well-being, development of local communities and society)
	Governance (G)	ESG-related risks	Evaluation using quantitative data (e.g., ratio of outside directors)
			Qualitative determinations (governance, attitude toward dialogue)

* Our efforts toward ESG integration in equities are described in the Stewardship Activity Report (https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_tai0_2021.pdf).

Framework for ESG Investments/Investment Performance

Externally Managed Assets

- When selecting and monitoring investment managers, we check their ESG investment initiatives (policies and attitudes toward ESG, specific ESG investment approaches, etc.) and take these into consideration when making investment decisions.
- In making investment decisions, we check the merchantability, etc. of funds for possible investment and check whether their negative screening and other efforts to exclude specific businesses, etc. are appropriate in light of Japan Post Insurance's negative screening criteria.

Engagement and Exercising Voting Rights

We accurately understand the conditions of investees to engage constructively with them. While building relationships with investees, we ask disclosure of not only financial information but also non-financial information, including ESG elements to confirm their initiatives for ESG issues, etc. Our engagement initiatives also cover externally managed assets, such as holding dialogues with investees while utilizing GRESB* data and evaluations for real estate investment.

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.

Japan Post Insurance has accepted Japan's Stewardship Code and has established Company policies in accordance with it.

See "Stewardship Activities" (<https://www.jp-life.japan-post.jp/english/aboutus/sustainability/esg/stewardship.html>) for details.

* Refers to the annual benchmark assessment (and its managing organization) measuring the ESG considerations of companies and funds that own and manage real estate and infrastructure.

ESG-themed Investments and Impact Investments

We proactively engages in ESG-themed investments and impact investments* centered on "warmth" and founded in our priority initiative themes of "enhancement of well-being," "development of local communities and society," and "contribution to environmental protection."

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.

Please see "Major ESG Investment examples" (see page 33) for information on our investment cases.

* Impact investments mean investment activities intended to generate positive and measurable social and environmental impact in parallel with financial returns.

Negative Screening

We make the following efforts in order to solve ESG issues and realize a sustainable society.






























- We do not invest in companies that manufacture controversial weapons (Cluster weapons, Anti-personnel mines, Biological weapons and Chemical weapons) due to indiscriminate serious damage on civilians.
- We do not invest additionally in coal-fired power generation projects regardless of power generation efficiency or location because those emit a large amount of CO₂, and we are concerned about an impact on climate change.

Framework for ESG Investments/Investment Performance

Major ESG Investment examples

We make ESG-themed investments taking ESG factors into account. We invest in projects that can broadly contribute to the achievement of the SDGs and the resolution of issues, after checking their feasibility and that the funds usage is limited.

Investment in themed ESG bonds



Past Investments	Main Relevant SDGs
<p>Investment in a transition bond to support efforts to reduce greenhouse gas emissions (July 2021)</p> <p>© Nippon Yusen Kabushiki Kaisha</p> 	  
<p>Investment in a green bond to support green recovery (realization of a sustainable society after the COVID-19 crisis) (May 2021)</p> <p>© Alex Profit/SNCF</p> 	  
<p>Investment in an Education Bond to support school education, vocational training, gender equality, in the Asia-Pacific region (March 2021)</p> <p>© Asian Development Bank</p> 	  
<p>Investment in a Sustainable Development Bond to support "One Health," optimal health outcomes in people, animals, and global environment taken as a whole. (March 2021)</p> <p>© Inter-American Development Bank</p> 	   
<p>Investment in a Sustainable Development Bond to support the purchase and distribution of vaccines through the international framework "COVAX" (March 2021)</p> <p>© Inter-American Development Bank</p> 	   
<p>Investment in a Green Bond to support green recovery (the transition to sustainable low-carbon society under the COVID-19 pandemic) (January 2021)</p> <p>© World Bank</p> 	  
<p>Investment in a Green Transition Bond to support the transition toward decarbonization of carbon-intensive industries (January 2021)</p> <p>© European Bank for Reconstruction and Development</p> 	  
<p>Investment in a Sustainable Development Bond in response to the COVID-19 (May 2020)</p> <p>© Inter-American Development Bank</p> 	 
<p>Investment in a Sustainability Awareness Bond to fight against COVID-19 (May 2020)</p> <p>Community of Madrid © European Investment Bank</p> 	
<p>Investment in a Climate Awareness Bond (May 2019)</p> <p>© European Investment Bank</p> 	 
<p>Investment in a Social Bond themed Feed Africa to increase food production on the African continent (May 2018)</p> <p>© African Development Bank</p> 	 

ESG investment

Framework for ESG Investments/Investment Performance

<p>Investment in a Sustainable Development Bond to Raise Awareness of Health and Nutrition of Women, Children, and Adolescents (May 2018)</p> <p>© World Bank</p>		
<p>Investment in a Thematic Bond promoting gender equality (May 2018)</p> <p>© Asian Development Bank</p>		

Investment in Renewable Energy Businesses

Past Investments	Main Relevant SDGs
<p>Investment in renewable energy projects such as solar power generation and biomass power generation (project finance) (since 2017)</p>	 

Stewardship Activities

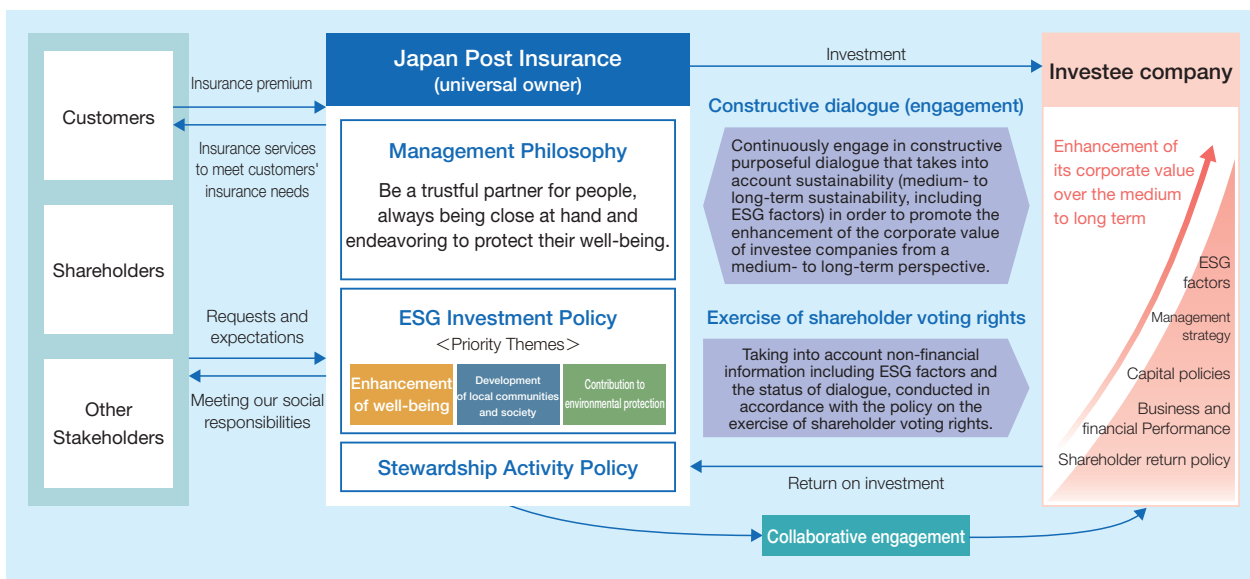
We have been promoting stewardship activities as a universal owner that manages diverse, long-term assets, in order to fulfill our responsibilities and respond appropriately to social demands for compliance with the Japan's Stewardship Code.

In constructive dialogue (engagement) with investee companies, we seek to build relationships with them and accurately understand their situations. We seek to enhance the disclosure of non-financial information, including ESG (Environment, Social and Governance) factors, and confirm

their efforts to address ESG issues, in addition to the financial information of investee companies.

In exercising our voting rights, we basically follow our shareholder voting policy, but we do not make conventional judgments, rather take into account non-financial information including ESG factors and the status of dialogue, and implement the policy appropriately.

These stewardship activities are deliberated by the Responsible Investment Advisory Sectional Meeting with external experts.



- Realization of a sustainable society, improvement of investment results and risk reduction over the long term
 - Building further relationships of trust with customers by contributing to the resolving social issues

Policy on Japan's Stewardship Code

In May 2014, we accepted Japan's Stewardship Code and established our policy.

Our stewardship activities are carried out in accordance with this policy.

With the revision of the Japan's Stewardship Code in March 2020, we have revised our policies and have started activities based on the purpose of the Code in October 2020 in domestic corporate bond investment as well as stock investment.

▶ Policy on Japan's Stewardship Code

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_policy.pdf

Stewardship Activities

Report on Stewardship Activities

Details of our stewardship activities are disclosed in the Stewardship Activities Report.

▶ **Stewardship Activities Report (FY2020)**

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_taio_2021.pdf

Policy on Exercise of Shareholder Voting Rights

We exercise shareholder voting rights appropriately in accordance with our Policy on Exercise of Shareholder Voting Rights.

In June 2021, taking into account the growing public interest in sustainability and policy trends, we revised our policy

to add provisions related to environmental, social and governance (ESG) issues that contribute to the expansion of corporate value, with the aim of encouraging investee companies to make further efforts to improve their sustainability.

▶ **Policy on Exercise of Shareholder Voting Rights (in Japanese)**

https://www.jp-life.japanpost.jp/aboutus/sustainability/esg/stewardship/shareholder_voting_policy.html

Results of Exercise of Shareholder Voting Rights (by Agenda)

The results of the exercise of shareholder voting rights and the reasons for approval or disapproval of each agenda item for our domestic stocks (in-house investment) are disclosed.

▶ **Results of Exercise of Shareholder Voting Rights (by Agenda) (FY2020)**

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/stewardship_result_2021.pdf

Stewardship Activities

Status of Dialogue With the Investee Companies

As a universal owner, we continue constructive engagement with investee companies. We share awareness of management strategy, capital strategy, shareholder return policy, sustainability, ESG, information disclosure policy,

etc., and if we believe it will contribute to the enhancement of corporate value, we will encourage the companies to take action to resolve the issue, thereby enhancing corporate value over the medium to long term.

Environment: Contribution to environmental protection

	Issues of investee company	Contents of dialogue	Progress, achievements, and future plans
Electric appliances Company A	Integrated report is not disclosed. Since ESG is a tailwind for their business, they should actively promote quantitative ESG-related disclosures.	Discussion on specific GHG reduction targets including supply chain and policies for future efforts to achieve carbon neutrality.	They expressed their commitment to supply chain disclosure and their positive attitude toward disclosure of integrated reports.

Social: Contribution to the local community and society

	Issues of investee company	Contents of dialogue	Progress, achievements, and future plans
Information and communication Company B	While social expectations are high as a provider of critical infrastructure for the local community, contribution to the local community is not listed as an important ESG issue.	We discussed the need to further strengthen and improve disclosure of their contributions to the local economy and their efforts to create local communities.	They indicated that they recognize local development as a business opportunity and would like to consider enhancing disclosure.

Governance: Capital policy and shareholder returns

	Issues of investee company	Contents of dialogue	Progress, achievements, and future plans
Transportation equipment Company C	Cross-shareholdings arrangement with companies that are less necessary for business strategy.	We discussed the need to sell cross-shareholdings and provide appropriate shareholder returns from the perspective of efficient use of capital and enhancement of shareholder value.	They sold off a cross-shareholding. It also indicated a policy of continued reduction.

Environment: Climate change

	Issues of investee company	Contents of dialogue	Progress, achievements, and future plans
Glass and ceramics products Company D	Although the company has been proactive in its efforts to address climate change, such as its endorsement of the TCFD, because of the business characteristic, it emits more CO ₂ than other industries, and it needs to steadily reduce its emissions.	We discussed the need to declare a net zero emissions for 2050 and to formulate specific measures to achieve this goal.	The policy for net zero emissions in 2050 was presented in the mid-term management plan, and specific measures for achieving net zero emissions were also presented at the ESG briefing.

Contribution to Environmental Conservation

We are actively working to contribute to environmental conservation, which is included in one of the Company's management policies alongside "We actively contribute to health promotion, environmental protection, and the development of local communities and society as a whole." We

recognize that addressing global environmental issues such as climate change is an important issue for financial institutions. We will fulfill our social responsibility by working to resolve these issues through our corporate activities.

Japan Post Insurance Co., Ltd. Basic Environmental Declaration

I Basic Principles

Japan Post Insurance Co., Ltd. is looking towards the future with its customers and taking social responsibility in providing peace of mind by protecting the earth and the local environment as "Japan's most familiar and trusted insurance company." We are taking active and sustainable initiatives in environmental conservation activities.

II Basic Policies

1. We strive to adhere to all environmental laws and regulations, ordinances and various agreements as well as to prevent environmental pollution.
2. We will establish an environmental management system, set goals and aims of environmental initiatives and systematically carry them out. We also plan to construct a framework to regularly review these goals and aims along with making improvements to our environmental management system on an ongoing basis.
3. We will promote initiatives towards environmental conservation and achievement of a recycling-oriented society by actively implementing global warming measures (reduction of CO₂ emission through energy saving), contributing to the growth of forests (reducing paper usage and green purchase), recycling natural resources, and participating in social contribution activities, etc.
4. We will make efforts in raising awareness of environmental issues by promoting educational activities and trainings concerning these issues.
5. We will actively participate in and provide support for initiatives involving local environmental conservation as a company which offers peace of mind through our life insurance business within the community.
6. We will raise our own awareness and deepen our understanding towards the environment in response to these environmental policies and will announce them to the public.

Promotion System (Environmental Management System)

To tackle global environmental issues such as climate change, we have established the Sustainability Committee as a specialized committee and built a system to promote this.

The Sustainability Committee reviews and discusses setting targets and progress of environmental initiatives, such as reducing greenhouse gas emissions, and reports to the Executive Committee.

▶ **P6 Sustainability Promotion System**

Environmental Considerations with Corporate Activities

We conduct our corporate activities in consideration of the environment in a variety of ways.

Initiatives to Reduce CO₂ Emissions

To achieve the long-term target of the Paris Agreement, we will reduce greenhouse gas emissions (CO₂ emissions) by cutting back on electricity consumption through energy-saving and streamlining facilities and vehicles and by using decarbonized power sources, on the basis of a shift to a carbon-neutral society including the associated technological innovation.

To realize a decarbonized society, we will aim to reduce greenhouse gas emissions by 46% from FY2020/3 levels by

the fiscal year ending March 31, 2031, and achieve carbon neutrality by 2050.

Based primarily on the results of an energy-saving diagnosis, we are improving the operation of lighting and air-conditioning equipment, cutting back on energy consumption, mainly by installing energy-saving equipment, and reducing greenhouse gas emissions (CO₂ emissions) by introducing hybrid and eco-friendly vehicles.

Employee's Initiatives Based on our Guidebook

We have compiled a guidebook which includes specific energy saving initiatives to promote basic energy saving activities across the entire company. All employees are making efforts to reduce CO₂ emissions and copy paper usage by implementing the energy saving initiatives listed in this guidebook.

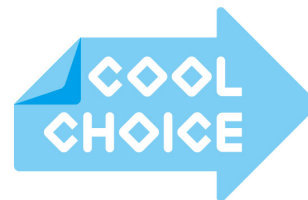
Main Initiatives Listed in the Guidebook

- Turn off lights in areas that do not interfere with work
- Reduce the operating hours of air conditioners
- Turn off the main power of unused office equipment
- Print on both sides of the paper and reduce the size, when possible

Support for COOL CHOICE

COOL CHOICE is a government-initiated national movement to encourage people to make wise choices in their daily lives, such as replacing products, using services, and choosing lifestyles that contribute to the creation of a decarbonized society, to reduce emissions of greenhouse gases such as CO₂.

We support for COOL CHOICE and implement COOL BIZ between May and October to reduce air-conditioning use during summer in a bid to decrease electricity consumption.



Environment

Environmental Considerations with Corporate Activities

Efforts to Reduce Paper Consumption (Going Paperless)

We strive to reduce CO₂ emissions by reducing the amount of paper used towards a paperless workplace.

[Main initiatives to reduce paper consumption (going paperless)]

- Electronic issuance of premium payment certificates
- Provision of the Contract Guidelines and Policy Conditions in PDF format on our website in addition to the printed version
- Encouragement of a reduction of copier paper, and digitization of various office forms

Environmental Considerations in Printed Materials

We take environmental impact of the booklets and other materials provided to customers into consideration and use methods such as the use of vegetable oil ink and Green Printing certification.



Annual Report



Convocation Notice of the Ordinary General Meeting of Shareholders

Energy conservation and use of renewable energy in office buildings

In our office buildings, 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 Osaki Bright Tower, use electricity generated from renewable energy sources, thereby contributing to the reduction of CO₂ emissions.

Employee initiatives related to eco-driving

By analyzing and judging sudden acceleration, sudden deceleration, and idling time from vehicle operation data, we strive to reduce CO₂ emissions by raising awareness of traffic safety and improving eco-driving techniques such as improvement and enhancement of fuel efficiency.

Procurement Activities

In accordance with the Japan Post Group CSR Procurement Guidelines, we conduct our procurement activities in consideration of global and regional environmental conservation and the effective use of resources.

▶ P82 Supply Chain Management

Environment

Environmental Considerations with Corporate Activities

Investment Activities

We invest with an emphasis on contribution to environmental conservation as a priority topic for ESG investment.

As a KPI for ESG investment, we have set the goal of

▶ **P25 Priority Initiative Themes of ESG Investments**

achieving a total power output of 1.5 million kW for the renewable energy facilities in which we invest and loan during the period of the Medium-Term Management Plan.

Supporting Environmental Conservation Activities

We make donations to support forestation activities conducted by citizens' groups and other organizations to revitalize forests and lead to efforts to increase greenery.

▶ **P115 Donation results for environmental conservation activities (ESG data)**



Workers revitalizing a forest (thinning) funded by a supported group

Location Based Initiatives

We conduct volunteer activities for environmental conservation at Japan Post Insurance bases throughout Japan.



Tokushima Branch



Yamaguchi Branch



Aomori Branch



Yamagata Branch

Japan Post Group Initiatives

JP SATOYAMA Communication

Since October 2018, the Japan Post Group has worked with the NPO Donguri-no-Kai (Acorn Association)*, a non-profit organization, under the name of JP SATOYAMA Communication, in which employee volunteers and others have engaged in maintenance activities at Shimizuiriyokuchi Park in Hachioji City, Tokyo.

* NPO Donguri-no-Kai (Acorn Association), a non-profit organization
<https://www.dongurinokai.or.jp/>

▶ **JP SATOYAMA Communication (in Japanese)**

<https://www.japanpost.jp/sustainability/environment/satoyama/>

Environmental Considerations with Corporate Activities

JP Children's Tree-Planting Campaign

Since 2008, the Japan Post Group has endorsed the NPO “Children's Tree-Planting Promotion Network.” Under the name of “JP Children's Tree-Planting Campaign,” we have supported forestation experience activities for children in nursery schools, kindergartens, and schools nationwide.

▶ **JP Children's Tree-Planting Campaign**

<https://www.japanpost.jp/en/csr/kids/>

Since 2012, we have conducted “Tohoku Regeneration Green Wave” to express our hope for the recovery of greenery in Tohoku, which was devastated by the Great East Japan Earthquake.

Initiatives for the TCFD Recommendations

In April 2019, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB).

We recognize that climate change issues pose both risks and opportunities for the company, and that we need to address them company-wide.

As one of the basic policies of our Medium-Term Management Plan (FY2021 to 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.

We will further promote our existing initiatives related to climate change and work on further information disclosure.

Recommended Disclosure Items for TCFD Recommendations

Governance	Disclose the organization's governance around climate-related risks and opportunities.
Strategy	Disclose, where material, the actual and potential impact of climate-related risks and opportunities on the organization's business, strategic and financial plans.
Risk management	Disclose how the organization identifies, assesses, and manages climate-related risks.
Metrics and targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

(Source) Final Report: Recommendations from the Task Force on Climate-related Financial Disclosures, TCFD

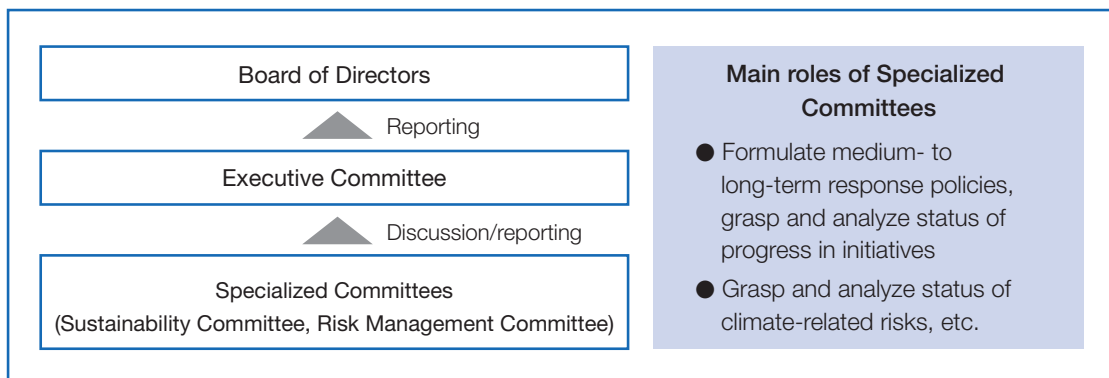
Governance

We established the Sustainability Committee in April 2021 to aim for our sustainable growth and the realization of SDGs by contributing to solving social issues, including climate change-related initiatives.

Specialized committees including the Sustainability Committee, consider and discuss issues related to climate change, and report the status of progress, etc. to the Executive Committee. Important issues are discussed and decided by the Executive Committee and reported to the

Board of Directors.

In formulating the Medium-Term Management Plan (FY2021 to FY2025), the Sustainability Committee, the Executive Committee, and the Board of Directors discussed the goal of achieving carbon neutrality by 2050. We have set the reduction of greenhouse gas emissions (CO₂ emissions) as the ESG target for the Medium-Term Management Plan.



Environment

Initiatives for the TCFD Recommendations

Strategy

Risks and Opportunities

We recognize the impact (risks and opportunities) of climate change on the Company in both as a life insurance company and an asset owner, as follows.

Life Insurance Company	
Risks	<ul style="list-style-type: none"> ● Rise in insurance claim payment due to increased damage from natural disasters, etc. ● 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
Opportunities	<ul style="list-style-type: none"> ● Changes in consumers' insurance needs such as rising demand for products and services related to maintaining health, etc.

Asset Owner	
Risks	<ul style="list-style-type: none"> ● Impaired value of invested assets due to expanding loss incurred by investees upon increased damage from natural disasters, etc. ● 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
Opportunities	<ul style="list-style-type: none"> ● Expanding green finance market and increasing investment opportunities including investments in renewable energy business (infrastructure)

Investments for climate change opportunities

We see the growth of the green finance market as an opportunity. We invest in green transitions, which aim to support transition to a sustainable low-carbon economy,

and green recovery projects, which aim to accelerate economic recovery from the COVID-19 pandemic as well as efforts to combat climate change.

January 2017	Investment in solar power and other renewable energy projects (project finance)
May 2019	Investment in Climate Awareness Bonds (bonds to raise awareness of climate change)
January 2021	Investment in a Green Transition Bond to support the transition toward decarbonization of carbon-intensive industries
January 2021	Investment in a Green Bond to support green recovery (the transition to sustainable low-carbon society under the COVID-19 pandemic)
May 2021	Investment in Green Bond to support green recovery (to achieve a sustainable society after the COVID-19 pandemic)
July 2021	Investment in Transition Bond to support efforts to reduce greenhouse gas emissions

Environment

Initiatives for the TCFD Recommendations

Scenario Analysis

The TCFD asks to describe the resilience of an organization's strategy under different climate-related scenarios, including the 2°C or lower scenario.

To assess the potential impact of climate change on investment income, we currently identify the most important industry sectors and perform scenario analysis. Based on

the worldview of each scenario in the table below, we proceed with the scenario analysis.

In addition to the above, we also perform other scenario analyses to assess the impact on the profit of the company from a macroscopic perspective.

[A Global Perspective of Each Scenario]

The World with a 1.5°C/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"> • 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. • 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. 	<ul style="list-style-type: none"> • 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. • 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.

(Note) The global perspective of the scenario is based on the IEA "World Energy Outlook 2021", etc.

Risk Management

We have selected risks related to climate change as our key risks. Regarding the management of climate change risk, we will continue to upgrade our risk management process (identification, management, and evaluation) through scenario analysis.

Regarding investment, we consider various ESG factors or all asset under management based on the ESG investment policy revised in October 2021.

We measure GHG emissions (CO₂ emissions) from our investee companies, and consider how we actively manage our portfolio.

Metrics and Targets

Metrics and targets for the operations

To achieve carbon neutrality by 2050, we have set GHG emissions reduction targets (CO₂ emissions). (FY2030 target: 46% reduction compared to FY2019)*

* Scope 1 (emissions directly emitted by the Company) and Scope 2 (emissions associated with the use of electricity, etc. supplied by other companies) are covered. Excludes increase due to new business.

▶ P113 ESG data - environment

Environment

Initiatives for the TCFD Recommendations

Supply chain emissions (Scope 1, Scope 2, Scope 3)

Supply chain emissions refer to the sum of all emissions related to business activities, not just those of the business itself. In other words, it refers to the amount of greenhouse gas emissions generated from the entire process of procuring raw materials, manufacturing, distribution, sales, and disposal.

Supply chain emissions = Scope 1 emissions + Scope 2 emissions + Scope 3 emissions

Upper Classes	In-House		Lower Classes
<p>Scope 3</p> <p>(1) Raw materials (4) Transportation and delivery (7) Commuting</p> <p>Other: (2) Capital goods, (3) Fuel and energy related activities not included in Scope 1 and 2, (5) Waste, (6) Business travel, (8) Leased assets</p>	<p>Scope 1</p> <p>Fuel combustion</p>	<p>Scope 2</p> <p>Use of electricity</p>	<p>Scope 3</p> <p>(11) Use of products (12) Product disposal</p> <p>Others: (9) Transportation and delivery, (10) Product processing, (13) Lease assets, (14) Franchise, (15) Investment</p>

Scope 1: Direct emissions of greenhouse gases by the business itself (fuel combustion, industrial processes)

Scope 2: Indirect emissions from the use of electricity, heat and steam supplied by other companies

Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions of other companies related to the activities of the business)

Prepared by Japan Post Insurance Co. Ltd. based on the Green Value Chain Platform (Ministry of the Environment)
(https://www.env.go.jp/earth/ondanka/supply_chain/gvc/supply_chain.html)

Metrics and targets for an Asset Owner

1. GHG emissions metrics for domestic and foreign equities and credit assets portfolios

To assess climate-related risks and opportunities, we have measured GHG emissions metrics (Carbon emissions, carbon footprint, carbon intensity, and weighted average carbon intensity) for four assets (*1) (domestic equities, foreign equities, domestic credit assets (*2), and foreign credit assets) as of March 31, 2021.

The scopes covered in the carbon emissions calculation

(*1) Unlisted stocks, project finance, REITs, asset-backed securities, etc. are not included. Includes not only internally managed assets but also externally managed assets.

(*2) Includes business loans to companies, etc.

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). The calculation of the carbon footprint, carbon intensity and weighted average carbon intensity covers Scope 1, Scope 2, and emissions from direct suppliers of Scope 3.

Environment

Initiatives for the TCFD Recommendations

GHG emissions metrics by asset class

Emission-related indicators Measurement range Unit	Carbon emissions (*1) Scope 1&2 (tCO ₂ e)		Carbon emissions (*1) Scope 1&2 + direct suppliers of Scope 3 (tCO ₂ e)		Carbon emissions (*1) Scope 1&2&3 (tCO ₂ e)	
	Our Company	Benchmark (*2)	Our Company	Benchmark (*2)	Our Company	Benchmark (*2)
Asset Class						
Domestic equities	1,777,434	1,793,611	2,916,690	2,895,420	4,985,142	4,835,016
Foreign equities	330,032	298,421	427,377	389,939	571,842	523,205
Domestic credit	5,860,001	4,229,617	7,179,588	5,306,725	8,552,928	6,625,894
Foreign credit	2,277,353	2,076,064	2,852,258	2,642,297	3,526,636	3,383,630
Total 4 assets	10,244,820	8,397,713	13,375,913	11,234,381	17,636,548	15,367,745

Emission-related indicators Measurement range Unit	Carbon Footprint (*3) Scope 1&2 + direct suppliers of Scope 3 (tCO ₂ e/million yen)		Carbon intensity (*4) Scope 1&2 + direct suppliers of Scope 3 (tCO ₂ e/million yen)		Weighted average carbon intensity (*5) Scope 1&2 + direct suppliers of Scope 3 (tCO ₂ e/million yen)	
	Our Company	Benchmark (*2)	Our Company	Benchmark (*2)	Our Company	Benchmark (*2)
Asset Class						
Domestic equities	0.70	0.71	1.70	1.79	1.53	1.53
Foreign equities	0.62	0.56	2.75	2.68	2.18	2.08
Domestic credit	2.55	1.84	5.59	3.99	5.31	3.59
Foreign credit	0.87	0.80	3.76	3.24	3.90	3.46
Total 4 assets	1.68	1.41	3.41	2.88	3.33	2.67

(*1) Carbon emissions are calculated as follows.

$$\sum_i \left(\frac{\text{current value of investment } i}{\text{issuer's market capitalization } i} \times \text{issuer's Scope 1 and Scope 2 GHG emissions } i \right)$$

* EVIC is an abbreviation for Enterprise Value Including Cash, which is the value of a company including cash. It is calculated as follows: Market capitalization of common stock + market capitalization of preferred stock + total debt (book value) + minority interests.

* i represents the portfolio companies that are included in the portfolio.

(*2) We use the following indices as benchmarks for each asset. Each benchmark metric is calculated based on the assumption that we hold the same amount of benchmark to each asset class.

Domestic stocks: TOPIX

Foreign stocks: Bloomberg World Large & Mid-Cap Index

Domestic credit: NOMURA-BPI (Corporate Bonds)

Foreign Credit: A custom index that combines the Bloomberg Barclays US Corp Index, S&P/LSTA B/BB Leveraged Loan Index, and Corporate Emerging Markets Bond Index (CEMBI) apportioned by our portfolio weight

(*3) Carbon Footprint is the amount of GHG emissions per million yen of portfolio balance. The calculation method of the carbon footprint is as follows.

$$\frac{\sum_i \left(\frac{\text{current value of investment } i}{\text{issuer's market capitalization } i} \times \text{issuer's Scope 1 and Scope 2 GHG emissions } i \right)}{\text{current portfolio value (¥M)}}$$

(*4) Carbon Intensity indicates the carbon efficiency of the investee company. Carbon Intensity is calculated as the total amount of our company's GHG emissions per our investee company's total sales, as shown in the formula below.

$$\frac{\sum_i \left(\frac{\text{current value of investment } i}{\text{issuer's market capitalization } i} \times \text{issuer's Scope 1 and Scope 2 GHG emissions } i \right)}{\sum_i \left(\frac{\text{current value of investment } i}{\text{issuer's market capitalization } i} \times \text{issuer's ¥M revenue } i \right)}$$

(*5) Weighted Average Carbon Intensity indicates the carbon efficiency of the portfolio company. It is calculated by multiplying the GHG emissions per sales of the investee company by the ownership ratio in the portfolio and adding them together, as shown in the formula below.

$$\sum_i \left(\frac{\text{current value of investment } i}{\text{current portfolio value}} \times \frac{\text{issuer's Scope 1 and Scope 2 GHG emissions } i}{\text{issuer's ¥M revenue } i} \right)$$

(Source) ©2021, S&P Trucost Limited, Japan Post Insurance

Environment

Initiatives for the TCFD Recommendations

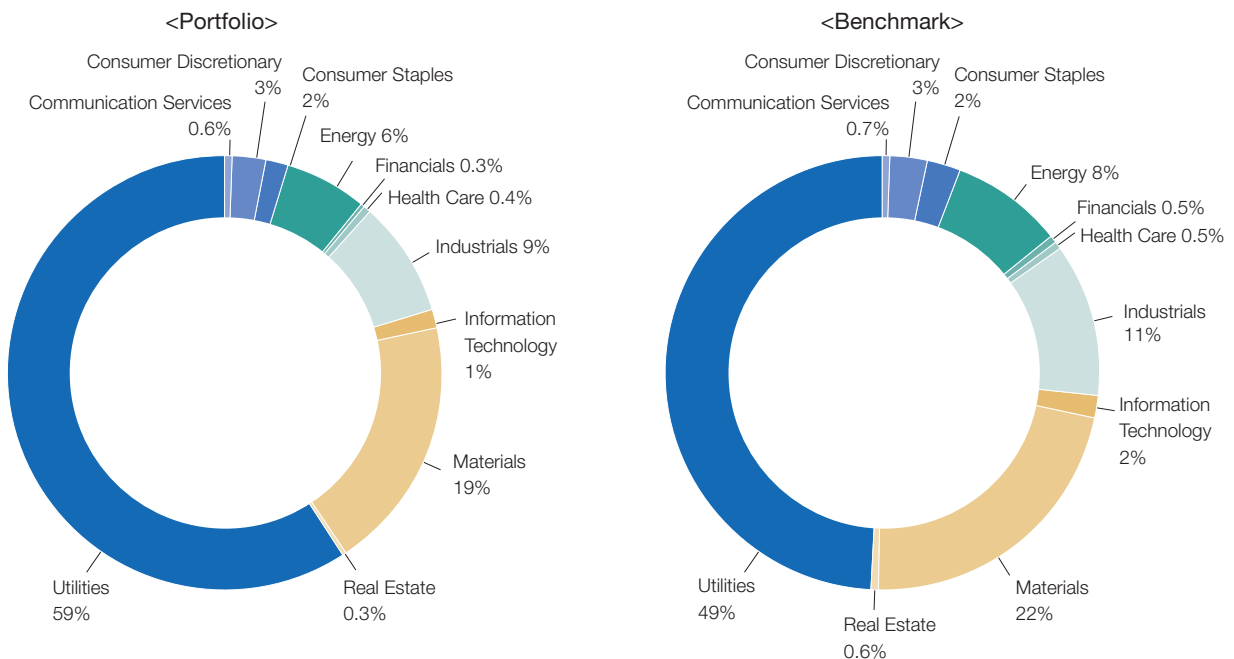
For the GHG emissions from our domestic and foreign equities and credit portfolios, the sum of Scope 1 and Scope 2 emissions was approximately 10.24 million tCO₂e, which is higher than benchmark emissions. By asset class, emissions from the domestic credit portfolio are significantly higher than benchmark emissions. This is mainly due to the overweight of the utilities sector, including electricity utilities. Due to the same reason carbon footprint, carbon intensity, and weighted average carbon intensity for domestic credits are higher than those of benchmark.

The sum of Scope 1, Scope 2, and Scope 3 emissions was approximately 17.64 million tCO₂e, which is higher than benchmark emissions. Also in this case, GHG emissions from the domestic credit portfolio is much higher than those of the benchmark. For the domestic equities portfolio, the

sum of Scope 1 and Scope 2 is lower than the benchmark, while the sum of Scope 1, Scope 2 and Scope 3 is higher than the benchmark. For the investees in the domestic equities portfolio, emissions from their own energy consumption are lower than those of the benchmark but when the scope is expanded to Scope 3, or the entire supply chain, become higher than the benchmark.

It is important to note that we recognize including Scope 3 in the calculation of GHG emissions may occur double counting (e.g., Scope 1 emissions of one company may correspond to Scope 3 emissions of another company). Despite this problem, we chose to widen the scope to supply chains to understand our portfolio emissions as much as possible.

GHG emissions composition of the entire portfolio by sector (Scope 1&2)

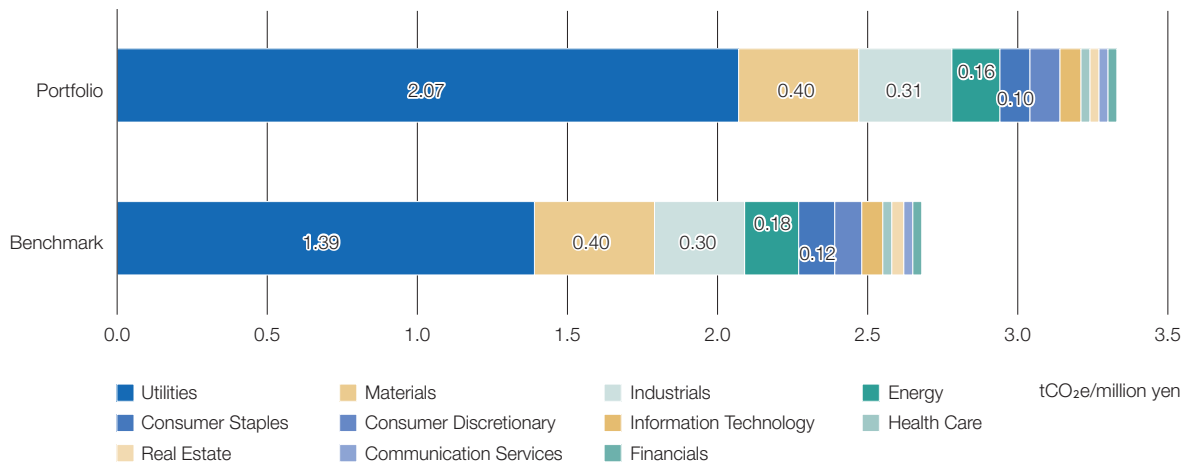


(Source) ©2021, S&P Trucost Limited, Japan Post Insurance

Environment

Initiatives for the TCFD Recommendations

Total portfolio weighted average carbon intensity sector composition



(*1) The GHG emissions on which the weighted average carbon intensity covers Scope 1, Scope 2, and emissions from direct suppliers of Scope 3.
 (*2) The GHG emissions of the benchmark is calculated based on the assumption that we hold the same amount of benchmark.
 (Source) ©2021, S&P Trucost Limited, Japan Post Insurance

2. GHG emissions metrics for sovereign bonds portfolio

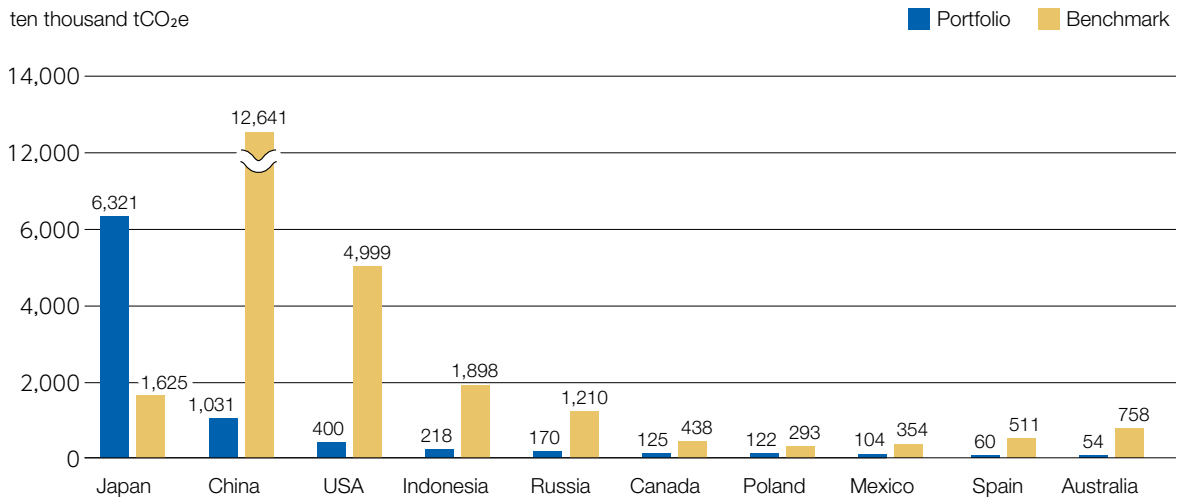
For sovereign bonds (including semi-government bonds such as government agency bonds and municipal bonds, including externally managed assets), which we hold large amount of, we have measured the GHG emissions and weighted average carbon intensity as of March 31, 2021. GHG emissions from our sovereign bonds portfolio amounted to approximately 92.86 million tCO₂e, of which approximately 63.21 million tCO₂e was accounted for by Japanese government bonds (including Japanese semi-government bonds).

The weighted average carbon intensity of our sovereign bonds portfolio was 3.22 tCO₂e/real GDP (million yen). On the other hand, that of the benchmark (Bloomberg Barclays Global Aggregate Treasuries Index) was 3.82 tCO₂e/real GDP (million yen). Our sovereign bonds portfolio overweighs Japanese government bonds compared to the benchmark, and underweighs those of North America, emerging countries, Oceania, etc., where emissions per GDP are high.

Environment

Initiatives for the TCFD Recommendations

GHG emissions of government bond portfolios by country (top 10 emitting countries)



(*1) The Bloomberg Barclays Global Aggregate Treasuries Index is used as the benchmark.

(*2) Each benchmark metric is calculated based on the assumption that we hold the same amount of benchmark to each asset class.

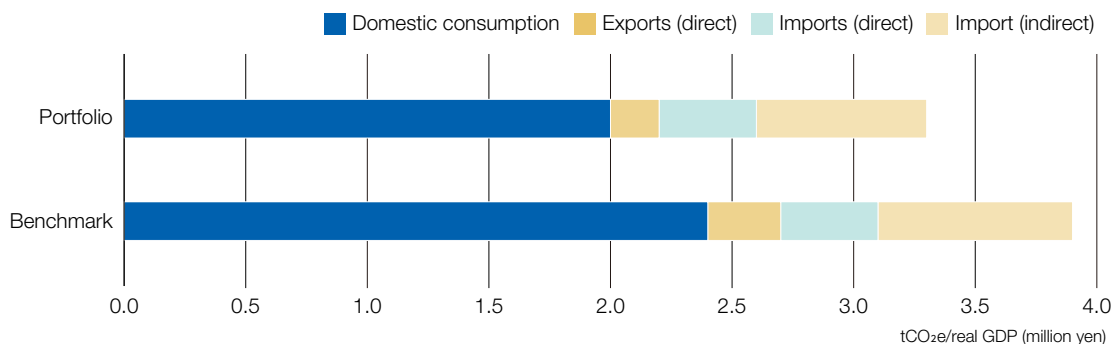
(*3) The GHG emissions of each country in the government bond portfolio are calculated as follows.

$$\frac{\text{Sovereign Bond Investment}}{\text{Gross General Debt}} \times \text{Country Emissions}$$

(*4) The GHG emissions of each country include emissions from direct exports, emissions from indirect exports, emissions from direct imports, and emissions from indirect imports, in addition to emissions from domestic consumption.

(Source) ©2021, S&P Trucost Limited, Japan Post Insurance

Weighted average carbon intensity of government bond portfolio



(*1) The Bloomberg Barclays Global Aggregate Treasuries Index is used as the benchmark.

(*2) Each benchmark metric is calculated based on the assumption that we hold the same amount of benchmark to each asset class.

(*3) The weighted average carbon intensity of government bond portfolios is calculated by multiplying the carbon intensity of each country by the ratio of holdings in the portfolio and adding them together.

Weighted average carbon intensity of government bond portfolio=

$$\sum_i \left(\frac{\text{Sovereign Bond Investment } i}{\text{Sovereign bonds Portfolio}} \times \frac{\text{Country Emissions } i}{\text{real GDP } i} \right)$$

*i denotes each country in the portfolio

(*4) The GHG emissions of each country include emissions from direct exports, emissions from indirect exports, emissions from direct imports, and emissions from indirect imports, in addition to emissions from domestic consumption.

(Source) ©2021, S&P Trucost Limited, Japan Post Insurance

Human Rights

Policy

Our human rights policy stipulates that we respect the human rights of each and every executive and employee working at the Company and ensure a work environment free of bullying and harassment.

JAPAN POST INSURANCE Human Rights Policy

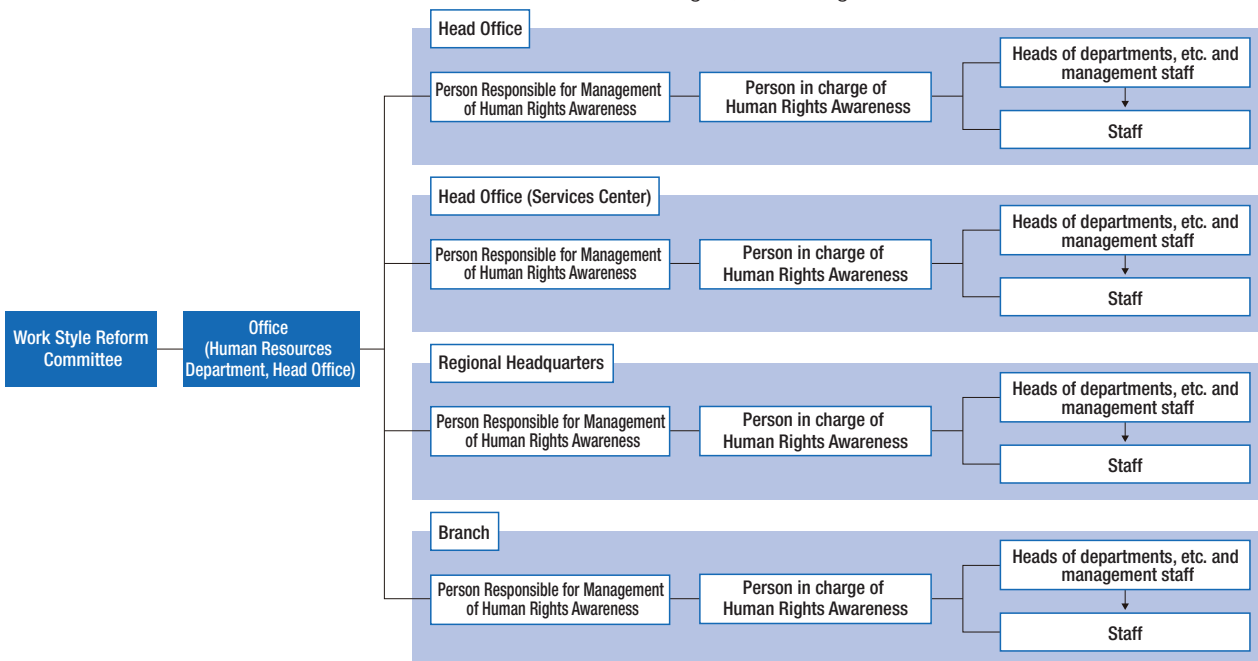
1. Working to realize our management philosophy and management policy, Japan Post Insurance Co., Ltd. (hereinafter referred to as “the Company”) recognizes that the respect for human rights is an important social responsibility. By fulfilling the responsibility, the Company will contribute to the realization of a society which is safe, secure and enriched.
2. As a member of Japan Post Group, a signatory company of the United Nations Global Compact, the Company complies with applicable laws in the areas where it operates its business, and upholds human rights by respecting the International Bill of Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights.
3. This policy applies to officers and employees of the Company, who will work to build stronger ties with our customers by engaging in all business activities with the customer's point of view in mind. The Company expects that its stakeholders will also respect human rights in the same manner based on this policy.
4. The Company respects human rights, and does not discriminate on the basis of race, color, gender, sexual orientation, sexual identity, language, religion, politics or creed, nationality or social origin, poverty or wealth, birth, disability, etc. The Company also aims to avoid indirect discrimination.
5. The Company respects each of its officers' and employees' human rights and ensures safe and comfortable working environments that are free from behaviors such as harassment, bullying, and discrimination. In addition, the Company does not tolerate human rights violations, such as forced labor and child labor.
6. In order to fulfill its responsibility to respect human rights, the Company works to promote and revitalize awareness activities concerning human rights issues, such as the “Dowa issue” (Buraku discrimination). The Company also strives to deepen recognition and understanding of the importance of respect for human rights by each officer and employee, and to avoid and reduce negative effects on human rights. In the event that any negative effects on human rights arise, the Company will respond appropriately.
7. The Company makes decisions on this policy based on discussions in its Executive Committee. The content of the policy will be reviewed as appropriate, based on changes in the business environment and on dialogs with stakeholders.

Human Rights

Promotion System for Human Rights Awareness

We have set up the “Work Style Reform Committee,” chaired by the Executive Officer responsible for the Human Resources Department, for ways to promote human rights awareness in the Company, etc. as one of its major roles.

In addition, the “person responsible for management of human rights awareness” and “person in charge of human rights awareness” of each organization promote human rights initiatives, responding to problems related to human rights, and taking other actions.



Human Rights Awareness Activities

Human Rights Awareness Training

We help to raise awareness of human rights in various ways, such as training by job level for officers, executive employees, administrators, new employees, etc. as well as DVD training, e-learning, workshops in the workplace, etc. for all employees.

Training name	Period	Target	Content
Human rights awareness training through DVDs for each workplace	All year	All employees	Conducted human rights awareness training via DVD to raise employee awareness of human rights
Human rights awareness training for each workplace	(1) August to September (2) November to February	All employees	Conducted human rights awareness training using training materials to raise employee awareness of human rights
E-learning training on harassment	July	All employees	Conducted e-learning program to prohibit harassment as part of compliance training
Human rights awareness training for all managers	January	All managers	Conducted training for all managers to raise awareness of human rights and prohibit harassment
Executive level human rights awareness training	January	Executives and career employees	Conducted training to raise awareness of human rights among executives and career employees

Human Rights

Human Rights Awareness Slogans

Every year, we invite employees and their families to come up with human rights awareness slogans and make the best entries into posters to be displayed in all workplaces.



Anti-harassment posters and human rights awareness slogan posters displayed in all workplaces

Initiatives to eliminate of harassment

We believe that harassment in the workplace is a problem related to human rights and not only deeply impacts the dignity of individuals and causes irreparable damage to victims, but also negatively affects the people nearby and prevents all employees working in the same workplace from

making full use of their abilities. We have stipulated “Prohibition of harassment” in the rules of employment and raise awareness through education as well as training to prevent harassment. In addition, we have set up a consultation desk to enable victims to consult us with a sense of security.

Conducting Human Rights Checks

When creating external documents, advertisements, internal employee documents, etc., the checklist includes checking for problems in terms of respect for human rights.

In addition, when necessary, our department specializing in human rights verifies to ensure that no expressions are included that may be perceived as discriminatory or offensive.

Human Rights Consultation Desk

We have established a consultation desk for harassment and other human rights issues in the workplace. Consultants respect the privacy, honor, and other human rights of the people concerned, strictly maintain confidentiality of any information they learn, and give priority to the wishes of the people consulted. In addition, no disadvantageous treatment will be given to any person for consultation or cooperation.

(1) Human rights consultation desk in the workplace

We assign human rights counselors to each workplace and post their names.

▶ P98 Whistleblowing and Consultation System

(2) External consultation desk

We provide counseling services by outside specialists for employees with various problems.

<Main target of consultation>

- Sexual harassment, power harassment, maternity harassment, consultation on human rights other than harassment

Human Rights

Other consultation desks

In addition to the human rights consultation desk available, we have established the following consultation desks to provide employees with advice on the workplace environment and work-related issues.

- | | |
|--|---|
| ● Whistleblowing Contact Points | ● Kampo women consultation service |
| ● Contact for reporting improper financial product sales | ● Gender Identity consultation service |
| ● Direct Suggestions to the President of Japan Post Group | ● Consultation service for employees with fixed term jobs, etc. |
| ● Direct Suggestions to the President of Japan Post Insurance | ● Consultation service for handling health information, etc. |
| ● Inquiries, proposals, etc., and responses for business improvement | ● Mental and Physical Health Consultation Desk |
| ● Working hours consultation office | ● Japan Post Insurance total counseling program |
| | ● Multiple debt consultation service |

Requests to Business Partners for Consideration of Human Rights

We also strive to encourage our business partners to respect human rights.

▶ **Japan Post Group CSR Procurement Guidelines**

https://www.japanpost.jp/en/sustainability/procurement/pdf/procurement_guideline.pdf

▶ **P82 Supply Chain Management**

Promoting Diversity and Inclusion

To achieve one of our management policies, “We create a working environment in which all employees can develop their talents and work with energy and vitality,” and to put our code of conduct into practice, “We respect human

rights and create a diverse and inclusive working environment,” the Diversity Promotion Office plays a central role in the promotion of diversity management.

Promotion of Expanding Roles of Female Employees

The company will support more female employees so that they can be active in various workplaces and positions.

Appointment of Female Managers

Our goal is to increase the ratio of female managers at the head offices to 30% or more by April 1, 2031.

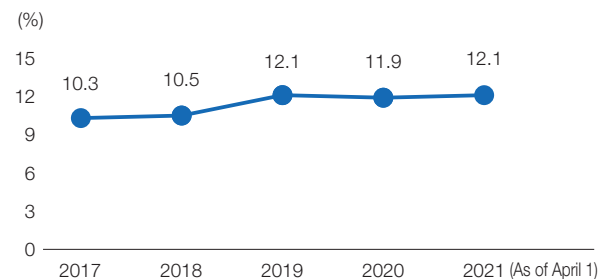
We will work to support career development both inside and outside the head office.

▶ **Our Plan of Action for General Employers based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace**

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/diversity_01.pdf

▶ **P116 Ratio of female managers (ESG data)**

Ratio of female managers



Initiatives to raise employee awareness

[Information about Role Models]

To encourage employees to think about their own careers, we have introduced various career plans and employee ideas in the company internal newsletter.

We also have a Talentbook that introduces the stories of our employees who are active in the Company.

▶ **Talentbook (in Japanese)**

<https://www.talent-book.jp/jp-life>

[Understanding Unconscious Bias]

We conduct Unconscious Bias seminars to help employees understand their own unconscious tendencies to prejudge and prejudice. We believe that understanding our own tendencies will help us to accept diverse opinions and provide an opportunity to expand and develop the range of our thinking.

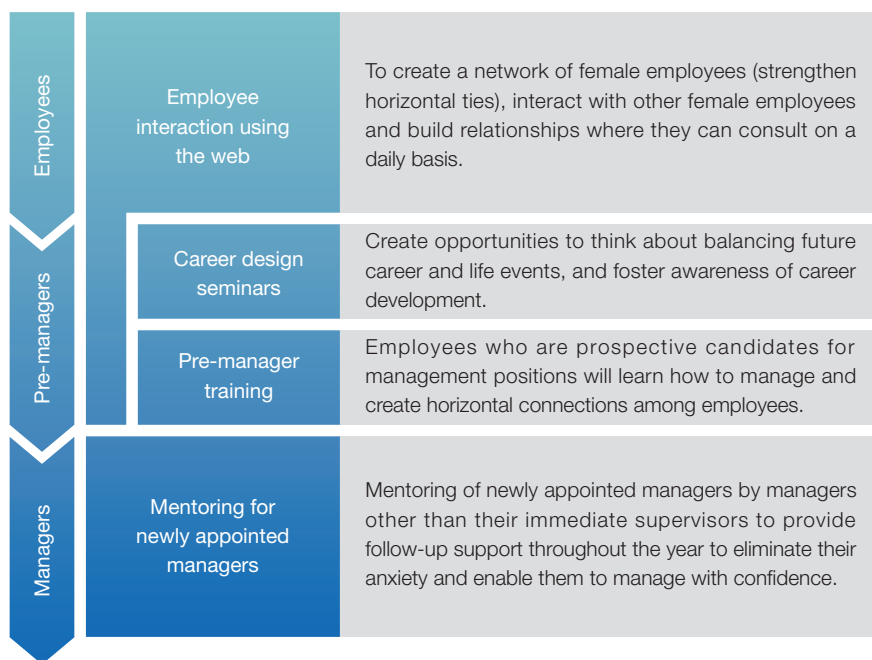
[Survey for all employees on their willingness to be promoted]

We conduct the survey for all employees regarding their willingness to be promoted. Based on the results of the survey, we are implementing measures to resolve the issue.

Promoting Diversity and Inclusion

Employee Development and Networking for Female Employees

We are working on systematic and continuous development of female employees by providing opportunities for employee interaction and training for pre-managers.



External Activities

“Declaration on Action” by a group of male leaders who will create “A Society in which Women Shine”

SENDA Tetsuya, Director and President, CEO, Representative Executive Officer of Japan Post Insurance, has endorsed the “Declaration on Action” by a group of male leaders who will create “A Society in which Women Shine,” and takes part in the General Meeting.

- ▶ Endorsement of the “Declaration on Action” by a group of male leaders who will create “A Society in which Women Shine”, Gender Equality Bureau, Cabinet Office (in Japanese)

https://www.jp-life.japanpost.jp/information/press/2021/abt_prs_id001743.html

(Reference) A group of male leaders who will create “A Society in which Women Shine”

On March 28, 2014, a kick off meeting to create “a society in which women shine” was held at the office of the Prime Minister in order to create a nationwide movement to support women who will and do shine in various fields. In succession to this, male leaders who have already been in-

involved in promoting an active role of women in their own organization were invited to discuss the role of male leaders in Japan and “Declaration on Action” by a group of male leaders who will create “A society in which Women Shine” was announced.

- ▶ “Declaration on Action” by a group of male leaders who will create “A Society in which Women Shine”

https://www.gender.go.jp/english_contents/mge/declaration/pdf/declaration.pdf

Promoting Diversity and Inclusion

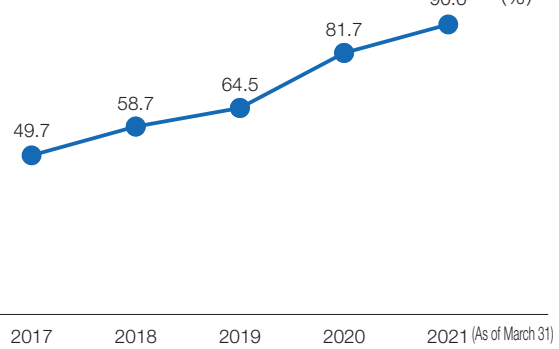
Support for balancing work with childcare and nursing care

Our goal is to increase the percentage of both male and female employees taking childcare leave to 100% by March 31, 2024.

To support employees who are engaged in childcare and nursing care while working, we are engaged in setting up and improving systems, introducing e-learning, providing online seminars, and cooperation with company-led childcare facilities, among other initiatives. In addition, we have been promoting flexible work styles by introducing remote working since the fiscal year ended March 31, 2021.

We received “Platinum Kurumin” certification from the Ministry of Health, Labour and Welfare in recognition of these initiatives in the fiscal year ended March 31, 2019.

■ Rate of taking childcare leave (%)



Childcare-related Systems

Acquisition Period	Program name
In case of pregnancy	Measures to ease commuting
	Exemption from work for rest and predation while on duty
	Exemption from work for health guidance and health checkups
	Administrative conversion measures, reduction of administrative work, and reduction of working hours
Pre-birth	Maternity leave
	Exemption from work for health guidance and health checkups
	Administrative diversion measures, reduction of administrative work, reduction of working hours
After childbirth	Postpartum maternity leave
	Childcare leave
After return-to-work	Nursing time
	Partial childcare leave
	Child nursing care leave
	Exemption from overtime work, etc., and restrictions on overtime and late-night work
	Services to support childcare (various subsidies)
	Change of course for short-time worker course

Promoting Diversity and Inclusion

On-site Daycare Center

In April 2019, the Japan Post Group opened an on-site daycare center, Yutemachi Nursery, in the Otemachi Head Office building.

Promotion of Childcare Leave

We have made thorough efforts to confirm the intentions of employees so that all employees who wish to take childcare leave can do so.

Promotion of Male Participation in Childcare

We encourage employees who are expecting a child to take childcare leave. In addition, we encourage employees to participate in childcare by using the *Childcare Leave Guidebook for Dads*.

Nursing Care Related Systems

Program name
Nursing care leave
Partial nursing care leave
Exemption from overtime work, etc., and restrictions on overtime and late-night work
Services to support care
Change of course to shorter working hours course

Training and Seminars

[Seminars on childcare]

In order to facilitate a smooth return-to-work, we hold seminars for employees who are raising children, in which couples can participate.

We also hold seminars for managers on how to talk to and respond to their subordinates so that they can balance work and nursing care, as well as on understanding internal and external systems for nursing care.

[Seminars on nursing care]

We hold group companies joint seminars to help employees balance work and nursing care in case their subordinates or themselves are facing nursing care or will need nursing care in the future.

In addition to this, an e-learning environment has been created to allow for self-improvement during childcare or nursing care leave.

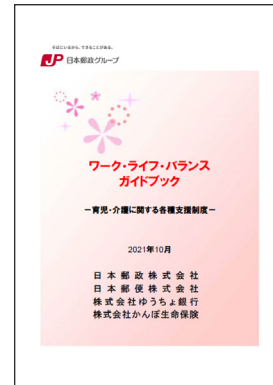
Promoting Diversity and Inclusion

Work-Life Balance Guidebook

We post the Work-Life Balance Guidebook, which describes various support systems for childcare and nursing care, on the company portal site. We have also established the Work-Life Balance Information Website to provide a place for Group employees to exchange information.

▶ **Our Plan of Action for General Employers based on the Act on Advancement of Measures to Support Raising Next-Generation Children**

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/diversity_02.pdf



External Evaluation and Support for Initiatives

External Evaluation

We have received Kurumin Certification from the Ministry of Health, Labour and Welfare since 2015, and acquired Platinum Kurumin Certification in March 2019. The Platinum Kurumin Certification system recognizes companies that are pursuing initiatives at an advanced level among companies that have received Kurumin Certification as childcare support companies.



As a company that promotes the establishment of a work environment which accommodates both work and nursing care for family members, the prevention of voluntary resignation due to nursing care for family members, and support toward reinstating employment, we have received the symbol mark "Tomonin" set up by the Ministry of Health, Labour and Welfare.



Support for Initiatives

IkuBoss Corporate Alliance

In 2017, we became a member of the IkuBoss corporate alliance and have been actively raising the awareness of managers, considering the work-life balance of their subordinates, supporting their careers and lives, and fostering

bosses who can enjoy their own work and personal lives while achieving results for the organization. In addition to fostering IkuBoss, we aim to achieve a 100% rate of male employees taking childcare leave.

Promoting Diversity and Inclusion

Hiring a diverse workforce

Employment of People with Disabilities

The Japan Post Group's goal is to increase the percentage of employment rate of people with disabilities to 2.5% or more by March 31, 2026.

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. We will continue to promote the expansion of the number of offices where we employ and provide support for the retention of employees with disabilities, with the aim of improving the employment rate.

▶ **P118 Rate of employees with disabilities (ESG data)**



Employees cleaning the office

Administrative Support Team from Diversity Promotion Office

In the Administrative Support Team within the Diversity Promotion Office, employees with disabilities are engaged in administrative support work. The team takes care of regular tasks that occur in various departments, such as delivering mail and disposing of shredded garbage, and works to be very helpful.



Preparing mail to be delivered to each department

Acceptance of Vocational Trainability

We regularly accept students from Schools for Special Needs Education for vocational training. We train them to perform the same duties as the employees of the administrative support team of the Diversity Promotion Office, such as disinfecting common areas in the company and replenishing paper in the copy machines installed in each

department. In addition to the actual work, we contribute to students' employment at companies through practical training programs such as greeting employees at the work site and participating in morning and end-of-day meetings with employees.

Promoting Diversity and Inclusion

Contribution of the Formation of a Diverse Society through Support for Wheelchair Tennis

As a top partner of the Japan Wheelchair Tennis Association, we support wheelchair tennis.

In addition, to contribute further support, we welcomed OHTANI Momoko, a wheelchair tennis player, as a full-time

company employee in FY2020. We support her activities and communicate to society how she continues to challenge herself to achieve her dreams.

▶ **OHTANI Momoko special page (in Japanese)**

<https://www.jp-life.japanpost.jp/aboutus/sustainability/social/diversity/athlete.html>



Elderly Reemployment System

In accordance with the Law Concerning Stabilization of Employment of Older Persons, if a regular employee wishes to be rehired after reaching the mandatory retirement age, we employ them as an elderly rehired employee until the age of 65. About 200 people are active in the Company.

Recruitment in various areas in Japan

We employ career-track positions in all areas of the country, as well as area core positions and general positions in each area.

▶ **P117 New hires Data (ESG data)**

LGBT Friendly

We are conducting training to deepen the understanding of polymorphous sexuality and promoting the expansion of allies who understand and support LGBTQ+*, aiming to

become a LGBT friendly company. We continue to create a working environment in which all employees can develop their talents, so that they can work with energy and vitality.

(* The first letters of the four words L (lesbian), G (gay), B (bisexual), and T (transgender) are arranged, and Q (questioning and queer) is added to "+" to signify diversity outside of the existing framework.

Policy

The Japan Post Insurance Human Rights Policy clearly states, "The Company respects human rights, and does not discriminate on the basis of race, color, gender, sexual orientation, sexual identity, language, religion, politics or

creed, nationality or social origin, poverty or wealth, birth, disability, etc. The Company also aims to avoid indirect discrimination."

Promoting Diversity and Inclusion

Personnel System

In the company regulations, the term “spouse” for bereavement leave and marriage leave is clearly defined as “including those who are in a so-called common-law relationship and those who have a notarized agreement contract for joint life (a certificate of partnership issued by the local government, if any).”

Support for Initiatives

We support Tokyo Rainbow Pride* every year.

* A celebration of sexual and life diversity organized by Tokyo Rainbow Pride, a non-profit organization.

External Indicators

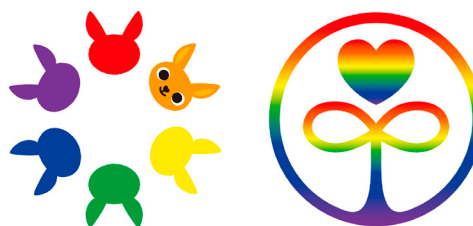
For five consecutive years, we were awarded Gold in the PRIDE INDEX*.

* The voluntary organization “work with Pride” established in 2016 as Japan’s first evaluation index for LGBTQ+ initiatives in the workplace.



Trademark Registration of Symbol Mark

In FY2020, as an LGBT-friendly insurance company, we have registered this trademark as a symbol of our efforts to promote the sharing of appropriate understanding and knowledge of LGBT issues.



Our trademarked LGBT ALLY logo

Human Resources Development

Our aim is to create an environment where every employee can make full use of his or her capabilities in order to offer customers superior services and to enhance corporate value. Our “Human Resources Development Basic Policies” emphasize development of people who put the

customer first. We are vigorously supporting our employees so that they are motivated to grow together with the Company with job satisfaction, while always being mindful of corporate social responsibility.

Human Resources Development Basic Policies / System

In order to motivate each and every employee for personal development and foster them to become human resources capable of taking action expressing the four orientations (*1) based on the customer-first concept while

implementing the PDCA cycle on a daily basis, we have a system in which OJT (*2), support for self-development and Off-JT (*3) are linked under the “Human Resources Development Basic Policies”.

(*1) “Four orientations” refer to “Ownership oriented,” “Challenge oriented,” “Speed oriented,” and “Customer oriented,” which are listed as elements of our desired image of human resources.

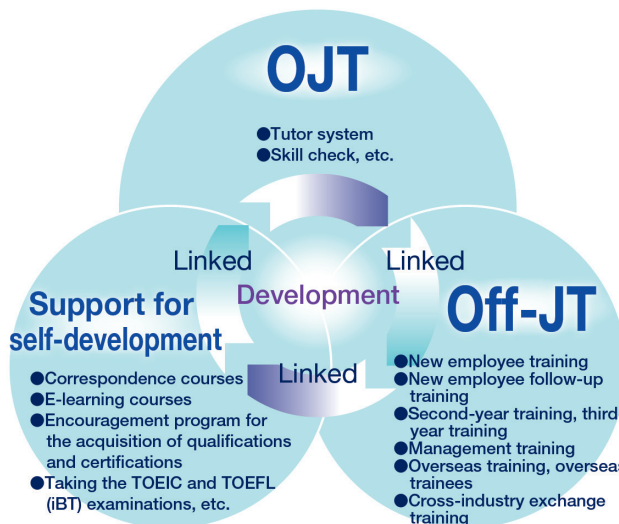
(*2) OJT: On-the-job training. OJT is personalized training. A superior provides the knowledge and skill set his/her subordinates need in order to do the job in the course of the daily performance of tasks.

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

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.

Human Resources Development System



Human Resources Development

Capacity Building Training

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."

Initiatives to Strengthen Management Capabilities

For our reconstruction and sustainable growth, all employees must fulfill their roles to the maximum extent. In particular, managers, who are the core of each organization, must perform operations and fulfill their duties from the viewpoint of management beyond the boundaries of the benefits of their own organizations, as well as construct an environment where their subordinates can exercise their capabilities to the maximum level. For that purpose, we will aim to transform the behavior of managers by more clearly

showing the image of managers we desire and then evaluating not only their performance but also their everyday behavior in the conduct of duties.

<Key initiatives>

- Implementation of management training for managers
- Review of the personnel evaluation system for managers
- Clarification of the image of human resources to be sought when appointing managers

Encouragement Program for the Acquisition of Qualifications and Certifications

This system provides incentives according to qualifications to employees who have acquired qualifications set by the company.

Correspondence Courses

This system subsidizes half of the course fee (no upper limit) for employees who meet certain conditions such as completing the course. We offer about 200 types of correspondence courses.



Human Resources Development

e-Learning Library

This is a system that allows employees who wish to take a variety of courses that can be used for business purposes, free of charge and with no restrictions on the number of courses they can take on their own smartphones or computers. We offer about 200 types of courses.



Implementation of Overseas Training

We offer overseas training programs to develop human resources who can contribute to the future management of the company by participating in MBA programs at graduate schools in the U.S. or the U.K. to acquire management

knowledge and an international perspective. We also dispatch mid- to short-term trainees to investment management companies, mainly in the U.S., for the purpose of developing specialized investment management personnel.

▶ P119 Capacity Development and Education (ESG data)

Health Management

In line with the Japan Post Group policy that physical and mental health is important for each and every employee to fully demonstrate his or her abilities and work vigorously, we have established the Japan Post Group Health

Management Promotion System. We work on measures to maintain and promote health, such as curbing long working hours, health guidance to prevent and improve lifestyle-related diseases, and mental health care.

▶ **Health Management Initiatives of the Japan Post Group (in Japanese)**

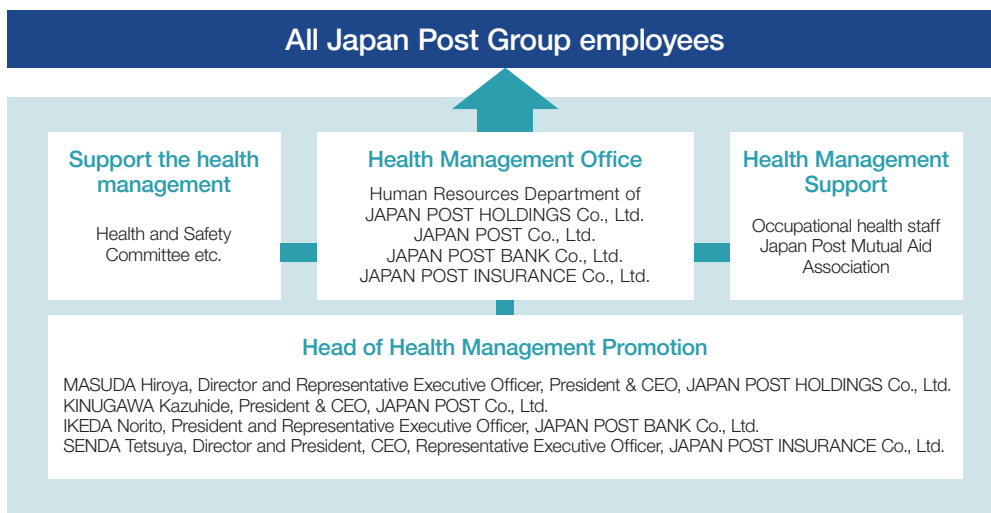
<https://www.japanpost.jp/corporate/values/healthmanagement.html>

Establishment of the Japan Post Group Health Management Promotion System

The presidents of the four Japan Post Group companies are responsible for promoting health management. The Health Management Office plays a central role in promoting

the health management of the Japan Post Group in cooperation with occupational health staff, the Japan Post Mutual Aid Association, and internal health and safety committee, etc.

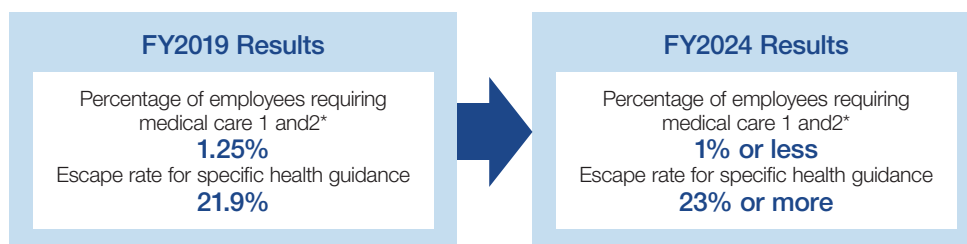
The Japan Post Group Health Management Promotion System



Setting Health Management KPI and PDCA in the Japan Post Group

With the aim of curbing the number of employees who are unable to work normally due to health issues, we have set KPIs over the medium term to evaluate the status of employee health-related initiatives.

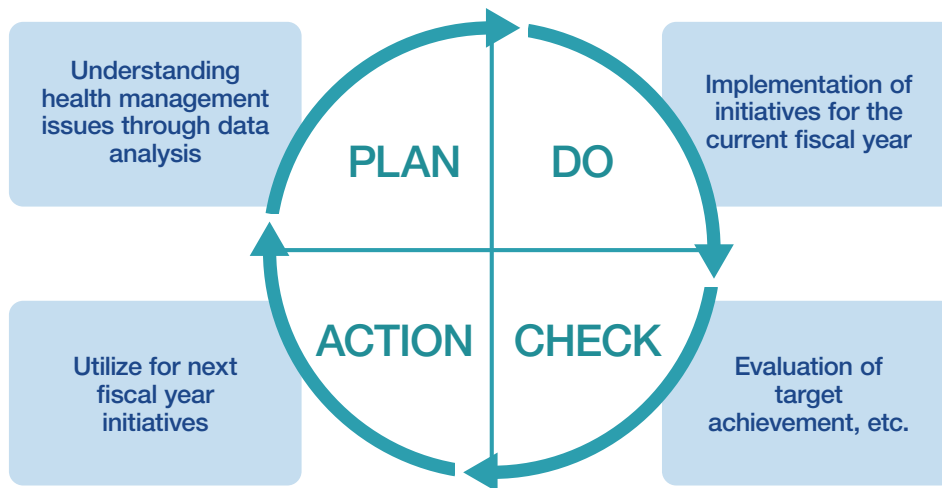
Japan Post Group Health Management KPI Medium-Term Management Plan (FY2020-FY2024)



(*) Medical care required 1 and 2: Those who require urgent or immediate medical care.

Health Management

In addition, we will continue to identify issues based on the analysis of the current situation using data obtained from health checkups, etc. Using this information will allow us to formulate and evaluate health management measures.



Various Initiatives to Promote Health Management at Japan Post Insurance

Initiatives for Health Promotion

- Based on the results of the health checkups, we recommend employees to go to medical institutions and obtain health guidance in cooperation with occupational health staff.
- To enhance employees knowledge of health, we subsidize the cost of acquiring the Japan Health Master Certification.

- We have established the My Health Navi website to provide information on health checkup results and prevention of lifestyle-related diseases to improve health literacy.



Employee health indicators			FY2020
Periodic Health Examination Results	Percentage of employees requiring medical care 1 and 2 (*)	Overall	0.7%
	Percentage of people maintaining appropriate weight	Overall	74.1%
	Smoking rate	Overall	17.1%
Escape rate for specific health guidance		Overall	23.1%
Stress check implementation rate		Overall	92.5%

(*) Medical care required 1 and 2: Those who require urgent or immediate medical care.

Efforts to Quit Smoking

- To prevent passive smoking, offices with smoking rooms have completely separate smoking areas, while offices without smoking rooms have a total ban on smoking.
- Since October 22, 2018, we have designated the 22nd of every month as Kampo No-Smoking Day. We work to raise awareness of smoke-free efforts by using a smoke-free

awareness booklet and raising the issue at Health and Safety Committee meetings.

- In cooperation with the Japan Post Mutual Insurance Association, we work to encourage behavioral change among our employees by offering online smoking cessation programs.

Health Management

Mental Health Measures

- To prevent mental health problems, we have established a Mental and Physical Health Consultation Desk in cooperation with occupational health staff, etc. We have a system in place to provide consultation in person, by phone or e-mail.
- To detect mental health problems at an early stage and improve the work environment, we conduct stress checks once a year at all business bases.
- To ensure that employees with mental health problems can return to work smoothly, we have formulated a Return-to-Work Support Program. We have also established a Return-to-Work Support Committee. In addition, to support the return-to-work of employees with mental health problems, we offer a counseling program for employees who have been absent from work due to mental health problems.

Certified Health and Productivity Management Outstanding Organization 2021 (Large Enterprise Category) and White 500

We were selected for the fourth consecutive year as a Certified Health and Productivity Management Outstanding Organization in the large enterprise category under a recognition program designed by the Ministry of Economy, Trade and Industry (METI) in which the Nippon Kenko Kaigi recognizes enterprises that are engaged in efforts to address health issues or are particularly outstanding in the practice of health and productivity management for promoting health. In addition, we were selected as one of the “White 500” companies, under the program which recognizes the top 500 corporations among the Certified Health and Productivity Management Outstanding Organizations in the large enterprise category.



Labor Standard

Efforts to Reduce Working Hours

We have a policy of reducing excessive working hours by complying with laws and regulations related to working hours, such as 36 Agreements. Based on this policy, we work on the proper management of working hours at each

workplace so that each and every employee can fully demonstrate his or her abilities and work with vigor. We also implement a variety of initiatives to reduce overtime work by improving operational efficiency and reforming work styles.

▶ **P118 Monthly average amount of overtime per employee (ESG data)**

Wage Management

Our basic policy is to comply with minimum wage law and other labor laws and regulations and to pay all employees a wage that exceeds the regional minimum wage so that they can maintain the minimum standards of wholesome and cultured living.

We have made efforts to improve wage levels so that employees in all regions can enjoy a more affluent life, and we will continue to do so.

There is no disparity in the wages we pay based on nationality, creed, social status, or gender.

▶ **P116 Average annual salary (ESG data)**

Labor-Management Relations

In accordance with the Japanese Constitution and the Labor Union Law, we respect the rights of workers (the right to organize, to bargain collectively, and to take other collective actions).

The Japan Post Group, including the Company, has

organized labor unions such as the Japan Postal Group Union. They engage in collective bargaining on an equal footing with labor and management regarding various working conditions, including employee wages and working hours.

Promotion of Understanding Among Employees

We provide all employees, including regular and contract employees, with information and training on laws and regulations related to labor standards (36 Agreements and other laws and regulations related to working hours, etc.) and explanations. We work to promote understanding of labor standards.

Social Contribution Activities

Our predecessor, the Postal Life Insurance Service, was born more than a century ago when it was difficult for people, with only a handful of exceptions, to purchase life insurance. Behind this initiative was a commitment to popularizing basic coverage through the familiar network of post offices, by offering insurance for small coverage amounts through simple procedures.

Inheriting this commitment to the goal of contribution to

resolving social issues, the Company is actively involved in social contribution activities.

In particular, we have upheld the following three areas related to the life insurance business on our Management Policy and Materiality, and are promoting social contribution activities: health promotion and enhance Well-Being, environmental protection, and development of local communities and society.

Management Policy

5. We actively contribute to health promotion, environmental protection, and the development of local communities and society as a whole.

Materiality

(2) Contribute to the development of communities and society; and environmental conservation
(3) Extend healthy life expectancy through health promotion, etc. - Increase well-being

Health Promotion and Enhancement of Well-Being

“Radio-Taiso”

The Postal Life Insurance Bureau of the Ministry of Communications, the origin of the Company established “Radio-Taiso” as National Health Exercise Program in 1928. It was widely spread through radio broadcasts by the NHK (Japan Broadcasting Corporation). We have assumed the role of promoting the exercise program, first undertaken by the Ministry of Communications and then by its successors, namely the Ministry of Posts and Telecommunications, the

Postal Service Agency and Japan Post prior to privatization. We have been working together with Japan Broadcasting Corporation and the NPO Japan Radio-taiso Federation to promote the program.

In the age of the 100-year life, we will continue to convey the warmth and appeal of “Radio-Taiso” to help solve social issues such as improving the health of everyone and revitalizing local communities.

▶ “Radio-Taiso” / “Minna no Taiso” (“Exercise for Everyone”) (in Japanese)

<https://www.jp-life.japanpost.jp/radio/>

Social Contribution Activities

Festival of 10 Million People's "Radio-Taiso" and "Minna no Taiso"

As the biggest event in the field of "Radio-Taiso", we have held the event once a year since 1962 with the aim of having as many as 10 million people perform "Radio-Taiso" at the same time. Many people have participated through television and radio.

	Date	Venue	Number of venue participants
60th	Cancelled in FY2020 and FY2021 due to COVID-19		
59th			
58th	July 28, 2019	Setagaya-ku, Tokyo	About 2,300 people
57th	August 5, 2018	Kurashiki City, Okayama	About 5,000 people
56th	July 30, 2017	Nagaoka City, Niigata	About 4,500 people
55th	July 31, 2016	Matsuyama City, Ehime	About 6,000 people



▶ Festival of 10 Million People's "Radio-Taiso" and "Minna no Taiso" (in Japanese)

<https://www.jp-life.japanpost.jp/radio/festival/index.html>

"Radio-Taiso" and "Minna no Taiso" Tour

We conduct a summer tour (July 20-August 31) and a special tour (April-October, excluding the summer tour), both of which are broadcast live nationwide on NHK Radio 1.

<Status of events in FY2021>

Summer tour: Cancelled at all sites due to COVID-19.

Special tour: Held on October 24, 2021 at the Ube City site in Yamaguchi Prefecture.

Cancelled at the other 6 sites due to COVID-19.

All-Japan Elementary School "Radio-Taiso" Competition

We started this competition in 2014 with the hope of contributing to the physical fitness of elementary school children across the country by encouraging them to enjoy doing "Radio-Taiso" through participation in this competition. We contribute to the physical fitness of elementary school children throughout Japan through "Radio-Taiso".

	Application period	Number of applications
8th	June 1, 2021 - August 31, 2021	About 400 teams
7th	Cancelled due to COVID-19	-
6th	June 1, 2019 - July 31, 2019	About 570 teams
5th	June 1, 2018 - July 31, 2018	About 650 teams

Social Contribution Activities

“Radio-Taiso” Attendance Card

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



Health Promotion Information Magazine “Radio-Taiso®”

We regularly publish an information magazine that contains information about “Radio-Taiso”, such as useful tips, one-point lessons, and episodes told by people who are connected to “Radio-Taiso”.

▶ **Health Promotion Information Magazine “Radio-Taiso®” (in Japanese)**

<https://www.jp-life.japanpost.jp/radio/magazine/index.html>

In FY2021, we posted not only information on “Radio-Taiso”, but also our initiatives on climate change, ESG investment, and diversity for our customers to read about.

Collaborative Research to Verify the Health Benefits of “Radio-Taiso”

We conduct collaborative research to verify the health benefits of “Radio-Taiso” with the Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology, Tokyo Medical University, and the NPO Japan Radio-Taiso Federation.

Purpose of the Collaborative Research

“Radio-Taiso” is not only easy to do anytime, anywhere, by anyone, but also contains well-balanced elements of physical fitness necessary to maintain health, such as flexibility of joints and muscles, balance ability, lower limb muscle strength, coordination power, and total body endurance. It is thought that the habitual use of “Radio-Taiso” will contribute to the extension of healthy life expectancy.

However, according to a survey of general consumers conducted by Japan Post Insurance in April 2021, while the

recognition rate of “Radio-Taiso” in Japan is extremely high at 96.9%, only 11.7% of people do it at least once a week.

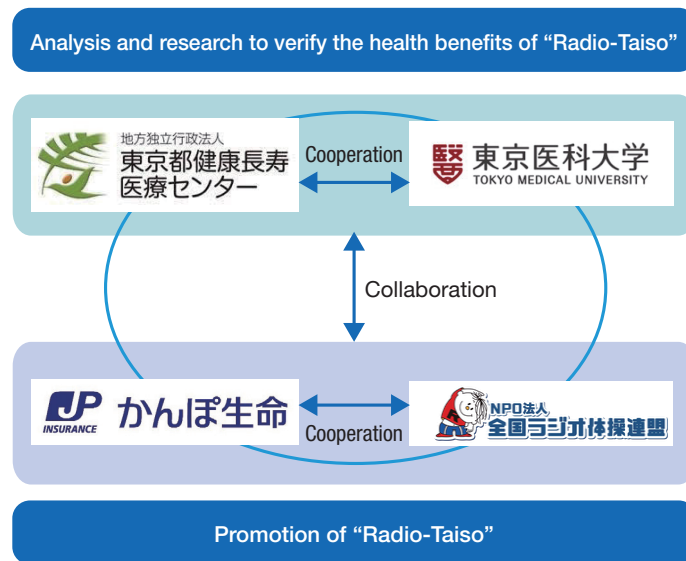
Based on the above, we will continue working on verifying the health benefits of “Radio-Taiso” through this collaborative research and promote this to the public so that they understand the health benefits of “Radio-Taiso” with the hope that as many people as possible will continue to do “Radio-Taiso” as a habit.

Social Contribution Activities

Details of the Collaborative Research

This research will examine a wide range of positive influences and effects of “Radio-Taiso” on health, and in particular, will clarify its effectiveness in preventing frailty*.

* Frailty refers to a state of decline in physical and cognitive functions that lies between a healthy state and a state requiring nursing care. It includes not only physical decline, but also mental (psychological) and social frailties from multiple perspectives.



Sukoyakanpo

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 case 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.



Standard Menu




Premium Menu

Social Contribution Activities

Main Functions of the Sukoyakanpo Health Support App

Standard menu Free

Support 1 Enjoy "walking"




Step count management/ Radio Exercise

The basis of health maintenance is to do physical exercise every day. Easy step count management and useful Radio Exercise functions support your healthy lifestyle.

Standard menu Premium menu

Support 2 "Learn" your body



Health Improvement Advice


You can analyze your body from a medical examination result. This function helps you solve your health-related problems through advice to improve your health.

Standard menu Premium menu

*In the "Health Improvement Advice" function, "Disease Risk Check" and "My Column" are available only via the Premium menu.

Premium menu Free

Support 3 Know the "rhythm of your body"




Body Rhythm Advice

Support the correct cycle of meals, exercise, and sleep. Summarize the next goal and the past results in an easy-to-understand way to raise your motivation.

Premium menu

Support 4 Support "eating"



Diet Advice

Support a well-balanced diet with healthy and delicious recipes and the check function which calculates the calories and nutrients of meals in photos.

Premium menu

▶ **Sukoyakanpo (in Japanese)**

https://www.jp-life.japanpost.jp/health/exercise/health-app/kna_index.html

Kampo Platinum Life Service

Japan Post Insurance is conducting a companywide initiative called "Kampo Platinum Life Service" to win the favor of its 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	Provision of information contributing to the improvement of customers' QOL	Establishment of systems friendly to elderly customers/training of employees
<ul style="list-style-type: none"> ● Free telephone consultation service for policyholders, etc. ● Consultation line for health, medical, nursing care and childcare ● Information line for "taxes in life" 	<ul style="list-style-type: none"> ● Publication of "Kampo Platinum Life Service," an information magazine for elderly customers 	<ul style="list-style-type: none"> ● Establishment of a dedicated call center for elderly customers ● Encouraging employees to acquire qualifications <ul style="list-style-type: none"> ● Care-Fitter ● Dementia Supporter

▶ **Kampo Platinum Life Service**

https://www.jp-life.japanpost.jp/inf_platinumlife.html

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Social Contribution Activities

Attendance of Dementia Supporter Training Course

To contribute to the creation of a place where people can live with peace of mind even if they suffer from dementia, we promote dementia supporter training. To date, more than 12,000 employees have taken the course by FY2020.

Environmental Conservation

▶ P42 Supporting Environmental Conservation Activities

Development of Local Communities and Society

Support for wheelchair tennis

Japan Post Insurance has been supporting wheelchair tennis as a top partner of “Japan Wheelchair Tennis Association (JWTA)” since the fiscal year ended March 31, 2019 by sponsoring wheelchair tennis competitions and wheelchair tennis events for the junior generation, etc. nationwide. We will contribute to the formation of a diverse society through

support for wheelchair tennis, and proactively perform initiatives for SDGs.

▶ Japan Wheelchair Tennis Association

<http://jwta.jp/>



Sponsorship of the “Student Music Concours of Japan”

With a desire to support the development of music culture and students who take on the challenge to achieve their dreams, we believe in the purpose of the Student Music Concours of Japan sponsored by the Mainichi Newspapers Co. and sponsor this competition.

The purpose of this competition is to contribute to the development of music culture by cultivating a spirit of enjoyment for music, promoting the improvement of performance skills, and through fair judging, discovering young talent who will be active on the world stage.



STUDENT MUSIC
CONCOURS OF JAPAN

▶ The Student Music Concours of Japan

<https://gaccon.mainichi-classic.net/>

Social Contribution Activities

Sponsorship of NHKSO Beethoven 9th Special Concert

We strongly believe in the purpose of the NHK Symphony Orchestra and as part of our social contribution activities, we sponsor NHKSO Beethoven 9th Special Concert.



Sponsorship of Festivals Across Japan

We sponsor local festivals held in various parts of Japan.



Aomori Nebuta Festival



Tokushima City Awa Odori

Social

Social Contribution Activities

Social Contribution Activities at Each Base

Based on the management philosophy “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we carry out community-based social contribution activities at our branches, regional headquarters, and service centers throughout Japan.

In addition, in accordance with the “Procedures for Sponsorship of Environmental and Social Contribution Activities, etc.,” we sponsor activities and events held throughout Japan for the purpose of contributing to local communities and culture, environmental protection, etc.

- Kurume Branch**
 Planting and nurturing flowers in flower beds as a *Kurume Hana Kaido* Supporter
- Tottori Branch**
 Participating in crop planting volunteer activities
- Wakayama Branch**
 Blood donation drive
- Utsunomiya Branch**
 Donations to food banks
- Tohoku Regional Headquarter**
 Watching over students on their way to school
- Chiba Branch, Funabashi Branch**
 Participation in the Inage beach cleanup volunteer activity
- Around the head office building**
 Cleanup activities

Children's Rights and the Development of the Next Generation

We respect the Children's Rights and Business Principles, and are supporting children who will lead the next generation.

<Key initiatives>

- Providing educational endowment insurance through a nationwide network of post offices
- Conducting “Radio-Taiso” Competition for elementary school students and on-site classes of “Radio-Taiso”
- Sponsorship of the “Student Music Concours of Japan”

Support for Customers with Disabilities

We are implementing the following initiatives to ensure that customers with disabilities can complete procedures with ease.

Publication of Various Information Guides in Braille

We will publish contract detail notifications in Braille based on requests from policyholders and others as well as publishing notices on maturity, pension payments, loan details, and loan repayment in Braille depending on the status of contract in force.

Substitution and Other Initiatives

Upon requests for assistance from visually or hearing-impaired customers when applying for new contracts or making various types of requests, we have several employees who act on the customer's behalf. The employees read and write on behalf of the customer regarding the content of the application form, etc.

In addition, when the Call Center confirms the intentions of the policyholder when applying for a new policy, if the policyholder has hearing or speech disabilities, the call center will switch to a written or face-to-face method.

Universal Design (Consideration for Diversity of Color Vision)

We work to create materials that can be easily understood by as many people as possible by adopting color universal design that considers the diversity of human color vision and universal design fonts that minimize misreading.

Special Treatment in Times of Disaster

When a disaster occurs and it is deemed necessary to meet the urgent needs of the situation, we will provide special treatment (emergency treatment) to affected customers.

During times of special treatment (emergency treatment), we will post the details and period of processing at the branches and the post offices the service is outsourced to.

Details of emergency treatment

- Extension of grace period for payment of insurance premiums
- Payment of insurance claims and unearned premiums
- Cancellation of basic policies and payment of cash value
- Cancellation of riders and payment of cash value
- Payment of ordinary loans
- Reduction or exemption of loans to the policyholder interest rates*
- Refund of unearned premiums due to cancellation of advance payment of insurance premiums
- Payment of policyholder dividends

* The policyholder loan rate may not be reduced or exempted depending on the details of the contract.

▶ Treatment for customers in areas covered by the Disaster Relief Act (in Japanese)

<https://www.jp-life.japanpost.jp/news/disaster/index.html>

Countermeasures and Initiatives in Response to COVID-19

We perform the following initiatives to fulfill our social mission and our role as a life insurance company throughout the COVID-19 pandemic.

Actions to be implemented	Key initiatives (overview)															
Initiatives to support Customers	<ul style="list-style-type: none"> ● Emergency treatment such as extending the grace period for premium payments and the omission of some necessary documents ● Payment of additional insurance benefits in the event of death due to COVID-19 on top of the death benefit (the "double payment of insurance benefits") (*1) ● Pay hospitalization insurance for the period when hospitalization was originally necessary. For example, if a customer is diagnosed with COVID-19 (after a positive by PCR test,) and must recover at home or at an accommodation facility provided by the prefectural government, if that customer is forced to leave the hospital earlier than initially expected due to circumstances at the medical institution, the full period will be covered. <p>■ Payment status for COVID-19 As of the end of September 2021</p> <table border="1" data-bbox="608 954 1409 1102"> <thead> <tr> <th></th> <th>FY2019</th> <th>FY2020</th> <th>First half of FY 2021</th> <th>Cumulative</th> </tr> </thead> <tbody> <tr> <td>Death benefit <small>(including the double payment of insurance benefits)</small></td> <td style="text-align: center;">-</td> <td style="text-align: right;">¥4,989,810,000 (1,456)</td> <td style="text-align: right;">¥7,267,750,000 (2,096)</td> <td style="text-align: right;">¥12,257,560,000 (3,552)</td> </tr> <tr> <td>Hospitalization Insurance</td> <td style="text-align: right;">¥740,000 (15)</td> <td style="text-align: right;">¥824,570,000 (14,023)</td> <td style="text-align: right;">¥1,695,500,000 (28,624)</td> <td style="text-align: right;">¥2,520,810,000 (42,662)</td> </tr> </tbody> </table>		FY2019	FY2020	First half of FY 2021	Cumulative	Death benefit <small>(including the double payment of insurance benefits)</small>	-	¥4,989,810,000 (1,456)	¥7,267,750,000 (2,096)	¥12,257,560,000 (3,552)	Hospitalization Insurance	¥740,000 (15)	¥824,570,000 (14,023)	¥1,695,500,000 (28,624)	¥2,520,810,000 (42,662)
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Responding to Lifestyle Changes	<ul style="list-style-type: none"> ● For customers wishing to make a claim other than in person, customers can order claim documents by phone or through the My Page web service for policyholders or make a direct claim through the My Page web service for policyholders. 															
Initiatives as a Responsible Institutional Investor	<ul style="list-style-type: none"> ● Investments in bonds issued by international organizations in response to COVID-19 <ul style="list-style-type: none"> <u>May 2020</u> <ul style="list-style-type: none"> · Sustainable Development Bond Investment to support countries in Latin America and the Caribbean affected by COVID-19 · Sustainability Awareness Bond Investment to support sustainable development, including measures to fight COVID-19, including SDG Goal 3: including good health and well-being. <u>March 2021</u> <ul style="list-style-type: none"> · Sustainable Development Bond Investment to support the purchase and distribution of COVID-19 vaccines through the COVAX, an international framework (*2) 															
Donations	<ul style="list-style-type: none"> ● Donation of an amount corresponding to the number of views of the "Radio-Taiso" videos (YouTube) as of the end of March 2021, ¥1,250,900, to the Japanese Red Cross Society to support health care workers and to prevent the spread of infections. 															

(*1) Depending on the type of insurance policy, the double payment of insurance benefits might not apply. The double payment of insurance benefits does not apply if the insured person passes away before one year and six months has elapsed since the enrollment date (contract date).

(*2) An international framework established to ensure that vaccines for COVID-19 are purchased jointly by multiple countries and distributed fairly and promptly to countries around the world.

▶ Information on handling the spread of COVID-19 (in Japanese)

<https://www.jp-life.japanpost.jp/news/coronavirus/index.html>

Supply Chain Management

Approach to Procurement Activity

To promote sustainable coexistence and co-prosperity with the entire supply chain, we request all of our suppliers, who are our important business partners, to promote fair and equitable transactions, environmental considerations,

anti-corruption, and enhancement of information security by complying with the “Japan Post Group CSR Procurement Guidelines,” based on our policy “Concept of Procurement Activity.”

Concept of Procurement Activity

The company will act in accordance with the following concepts in procurement activities for contracts for goods and services.

1 Open, fair, and appropriate procurement

- (1) Open the door widely to all potential suppliers in line with the principle of non-discrimination between any supplier and provide fair entry opportunities to suppliers.
- (2) Select suppliers based on a comprehensive and appropriate evaluation of quality, price, delivery time, technology, and business conditions.

2 Compliance with laws, regulations, and social standards

- (1) Comply with all relevant laws, regulations, and social norms, and implement procurement activities in good faith.
- (2) In the course of procurement activities, block relationships with antisocial forces that threaten the order and safety of civil society.

3 Environmental considerations

Implement procurement activities that take into consideration global and regional environmental conservation and the effective use of resources.

4 Building Trusting relationships

- (1) Aim to build strong relationships of trust with our business partners through good communication, and to develop together with them.
- (2) Manage information appropriately on suppliers obtained through procurement activities.

5 Compliance with the United Nations Global Compact

Engage in CSR procurement activities in line with the ten principles in the four areas (human rights, labor, environment, and anti-corruption) set forth in the United Nations Global Compact. In these efforts, require our suppliers to address the following items.

- (1) Compliance with laws and regulations
- (2) Compliance with the United Nations Global Compact

Supply Chain Management

Outsourced Management Initiatives

In accordance with the outsourcing management regulations, etc., we have established an appropriate outsourcing management system for contracts subject to management when outsourcing part or all of our operations to external parties. When selecting contractors, we use a checklist to examine the appropriateness of contracted operations, performance systems, existence of relationships

with Antisocial Forces (anti-corruption), and information security systems.

In addition, we conduct appropriate periodic audits, including monitoring to inspect contractors depending on the outsourcing risk and providing guidance for improvement as necessary.

Future Initiatives to Strengthen Supply Chain Management

In procuring goods and services necessary for business, we have established strict standards for measures against bribery and other forms of corruption. We also work to familiarize our employees with the “Japan Post Group CSR Procurement Guidelines” which include anti-corruption

content. In future, we will consider ways to strengthen our supply chain management, such as asking suppliers to submit written pledges regarding ESG clauses on human rights, labor conditions, and environmental conservations.

▶ **Japan Post Group CSR Procurement Guidelines**

https://www.japanpost.jp/en/sustainability/procurement/pdf/procurement_guideline.pdf

Corporate Governance

Basic Concept of Corporate Governance

The Company has established the “Basic Policy Regarding Corporate Governance” at the Board of Directors, which lays out our basic concept of corporate governance, its framework and operations, and the corporate governance structure is developed accordingly.

[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.

▶ Basic Policy Regarding Corporate Governance

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/cg_basicpolicy.pdf

▶ Corporate Governance Report

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/cg_report.pdf

▶ (Reference 1) Articles of Incorporation

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/kampo_articles_en1906.pdf

▶ (Reference 2) Directors and Executive Officers

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

▶ (Reference 3) Board of Directors Regulations

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/directors_regulations.pdf

▶ (Reference 4) Management Philosophy

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

▶ (Reference 5) Medium-Term Management Plan

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

▶ (Reference 6) Fundamental Policy for Establishment of Internal Control Systems

<https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/internalcontrol.pdf>

▶ (Reference 7) Appointment and Dismissal Criteria for Executive Officers

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_officers.pdf

▶ (Reference 8) Reasons for Appointment of Executive Officers

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/reasons_officers.pdf

▶ (Reference 9) Nomination Criteria for Candidates for Directors

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_directors.pdf

▶ (Reference 10) Reasons for Nominating the Candidates for Directors

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/reasons_directors.pdf

▶ (Reference 11) Designation Criteria for Independent Officers

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent_officers.pdf

▶ (Reference 12) Compensation Policies for Directors and Executive Officers by Individual

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/compensation_policies.pdf

Corporate Governance

Corporate Governance

Matters concerning controlling shareholders, etc.

▶ Matters concerning controlling shareholders, etc.

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/controlling_shareholders.pdf

Corporate Governance Systems

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

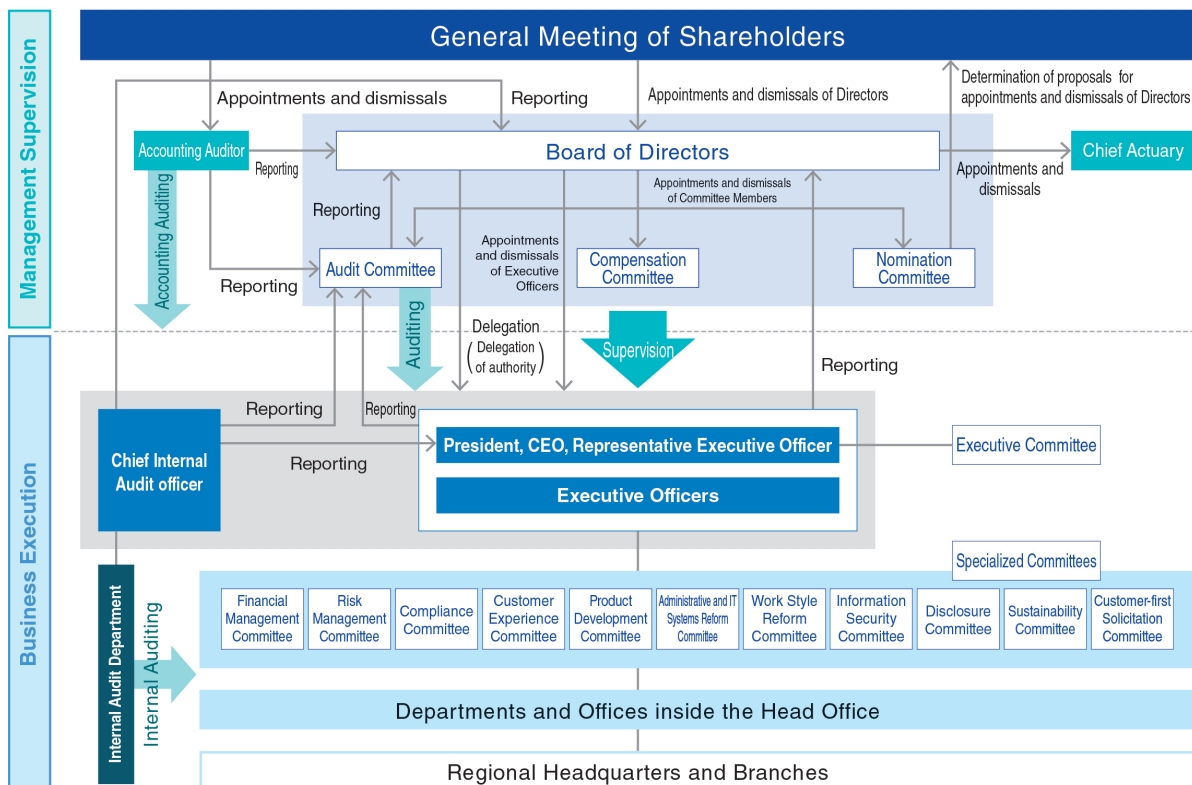
by customers.” We have established systems for the execution of our business based on the principle of self-responsibility and have continued our efforts to enhance our organization and systems.

Corporate Governance Overview

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.

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. 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.



Corporate Governance

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), YAMADA Meyumi (Outside Director)

(Membership composition as of January 1, 2022)

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: SAITO Tamotsu (Outside Director)

Members: NARA Tomoaki, SUZUKI Masako (Outside Director), YAMADA Meyumi (Outside Director), YAMAZAKI Hisashi (Outside Director)

(Membership composition as of January 1, 2022)

Compensation Committee

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

Committee Chair: SUZUKI Masako (Outside Director)

Members: MASUDA Hiroya, HARADA Kazuyuki (Outside Director)

(Membership composition as of January 1, 2022)

Corporate Governance

Corporate Governance

Status of Operations of the Board of Directors and Committees in FY2020

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

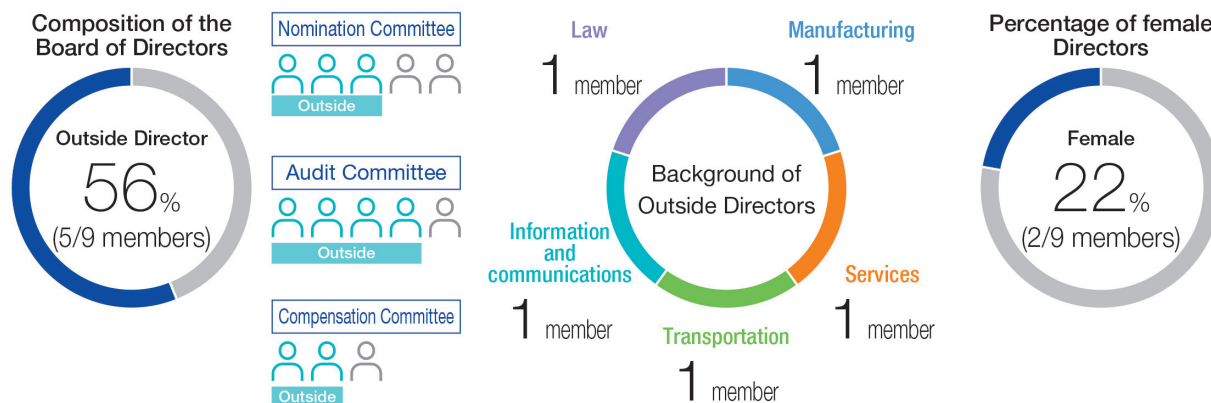
We are also working to ensure effective and smooth operations of the Board of Directors such as by providing Directors with accurate information as needed, providing thorough explanations on the details of proposals in advance, and ensuring that there is time for prior discussion and question-and-answer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

Board of Directors			
Number of meetings held:	17	Attendance rate:	100%
		Average length of meeting:	approx. 1 hour and 30 minutes
Major matters resolved by Board of Directors in the fiscal year ended March 31, 2021		<ul style="list-style-type: none"> • Progress on the business improvement plan • Rollout of operations aimed at regaining customers' trust • Issuance of subordinated corporate bonds • Management Plan for the fiscal year ending March 31, 2022 	

Nomination Committee	
Number of meetings held:	5

Audit Committee	
Number of meetings held:	17

Compensation Committee	
Number of meetings held:	8



Corporate Governance

Nomination Criteria for Candidates for Directors / Designation Criteria for Independent Officers / Skill Matrix for Directors

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.

In addition, we have formulated the “skill matrix for directors.”

▶ **Nomination Criteria for Candidates for Directors**

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_directors.pdf

▶ **Designation Criteria for Independent Officers**

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent_officers.pdf

▶ **Skill Matrix for Directors**

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/skill_matrix.pdf

Executive Compensation

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.

Classification	Reward Type	Overview	Payment Period	Supply method
Directors	Basic compensation (fixed)	Fixed level of compensation based on job responsibilities	Monthly	Cash
Executive Officers	Basic compensation (fixed)	Fixed level of compensation based on job responsibilities	Monthly	Cash
	Stock compensation (performance-linked)	Points calculated by the following formula are granted each year, and shares are delivered in proportion to the accumulated points. A. Basic points (awarded according to job responsibilities) B. Evaluation points (awarded based on individual evaluation) C. Coefficient (varies according to the achievement of the management plan) (A.+B.) × C.	At the time of retirement	Shares (a certain percentage is monetary)

(*) In the event that a person concurrently serves as a director and an executive officer, compensation as an executive officer will be paid.

▶ **Compensation Policies for Directors and Executive Officers by Individual**

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/compensation_policies.pdf

Corporate Governance

Basic (fixed) Compensation

Directors are paid a certain level of fixed monetary compensation in accordance with their positions based on the primary role of supervision of management, while executive officers are paid a certain level of fixed monetary compensation in accordance with their responsibilities, taking into account the size of their responsibilities and the current state of the Company.

Specifically, the Compensation Committee has established Compensation Standards for Executives. The monthly compensation for directors varies depending on whether they are full-time, part-time, or committee members. The

monthly compensation for executive officers varies depending on their position.

However, should the compensation commensurate with the position of an Executive Officer who is in charge of a field that requires special business knowledge and skills fall significantly below the general level of compensation of an officer who is in charge of a similar field at another company, such Executive Officer shall receive a basic compensation based on the level of compensation of other companies, instead of compensation commensurate with his or her duties in the Company.

Overview of the Performance-linked Stock Compensation Plan

At a meeting of our Compensation Committee held on December 22, 2015, we decided to introduce a performance-linked stock compensation plan utilizing a trust (hereinafter referred to as "the Plan") for our executive officers. We decided on the details at the April 27, 2016 meeting of the same committee.

The purpose the Plan is to clarify the connection between the compensation of our executive officers and the value of our shares, and to further enhance the executive officers' awareness of their contribution to the sustainable growth and medium- to long-term enhancement of our corporate value by sharing with the shareholders not only the benefits of an increase in the share price but also the risks of a decrease in the share price.

The Plan will adopt a mechanism known as a Board Benefit Trust (BBT). The Board Benefit Trust (BBT) is a performance-linked stock compensation plan in which the Company's shares are acquired from the stock market through a trust funded with money contributed by the Company. The executive officers are paid through the trust in the amount

equivalent to the Company's shares with a certain percentage of the Company's shares being converted at market price as of the date of retirement (however, in the case of resignation for personal reasons, the shares will not be converted into cash, with only the Company's shares being delivered. Hereinafter referred to as "Company's Shares, etc."), in accordance with the predetermined stock benefit regulations. Generally, the time at which an executive officer receives the benefits of the Company's Shares, etc. is when they retire from the position of executive officer of the Company.

However, if a resolution is passed by the Board of Directors to dismiss an Executive Officer, or if an Executive Officer resigns due to a breach of their duties as an Executive Officer or other reasons, all or part of the Company's shares, etc. may not be granted by a resolution of the Compensation Committee.

In addition, voting rights pertaining to shares of the Company belonging to the said trust shall not be exercised.

Corporate Governance

Method of Determining the Amount of Performance-linked Stock Compensation

Regarding the performance-linked stock compensation paid to executive officers, we calculate the awarded points based on our performance for the current fiscal year, an index based on the responsibilities of the position, and an individual evaluation based on the performance of the executive officer's duties.

[Point calculation formula]

Awarded points = (Basic points based on job responsibilities + individual evaluation points) x company performance-linked coefficient

For the basic points based on job responsibilities, we have established points for each role according to the position.

We determine the individual evaluation points for each executive officer based on individual evaluations of the results and efforts of the executive officer in charge of the business.

As for the company performance-linked coefficients, we have set indicators from several different categories to enable a comprehensive determination regarding the degree of achievement of the management plan. Given the form and content of our business as appropriate, we have determined net income targets, status of achievement in relation to sales and solicitation quality, as well as the achievement status in administrative and systems development, etc. according to the achievement status of these indicators.

However, if there is a breach of duties as an executive officer, or if a corporate scandal that significantly damages the company's credibility occurs, all or part of the points may not be granted by resolution of the Compensation Committee.

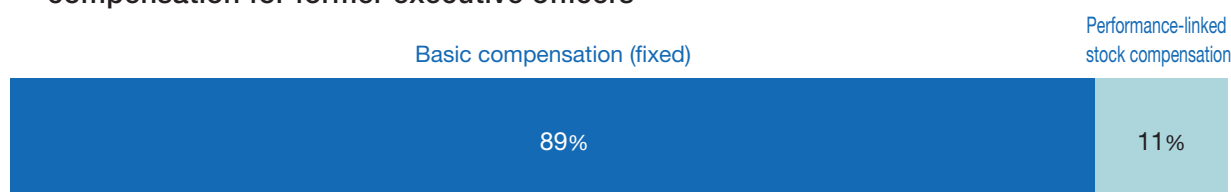
In addition, we have not formulated a policy regarding the determination of the payment ratio of performance-linked compensation and non-performance-linked compensation.

Targets and Results of Indicators Related to the Relevant Performance-linked Compensation in FY2020

Indicators	Targets	Results
Net income target: Earnings per share (consolidated)	220 yen	295.33 yen
Status of achievement in relation to sales and solicitation quality: Annualized premiums in force (*)	Insurance claim surveys, follow-up activities, fostering a sound organizational culture, and establishing an appropriate sales promotion system	Progress of each measure generally in line with plan
Status of achievement of administrative and system development, etc.	Strengthening of appropriate solicitation management systems, asset management, ERM, business efficiency improvement, business model restructuring, human resource development, and work style reform, crime and money laundering countermeasures, etc.	Progress of each measure generally in line with plan

(*) In FY2020, we have not set annualized premiums in force as a management target because we have not set any sales targets, placing the highest priority on efforts to regain the trust of our customers.

Ratio of actual value of basic compensation (fixed) and performance-linked stock compensation for former executive officers



(*1) Basic compensation (fixed) is calculated based on the actual payment in fiscal 2020.

(*2) Performance-linked stock compensation is calculated by multiplying the points granted based on the performance in fiscal 2020 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.

Corporate Governance

Reasons for the Compensation Committee's determination that the details of individual compensation, etc., of executives for FY2020 are in line with the policy

In addition to the Compensation Policies for Directors and Executive Officers by Individual, our Compensation Committee has established the Compensation Standards for Executives, which defines the basic compensation for each position, and the Share Benefit Regulations for Executives, which defines the performance-linked stock compensation.

In determining the amount of compensation to be paid to

each director and executive officer based on their position, the individual evaluation of executive officers, and the points to be awarded for stock-based compensation based on performance, etc., the Compensation Committee has conducted a multifaceted examination of the draft, including consistency with the above policy, and has determined that the content of individual compensation, etc. is in line with the above policy, etc.

Total amount of compensation, etc. for each executive officer category, total amount of compensation, etc. by type, and number of qualifying executive officers

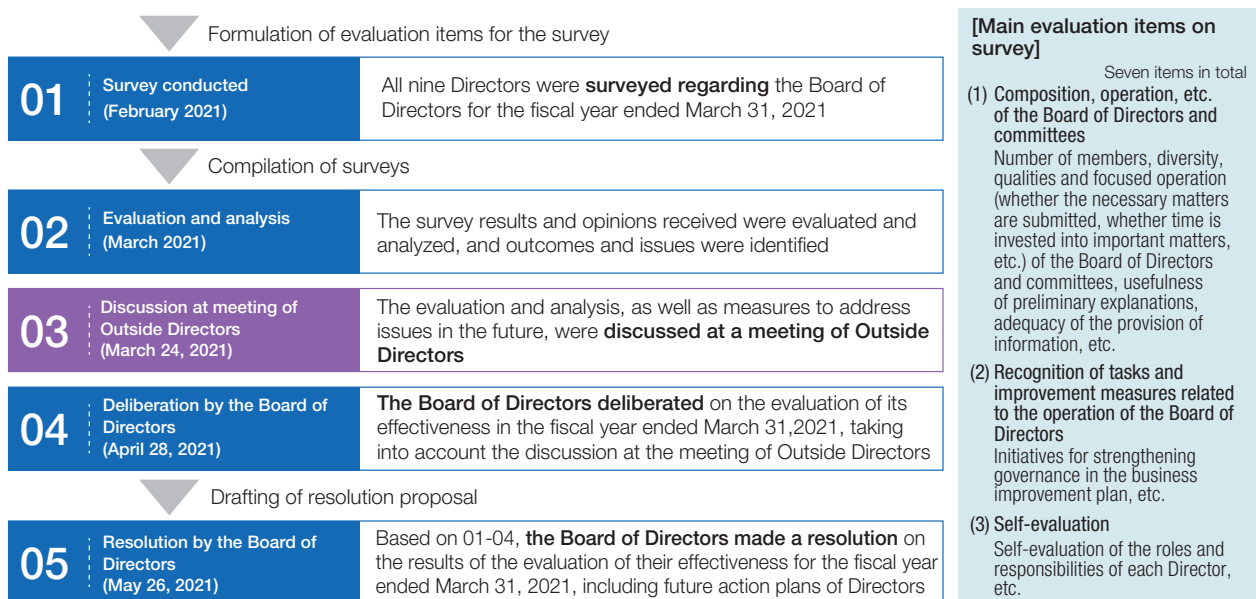
▶ P121 Executive Officer Compensation (ESG data)

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.

■ Process for evaluating effectiveness of the Board of Directors for the fiscal year ended March 31, 2021



* 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.

▶ Summary of the Result of Evaluation of Effectiveness of the Board of Directors for FY2020

https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/summary_result.pdf

Initiatives for FY2021 Based on the Effectiveness Evaluation

- To systematically provide opportunities for discussion, for example, at social gatherings of the Board of Directors
- To provide opportunities for Outside Directors to acquire knowledge and front-line inspection tours to facilitate their understanding of the insurance business and our characteristics
- To send reference materials earlier and review the structure of materials to further improve meeting agenda

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. 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

► Fundamental Policy for Establishment of Internal Control Systems

<https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/internalcontrol.pdf>

Internal Control Systems (Business Execution)

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

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 appropriateness and effectiveness of the Company’s Internal Control System including the execution status of management activities, 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 Director, 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.

Compliance and Anti-Corruption

We assure the soundness and appropriateness of our business operations and promote compliance and anti-corruption by ensuring that all executives and employees comply with laws and regulations (laws, regulations, internal rules, social norms, and corporate ethics) in every aspect of our corporate activities. To this end, we have established our compliance framework by formulating compliance rules that set out the basics for the promotion of compliance within the Company. These rules incorporate the “Fundamental Policy

for Establishment of Internal Control Systems” developed by the Company’s Board of Directors.

We recognize that violations of laws and regulations, including corruption, cause our customers and other stakeholders to lose trust in the Company and significantly damage our corporate value. We regard the prevention of such violations as our one of the most important management issues.

Compliance Promotion System

To promote compliance within the Company, we have established the Compliance Committee, headed by the Chief Compliance Officer (CCO). The Compliance Committee deliberates on management policies concerning compliance, specific compliance operations and response to various compliance issues. The committee also works to achieve thorough compliance and prevent compliance violations by monitoring and analyzing the Company’s compliance promotion efforts. In addition, the CCO reports important matters discussed at the Committee to the Executive Committee, the Audit Committee, and the Board of Directors. The Compliance Committee has also established Compliance System Strengthening Advisory Board, which consists of external experts and other members and acts as an expert panel to the Compliance Committee in order to help strengthen the compliance system.

We have assigned the Senior General Manager of the Compliance Control Department and the Senior Manager

of the Regional Compliance Division to act as compliance officers in charge of compliance. In addition, we have assigned compliance managers responsible for promoting compliance in their departments at the head office (including services centers, etc.), regional headquarters and branches. In this way, we have established a company-wide system to promote compliance.

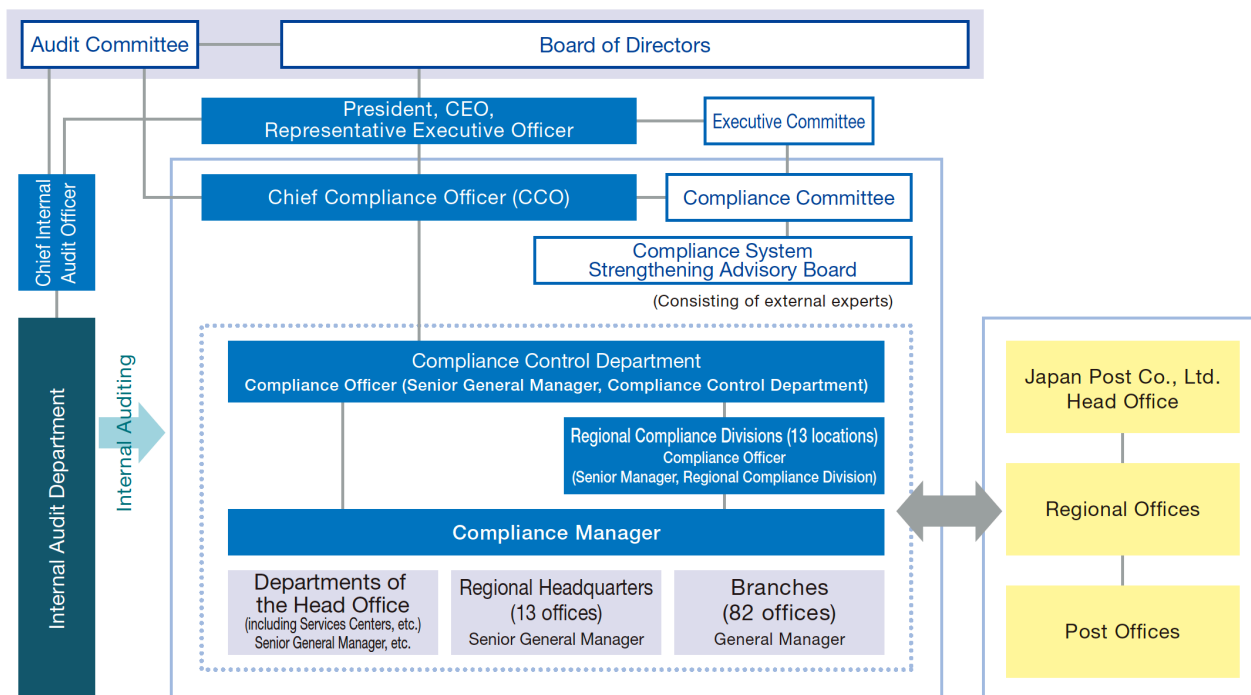
To discuss matters related to enhancement and reinforcement of the compliance framework of Japan Post Co., which serves as our insurance solicitor, we have set up a liaison meeting, members of which include the CCO. We also provide guidance to post offices and manage their compliance activities on the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

In addition, the Internal Audit Department conducts internal audits of the compliance system to check and strengthen the propriety and effectiveness of our compliance promotion system.

Corporate Governance

Compliance and Anti-Corruption

Compliance Promotion System



Dealing with Compliance Violations

If a compliance violation or suspected compliance violation is discovered, we will investigate and clarify the facts and causes of the violation and based on those results, we

will formulate and implement measures to prevent future recurrence.

Implementing Compliance Education

Each fiscal year, as a concrete practical plan to promote compliance, we formulate a Compliance Program and develop a training program. Based on this training program, we conduct training for the compliance managers assigned to each department in order to explain and offer instruction regarding the role of compliance managers and points to keep in mind in terms of compliance in practice. We also conduct e-learning for all executives and employees to impart and disseminate compliance knowledge.

We have also prepared the Compliance Manual, which is a concrete guide for achieving compliance, and the Compliance Handbook, which explains the main points of the

Manual. In addition to providing explanations of laws and regulations that executives and employees must comply with and how to deal with illegal activities when they are discovered, the handbook also contains information on the prohibition of corrupt practices such as bribery, embezzlement, transactions with conflicting interests, and insider trading.

Furthermore, by distributing compliance cards to all executives and employees, we work to ensure that all executives and employees carry out their duties with compliance as their top priority.

Compliance and Anti-Corruption

Anti-Corruption Initiatives

We support the aims of the United Nations Global Compact, in which the Japan Post Group has participated since 2008. We operate based on 10 principles related to human rights, labor, the environment, and anti-corruption.

In addition, the Code of Conduct, which are based on our Management Philosophy, asserts “We leave no stone unturned in ensuring compliance based on a strong ethical sense of the company as a responsible member of society”.

Prevention of Bribery

We intend to thoroughly enforce the prohibition of bribery of public officials, etc., by executives and employees, and regulations concerning political funds which we have clearly specified in our Compliance Manual. In addition, the

Compliance Handbook provides information to executives and employees regarding specific examples related to the prohibition of business entertainment and bribery.

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 misuse of our products and services for Money Laundering, we identify and evaluate risks based on the characteristics of our busi-

nesses 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.

Elimination of Antisocial Forces

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.

Compliance and Anti-Corruption

Management of Conflicts of Interest

To prevent our customers' interests from being unduly harmed in conjunction with conflicts of interest transactions between our customers and Japan Post Insurance, we have released the "Conflicts of Interest Management Regulations" in light of the Insurance Business Act and Financial Instruments and Exchange Act, and other laws and regulations. As a person who manages and controls conflicts of interest, the Chief Compliance Officer (CCO) is assigned as the Chief Conflict of Interest Management Officer. The Senior General Manager of the Compliance Control Department has been assigned as the person who assists the Chief Conflict of Interest Management Officer and oversees managing conflicts of interest. In this way, we have established a system to ensure compliance with laws, regulations, and our rules, while appropriately managing and executing our business. Japan Post Group has released the "Japan Post Group Conflicts of Interest Management Policy." This Policy governs the management of conflicts of interest transactions by our Group as a whole in order to prevent our customers' interests from being unduly harmed.

▶ **Japan Post Group Conflicts of Interest Management Policy**

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

In accordance with the Companies Act, we have also announced in our Basic Policy Regarding Corporate Governance that the Board of Directors will exercise appropriate supervision over transactions conducted by directors and executive officers for their own benefit or for the benefit of third parties, to ensure that such transactions are not conducted at the expense of our interests. In addition, in accordance with the "Conflicts of Interest Transactions Management Regulations", we comply with laws and regulations and properly manage and execute our business. Specifically, the necessity of the relevant conflict-of-interest transaction and other material facts are submitted to the Board of Directors for approval. In addition, to ensure that such approval is obtained, the Corporate Planning Department has been designated as the department in charge of the overall management of transactions that involve conflicts of interest. We ensure an appropriate management system by confirming the schedule and results of transactions, as well as the results of self-inspection before and after the performance of transactions by the department conducting the transactions.

Requests for Business Partners

To achieve anti-corruption throughout the entire value chain of our business, when making decisions on investments in new business partners (subsidiaries, affiliates, etc.), we stringently check their management systems regarding bribery, money laundering, and relationships with antisocial forces as part of our due diligence procedures.

▶ **P82 Supply Chain Management**

When procuring goods and services necessary for business, we also request suppliers to comply with the Japan Post Group CSR Procurement Guidelines to promote fair and equitable transactions, consider the environment, prevent corruption, and strengthen information security.

Corporate Governance

Compliance and Anti-Corruption

Whistleblowing and Consultation 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 including bribery and corruption. 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.

The Company will, if deemed necessary, conduct an appropriate investigation of the internal report received while ensuring the confidentiality of the reported information. If the investigation reveals a violation of compliance regulations, the Company imposes the necessary disciplinary action on the offender.

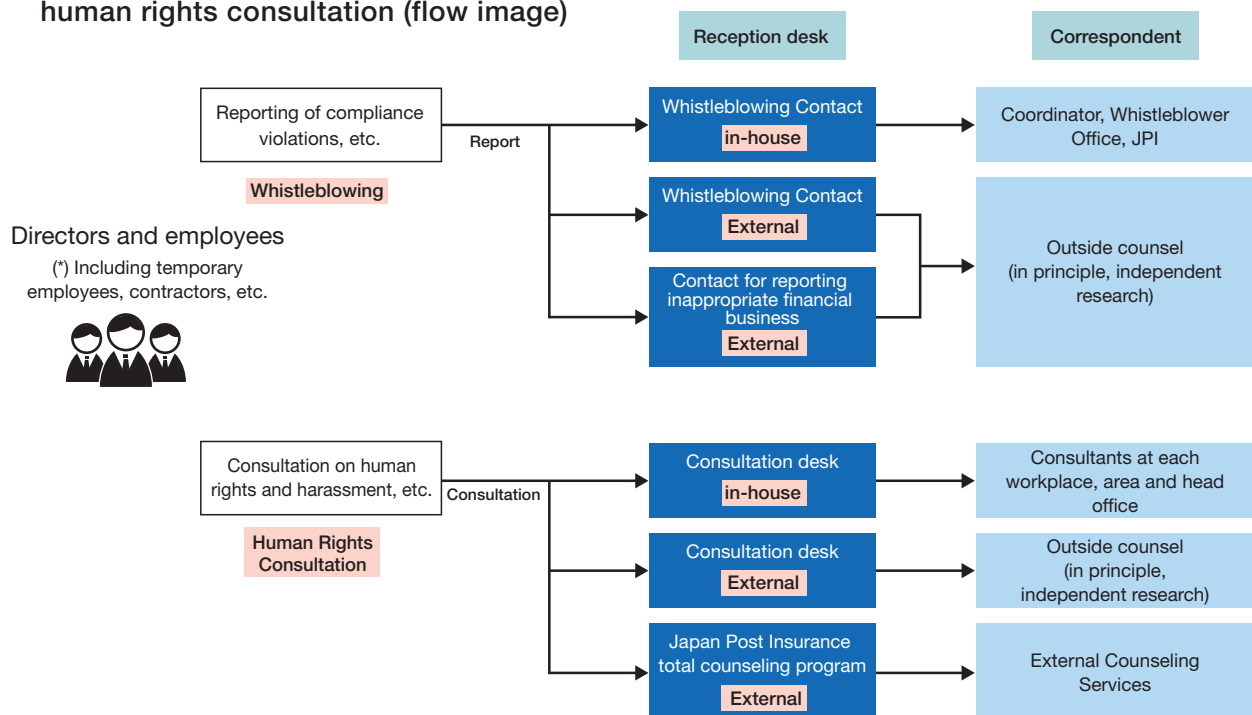
In operating the whistleblowing system, we take the utmost care to ensure that the whistleblower is not identified when investigating the content of the report. We will ensure the protection of whistleblowers by stipulating in our regulations that strict measures, including disciplinary action, will

be taken against any actions that identify the whistleblower or disadvantage the whistleblower. By thoroughly protecting whistleblowers in this way, the company has established an environment that facilitates whistleblowing.

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 by 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.

In order to eradicate human rights issues and harassment in the workplace, we have established a comprehensive counseling program ("Total Counseling Program") where employees and their families can freely consult with outside experts by phone, in person, and via the Internet.

Outline of whistleblowing and human rights consultation (flow image)



▶ P54 Consultation Desk for Human Rights and Harassment

Corporate Governance

Compliance and Anti-Corruption

Number of Reports to the Whistleblowing Contact Points

	FY2018	FY2019	FY2020
Number of Reports to the Whistleblowing Contact Points	64	52	116

* The number of cases in the left table is counted as one case for each report, even if the same event is reported by a different whistleblower or the same whistleblower reports the same event multiple times.

Whistleblowing System for external parties

We also accept reports from our contractors (suppliers) under the whistleblowing system. As with reports from employees, we ensure anonymity to our contractors upon request. In addition, we also take appropriate measures to handle reports from outside the company made to Japan

Post Insurance Call Center and other organizations. We investigate these reports to determine whether a compliance violation has occurred. If a compliance violation is confirmed, we take the necessary disciplinary action against the offender.

Risk Management

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.

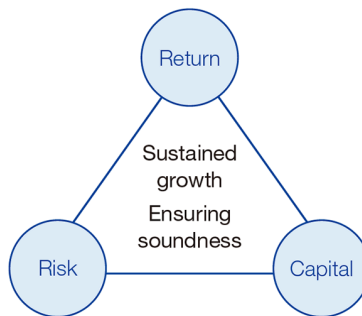
On top of that, we will position returning profits to shareholders as an important measure for management effectiveness. We will secure revenues while maintaining financial soundness based on ERM, aiming to steadily return profits to shareholders.

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%* 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

* 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 new capital regulations
- Commence responses to the introduction of new capital regulations, including reduction of interest rate risks

Risk Management

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	Overall Policy	<ul style="list-style-type: none"> 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. Achieve sustainable growth while maintaining sound business operations based on ERM. Aim to stabilize ESR in the medium to long term.
	Insurance Underwriting Risk	<ul style="list-style-type: none"> Underwrite insurance products based on sales activities with solicitation quality and respond to the diversification of insurance needs.
	Investment Risk	<ul style="list-style-type: none"> The basic approach is to promote asset-liability matching while taking into account surrender risk and profitability. 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.
	Operational Risk	<ul style="list-style-type: none"> 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. Prevent actualization of human risks by improving communication between management and employees, supporting diverse career development, and strengthening management capabilities. 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.
Quantitative		<ul style="list-style-type: none"> 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"> - Minimum level Solvency margin ratio of 400% Manage the balance between risks and capital, and aim to secure profitability by maintaining the minimum level for financial soundness.

Risk Management Systems

Outline of Risk Management Systems

In accordance with the “Basic Risk Management Policy,” we have set up and regularly convene the Risk Management Committee headed by the Chief Risk Officer (CRO), while formulating rules of risk management.

The Risk Management Committee deliberates on risk management policies and matters concerning the establishment and operation of risk management systems as well as on matters concerning the implementation of risk management. This committee also performs appropriate risk management by monitoring and analyzing the status of each risk and other related matters. The CRO submits and reports on important matters to the Executive Committee, the Audit Committee, and the Board of Directors for discussion.

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

risk management and under the direction of the CRO executes affairs concerning building, verifying and upgrading risk management systems. At the same time, it regularly verifies the status of risk management by monitoring, analyzing and managing the state of risk management in sections responsible for performing risk management in each risk category (“risk management sections”).

Each of the Executive Officers in charge of risk management sections operate and upgrade the systems for managing their respective assigned risks by ascertaining the presence, types and profile of risk, as well as the risk management techniques and systems as prescribed by the Basic Risk Management Policy. While operating a mutual checks and balances system with departments of the head office and branches in charge of business execution, risk management sections appropriately fulfill their monitoring role and manage their assigned risks in accordance with risk management standards. As investment risk and

Corporate Governance

Risk Management

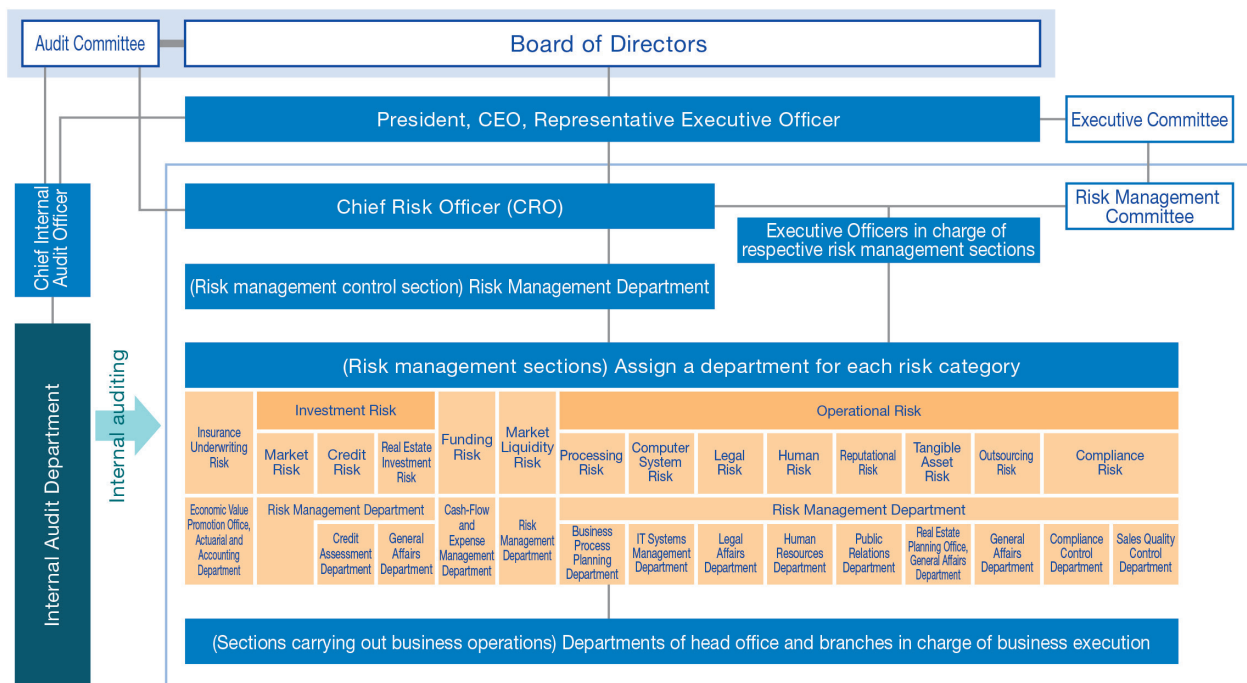
operational risk have multiple subcategories, we have designated the Risk Management Department for handling comprehensive risk management in conjunction with the risk management sections for respective subcategories.

In order to strengthen our risk management systems, the Internal Audit Department conducts internal audits and

examines the appropriateness and effectiveness of our risk management systems.

In enforcing risk management, we collaborate with the risk management departments of Japan Post Holdings Co., Ltd. and JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd., the Company's subsidiary.

Risk Management Structure



Corporate Governance

Risk Management

Principal Risk Categories and Definitions

We classify and define types and details of managed risks into the following categories, and have established a management system and rules in accordance with each characteristic and are appropriately carrying out risk management.

Insurance Underwriting Risk	The risk of losses due to changes in economic conditions, incidence rates of insured events or other factors contrary to the projections made at the time when premiums were set.	
Investment Risk	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities.	
	Market Risk	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities as well as the risk of losses resulting from fluctuations in profits generated by assets and liabilities due to fluctuations in various market risk factors such as interest rates, foreign exchange rates and stock prices.
	Credit Risk	The risk of losses resulting from a decline or elimination in the value of assets including off-balance-sheet assets due to deterioration in financial conditions of borrowers or a counterparty.
	Real Estate Investment Risk	The risk of losses due to a decline in profitability of real estate caused by factors such as change of rents or due to a decrease in the value of real estate itself caused by factors such as changes in market conditions.
Funding Risk	The risk of losses due to overdue payment of insurance claims and others, or being forced to carry out transactions at a price extremely lower than normal as a result of a deterioration in cash management caused by factors such as a decrease of premium income following the decline of new policies caused by factors such as worsening financial conditions, an increase in payments of termination refunds following a large amount of policy surrenders and lapses and cash outflows following a significant natural disaster.	
Market Liquidity Risk	The risk of losses due to being forced to conduct transactions at extremely unfavorable prices compared to normal or being unable to conduct market transactions due to factors including market turmoil.	
Operational Risk	The risk of losses due to improper business processing, inappropriate behavior by executives and employees, improper computer system operations or external events.	
	Processing Risk	The risk of losses due to executives, employees and others neglecting to conduct proper operations, resulting in accidents or engagement in unlawful activities.
	Computer System Risk	The following types of risk are included: a) the risk of losses due to system failures or malfunctions, system defects or any other causes. b) the risk of losses due to unauthorized use of computers. c) the risk of losses due to delayed computer system development.
	Legal Risk	The risk of losses resulting from any legal conflicts associated with our business activities or due to our improper response to the establishment of or revisions to any relevant laws and regulations.
	Human Risk	The risk of losses due to unequal, unfair or discriminatory actions, in terms of personnel management.
	Reputational Risk	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.
	Tangible Asset Risk	The risk of losses due to damage to tangible assets caused by disasters or other events.
	Outsourcing Risk	The risk of losses due to default of an outsourcing agreement and/or unlawful acts, etc., committed or conducted by an outsourcee (including any re-outsourced party) with regard to an operation outsourced externally.
Compliance Risk	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.	

Risk Management

Implementation of Stress Tests

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

In establishing stress scenarios we undertake the following:

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

Specifically, it is a combination of events such as significant fluctuations in financial markets such as interest rates, exchange rates and stock prices, as well as the occurrence of a major earthquake or a pandemic (including the further spread of COVID-19).

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

Risk Management

Business Risks and Other Risk Factors

The following are the major risks that management believes may have a significant impact on the Group's financial position, operating results, cash flow status, and indicators such as embedded value (EV), which represents corporate value.

The Group classifies business risks and other risk factors into: most significant risks, significant risks, and risks other than the above. In classifying such risks and describing the information related to each one, we conducted a survey regarding business risks and other risk factors directed at executive officers above a certain level as of March 31, 2021 in order to appropriately reflect the recognition, by the Group's management personnel, of the impact, possibility of occurrence, countermeasures, and effects associated with each risk. Based on the aggregate results, the Risk Management Committee and the Executive Committee discussed the results and listened to the opinions of Outside Directors.

► **Business Risks and Other Risk Factors**
(in Japanese)

https://www.jp-life.japanpost.jp/IR/management/business_risk.html

Risk classification	Risk
Most significant risks	(1) Risks related to solicitation quality and compliance
	(2) Risk that business strategies and management plans will not be successful
	(3) Risks related to business models and regulations specific to the Company
	(4) Risks related to the business environment, etc.
	(5) Risks related to the relationship with Japan Post Co., Ltd.
Significant risks	(6) Risks related to the relationship with Japan Post Holdings Co., Ltd.
	(7) Risks related to asset management
	(8) Risks related to cyber-attack
	(9) Risk of information leakage
	(10) Risks related to rumors and hearsay, etc.
	(11) Risks related to insurance pricing
	(12) Risks associated with the occurrence of large-scale disasters, etc.
	(13) Risks related to climate change (Note)
	(14) Risks related to credit rating downgrades
	(15) Risks related to lawsuits, administrative actions, etc.
Risks other than the above	(16) Risks related to legal systems and various regulations
	(17) Operational risk
	(18) Risks related to the effectiveness of risk management
	(19) Risks related to market liquidity and cash management
	(20) Risks associated with business alliances
	(21) Risks related to deferred tax assets
	(22) Risks related to the accumulation of policy reserves
	(23) Risks related to policyholder dividend reserves
	(24) Risks related to retirement benefit obligations
	(25) Risks related to contributions to the Life Insurance Policyholders Protection Corporation of Japan and the bankruptcy of other life insurance companies in Japan
	(26) Risks related to the accuracy of figures based on management accounting, etc.

Note: Details can be referred at "Initiatives for the TCFD Recommendations" (P44)

Information Security

In accordance with our Information Security Declaration, we implement information security measures to protect our information assets and aim to enhance the sophistication of our information security management.

▶ **Information Security Declaration (in Japanese)**

https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_security.html

Response to Cybersecurity

Recognizing the risk of cyberattacks as a material risk, we have designated the Chief Compliance Officer as our Chief Information Security Officer (CISO), and implement multi-layered risk management that combines defense and detection mechanisms under the leadership of our CISO.

In terms of systems, we have established the Computer Security Incident Response Team (CSIRT), 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.”

▶ **Japan Post Group Executive Declaration on Cyber Security (in Japanese)**

<https://www.japanpost.jp/corporate/values/cybersecurity.html>

▶ **Japan Post Group Cyber Security Measures (in Japanese)**

<https://www.japanpost.jp/ir/strategy/index16.html>

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

▶ **Purpose of Use of Personal Information Succeeded from Japan Post (in Japanese)**

https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_object.html

Appropriate Tax Initiatives

Japan Post Insurance believes that transparent tax management, including compliance with laws and regulations and proper tax payment, is important in fulfilling its corporate social responsibility, and pays taxes appropriately in accordance with the Japan Post Group Taxation Policy. In addition, we are striving to enhance our corporate governance

regarding tax and to raise awareness of tax compliance through education and training programs.

Financial statements, including information on tax expenses, etc., are approved by the Board of Directors and are disclosed in Annual Reports and other media.

Basic Policy on Taxation at the Japan Post Group (Japan Post Group Taxation Policy)

1. Basic approach

- The Group recognizes that paying taxes is part of corporate social responsibility, and will contribute to the development of a sustainable society in the countries and regions in which it operations through proper tax payments.
- The Group will observe taxation law and other laws and regulations in the countries and regions in which it operates, while understanding and appropriately responding to the importance of international initiatives as typified by the BEPS Project operated by the OECD.
- The Group will conduct training and other internal awareness-raising activities to ensure that each employee recognizes that observing taxation compliance mitigates taxation risks and is the best strategy for enhancing corporate value.
- The Group carries out taxation work under the Group CFO, as well as the executive officer in charge of accounting and finance, who is responsible for administrative work related to corporate accounting. Important taxation matters for the Group such as the results of tax investigations are reported to the Management Meeting and other meeting bodies as needed by the Group CFO or the executive officer in charge of accounting and finance.
- The Policy applies to the entire Group, including Japan Post Co., Ltd., Japan Post Bank Co., Ltd., Japan Post Insurance Co., Ltd. and Toll Holdings Limited, which operates international logistics businesses. The holding company Japan Post Holdings Co., Ltd. will coordinate with Group companies while endeavoring to carry out taxation work in a stable fashion.

2. Implementing Proper Tax Payments and Ensuring Taxation Transparency

- The Group will strive to mitigate taxation risks and optimize tax expenses, while making every effort to enhance corporate value and maximize shareholder value. Moreover, the Group will not engage in tax reduction efforts through interpretations or applications that deviate from the spirit of laws or regulations, or in tax planning for the sole purpose of tax avoidance.
- The Group will not engage in arbitrary tax avoidance by utilizing countries or regions with zero taxes or low tax rates (so-called tax havens) or similar arrangements. In the event that investments are made in tax havens for business reasons, the Group will follow the tax haven countermeasures established by each country and make proper tax payments.
- For the trading prices applied to the Group's overseas-related transactions, in accordance with the taxation laws in the countries and regions in which the Group operates, and guidelines on transfer pricing published by international organizations such as the OECD, the Group will endeavor to distribute income appropriate to each country by setting prices based on arm's length pricing. In addition, the Group will observe obligations to submit or preserve transfer pricing documents and appropriately document the information in accordance with taxation law and other requirements.
- In cases such as when advanced and multi-faceted considerations of taxation or accurate interpretations of taxation law are required, the Group may seek advice from outside experts such as tax accountants and tax consultants, and will endeavor to reduce taxation risks by utilizing advance consultations with taxation authorities.

Appropriate Tax Initiatives

3. Mutual Trust with Taxation Authorities

- The Group will give sincere and factual explanations to taxation authorities and do its utmost to build a relationship of trust with taxation authorities by dealing with them in good faith.
- When there are differences of opinion with taxation authorities, the Group will strive to resolve them through proactive and constructive dialogue. Additionally, the Group will implement appropriate corrective action and improvement measures and strive to prevent repeat occurrences in response to issues pointed out by taxation authorities, except when filing objections to taxation authorities' actions or opinions.

Breakdown of tax payments by region

Our business is conducted only in Japan, and corporate taxes are paid only in Japan.

Education for Sales Personnel and Insurance Solicitation Agents

We state in our Solicitation Policy that we will make efforts to raise product knowledge and consulting capabilities of all executives and employees. Accordingly, we are making efforts to improve consulting-based sales skills in

accordance with the life plan of each and every individual customer by providing training and education for sales personnel and agents.

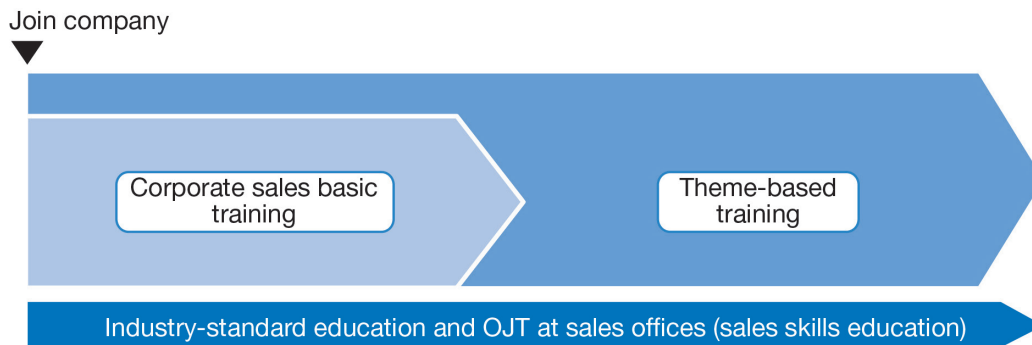
Sales Personnel

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

Overview of Training

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

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



Insurance Solicitation Agents

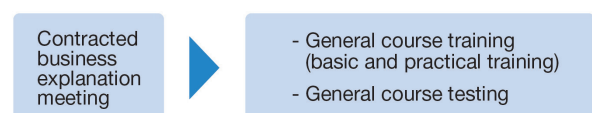
We conclude life insurance sales and maintenance agreements with each of Japan Post Co. and the operators of contracted post offices and carry out insurance soliciting via the nationwide network of post offices, primarily targeting the individual market for households and small- and mid-sized companies.

Overview of Training

Employees of Japan Post Co. engaging in insurance solicitation are provided with training aimed at ensuring thorough compliance, customer-first business operations and enhanced operational knowledge.

In addition, we provide support that includes dispatching our employees as instructors for training and other activities

implemented by Japan Post Co.



External Evaluation and Support for Initiatives

External Evaluation

White 500

We were selected for the fourth consecutive year as a Certified Health and Productivity Management Outstanding Organization in the large enterprise category under a recognition program designed by the Ministry of Economy, Trade and Industry (METI) in which the Nippon Kenko Kaigi recognizes enterprises that are engaged in efforts to address health issues or are particularly outstanding in the practice of health and productivity management for promoting health. In addition, we were selected as one of the “White 500” companies, under the program which recognizes the top 500 corporations among the Certified Health and Productivity Management Outstanding Organizations in the large enterprise category.



Platinum Kurumin

We have received *Kurumin* Certification from the Ministry of Health, Labour and Welfare since 2015, and acquired Platinum *Kurumin* Certification in March 2019. The Platinum *Kurumin* Certification system recognizes companies that are pursuing initiatives at an advanced level among companies that have received *Kurumin* Certification as childcare support companies.



PRIDE INDEX

We were awarded a gold rating, the highest on the PRIDE INDEX, for the fifth year in a row. The PRIDE INDEX, created by the voluntary organization “work with Pride,” recognizes workplace initiatives for sexual minorities such as LGBT.



Tomonin Mark

As a company that promotes the establishment of a work environment which accommodates both work and nursing care for family members, the prevention of voluntary resignation due to nursing care for family members, and support toward reinstating employment, we have received the symbol mark “Tomonin” set up by the Ministry of Health, Labour and Welfare.



External Evaluation and Support for Initiatives

Support for Initiatives

TCFD

We expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in April 2019.



PRI

We signed the Principles for Responsible Investment (PRI) in 2017.

The PRI is an action principle proposed by the United Nations in 2006, which consists of six principles, including the corporation of ESG issues into the investment decision-making process.

Signatory of:



JCI

Since 2021, we have been supporting and participating in efforts by the Japan Climate Initiative (JCI), a network committed to realizing a decarbonized society.



Japan Impact-driven Financing Initiative

We have signed the “Japan Impact-driven Financing Initiative” in 2021. It is an initiative to promote impact investment through cooperation and collaboration between diverse and multiple financial institutions that believe that the

purpose of financial institutions is to actively address social and environmental issues, holistically understanding impact (environmental and social impact of the companies financial institutions are investing into).

External Evaluation and Support for Initiatives

SIMI

We have participated in the Social Impact Management Initiative (SIMI), a collaborative effort of diverse stakeholders in Japan since 2021.

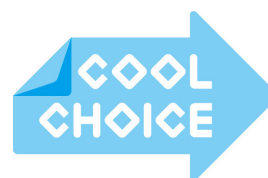
SIMI

社会的インパクト・マネジメント・イニシアチブ
Social Impact Management Initiative

Support for COOL CHOICE

COOL CHOICE is a government-initiated national movement to encourage people to make wise choices in their daily lives, such as replacing products, using services, and choosing lifestyles that contribute to the creation of a decarbonized society, to reduce emissions of greenhouse gases such as CO₂.

We support for COOL CHOICE and implement COOL BIZ between May and October to reduce air-conditioning use during summer in a bid to decrease electricity consumption.



Data on Environment

Scope 1, 2

As of the years ended March 31

			Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Scope 1 (Direct energy use)	Facility	Town gas	1,000m ³	1,173.8	773.5	638.4	686.2	728.9
			GJ	52,987.5	34,991.6	28,731.9	30,888.0	32,803.0
			tCO ₂	2,642.3	1,745.1	1,432.8	1,540.0	1,635.8
		LP gas	t	0.0	5.8	3.9	1.0	0.0
			GJ	0.1	297.0	198.9	50.8	0.0
			tCO ₂	0.0	17.5	11.7	3.0	0.0
		Kerosene	KL	7.7	6.8	9.0	8.0	10.6
			GJ	281.1	249.3	330.8	295.2	387.6
			tCO ₂	19.1	16.9	22.4	20.0	26.3
		Diesel oil	KL	0.0	0.1	0.9	0.1	0.6
			GJ	1.1	3.0	33.4	4.5	21.6
			tCO ₂	0.1	0.2	2.3	0.0	1.5
	Heavy oil	KL	26.4	22.0	28.0	31.8	35.1	
		GJ	1,030.7	861.5	206.7	1,243.1	1,371.3	
		tCO ₂	71.4	59.7	14.3	87.0	95.0	
	Vehicles	Gasoline	KL	1,693.5	1,621.6	1,466.5	1,204.0	705.9
GJ			58,596.3	56,105.7	50,739.3	41,657.1	24,423.8	
tCO ₂			3,929.0	3,762.0	3,402.2	2,793.2	1,638.8	
Scope 1 Total			GJ	112,896.7	92,508.1	80,240.9	74,138.7	59,007.2
Scope 1 Total			tCO ₂	6,661.9	5,601.5	4,885.7	4,443.2	3,397.4
Scope 2 (Indirect energy use)	Electricity	1,000kWh	40,031.2	34,098.6	30,660.3	29,576.0	29,066.6	
		GJ	395,368.7	338,314.5	304,956.0	290,404.0	284,663.5	
		tCO ₂	19,921.8	16,682.0	14,654.7	13,708.8	13,147.4	
	Cold water	GJ	4,071.1	4,226.1	8,331.3	9,581.2	10,157.3	
		tCO ₂	170.6	177.1	349.2	402.0	425.7	
	Warm water	GJ	2,942.8	3,182.0	5,321.3	5,703.8	7,899.2	
		tCO ₂	123.3	133.4	223.0	239.0	331.1	
	Steam	GJ	3,258.1	2,796.7	3,414.4	3,517.0	3,835.3	
		tCO ₂	136.6	117.2	143.1	147.0	160.7	
	Scope 2 Total			GJ	405,640.8	348,519.3	322,023.1	309,206.0
Scope 2 Total			tCO ₂	20,352.3	17,109.7	15,370.0	14,496.8	14,064.9
Total energy consumption for Scope 1 and Scope 2			GJ	518,537.6	441,027.3	402,264.0	383,344.7	365,562.5
Total CO ₂ emissions for Scope 1 and Scope 2			tCO ₂	27,014.2	22,711.2	20,255.7	18,940.0	17,462.3
Scope 1 and Scope 2	Facility	Total energy consumption of facilities	GJ	459,941.3	384,921.7	351,524.7	341,687.6	341,138.7
		Energy consumption (total) crude oil equivalent	KL	11,866.5	9,931.0	9,107.3	8,815.5	8,801.4
		Total floor space	m ²	312,910.6	309,850.1	248,260.7	249,579.4	250,032.9
		Basic unit of energy use	kl/m ²	0.038	0.032	0.037	0.035	0.035
	Vehicles	CO ₂ emissions from vehicles	tCO ₂	3,929.0	3,762.0	3,402.2	2,793.2	1,638.8
		Mileage	km	25,607,052.0	39,919,311.0	21,521,670.0	19,908,707.2	13,228,474.6
Basic unit related to CO ₂ emissions (emissions / mileage)			tCO ₂ /km	0.0001534	0.0000942	0.0001581	0.0001403	0.0001239

Data on Environment

Scope 3 (Other indirect GHG emissions)

Category	Item	Details	Unit	FY2018	FY2019	FY2020
1-Products and services purchased	Copier paper	Amount of copier paper procured (*limited to head office use)	tCO ₂	140.2	196.5	180.4
	Uniform	Amount of uniforms procured	tCO ₂	154.9	103.7	0.4
	Form	Amount of paper procured for preparation of insurance forms, excluding Contract Guidelines and Policy Conditions	tCO ₂	3,077.1	1,606.8	1,360.8
	Original certificate	Amount of paper used to prepare original certificate (including envelopes and enclosed letters of transmittal) given to customers at the time of contract	tCO ₂	119.9	65.3	13.7
	Contract Guidelines and Policy Conditions	Amount of paper used to prepare Contract Guidelines and Policy Conditions given to customers at the time of contract	tCO ₂	2,624.2	1,840.0	970.1
2-Capital goods	Owned vehicles	As all our business vehicles are leased vehicles, there are no owned vehicles. Leased vehicles are recorded in Scope 1	tCO ₂	0.0	0.0	0.0
3-Fuel and energy-related activities not included in Scope 1 and 2	Heavy oil A	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	6.0	6.8	15.5
	LP gas	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	2.1	0.5	0.0
	Gasoline	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	503.0	413.0	393.1
	Diesel oil	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	0.1	0.0	0.2
	Steam, hot and cold water	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	174.4	453.5	527.3
	Electric power	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	1,085.4	2,017.1	1,982.9
	Town gas	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	309.0	332.1	377.4
	Kerosene	All offices are subjected in the same way to Scope 1 and 2	tCO ₂	1.1	1.0	3.5
6-Business trips	Business trips	Domestic (sales, business trips, relocation, lodging), overseas (business trips, assignments, lodging)	tCO ₂	990.2	992.9	416.9
7-Employee commuting	Employee commuting	Train, bus, private car	kgCO ₂	2,897.4	2,870.1	2,746.9
12-Disposal of sold products	Original certificate	Amount of disposed original certificate given to customers at the time of contract	tCO ₂	8.6	4.7	1.0
	Contract Guidelines and Policy Conditions	Amount of disposed Contract Guidelines and Policy Conditions given to customers at the time of contract	tCO ₂	188.9	132.4	70.0

► FY2020 Greenhouse Gas Emissions Verification Report

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/third_party_authentication.pdf

► FY2019 Greenhouse Gas Emissions Verification Report

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/third_party_authentication_2019.pdf

► FY2018 Greenhouse Gas Emissions Verification Report

https://www.jp-life.japanpost.jp/english/aboutus/sustainability/assets/pdf/third_party_authentication_2018.pdf

* Greenhouse gas emissions of Japan Post Insurance (Scope 1, 2, and 3) have been independently verified by a third party in accordance with the ISO14064-3 certification standard.

The scope of the verification covers facilities owned by the Company (including facilities owned by the Company that are leased by other companies in the Japan Post Group) and tenants leased by the Company. Emissions at facilities owned by other companies in the Japan Post Group that are partially leased by the Company are not included in the scope of this report.

Verification is conducted by the entire Japan Post Group. Facilities located in facilities owned by other Group companies (eg., regional headquarters, branches) are verified by the companies that own them. Including those, all of our facilities have been verified.

Data on Environment

Water Consumption

		Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Water Consumption	Water supply	m ³	64.0	47.0	44.4	50.0	44.2
	Sewerage	m ³	57.6	51.0	50.7	53.0	45.5

Amount of Waste and Quantity of Copier Paper Purchased

		Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Amount of general waste		t	522.7	486.3	489.5	775.6	1,198.1
	(amount of general waste recycled)	t	—	—	430.3	698.8	1,102.8
Amount of industrial waste emissions		t	148.1	113.9	65.1	283.6	477.4
	(amount of industrial waste recycled)	t	—	—	5.5	28.8	363.1
Quantity of copier paper purchased		t	—	—	621.4	546.7	468.7
	Recycled paper purchasing rate		—	—	—	97.8	98.1

* The above data is for our head office locations (OTEMACHI PLACE WEST TOWER and Osaki Bright Tower).

Environmental Conservation Activities

	Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Support for environmental conservation activities (donations to forestation activities, etc.)	yen	10.8 million	32 million	33 million	34 million	2 million

Data on Social

Employee Data

As of the years ended March 31

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees (regular employees) *consolidated	Total	7,965	8,112	8,269	8,283	8,252
	Male	4,745	4,782	4,804	4,756	4,681
	Ratio	59.6%	58.9%	58.1%	57.4%	56.7%
	Female	3,220	3,330	3,465	3,527	3,571
	Ratio	40.4%	41.1%	41.9%	42.6%	43.3%

* The scope of consolidation includes the Company and subsidiary, JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees (regular employees) *non-consolidated	Total	7,424	7,490	7,617	7,638	7,645
	Male	4,322	4,301	4,307	4,270	4,233
	Ratio	58.2%	57.4%	56.5%	55.9%	55.4%
	Female	3,102	3,189	3,310	3,368	3,412
	Ratio	41.8%	42.6%	43.5%	44.1%	44.6%

* The number of employees excludes employees assigned to other companies by Japan Post Insurance Co., Ltd., but includes employees assigned to Japan Post Insurance Co., Ltd. by other companies. The figures exclude non-regular employees (including indefinite-term employees based on the indefinite-term employment conversion system).

		FY2016	FY2017	FY2018	FY2019	FY2020
Average age (Years Old)	Total	38.6	38.8	39.0	39.4	39.9
	Male	41.5	41.7	41.8	42.1	42.7
	Female	34.6	35.0	35.3	35.9	36.5

* Average age are based on attained ages as of the end of fiscal year, and truncated to the first decimal place.

		FY2016	FY2017	FY2018	FY2019	FY2020
Average years of service (Years)	Total	14.5	14.6	14.7	15.0	15.4
	Male	17.5	17.5	17.5	17.8	18.3
	Female	10.4	10.7	11.0	11.5	11.8

*1 Average years of service are based on years of service as of the end of fiscal year, and truncated to the first decimal place.

*2 Average years of service represent 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.

		FY2016	FY2017	FY2018	FY2019	FY2020
Average Annual Salary (Ten thousands of yen)	Total	639	645	655	665	640

		FY2016	FY2017	FY2018	FY2019	FY2020
Ratio of female managers (%)	Total	10.3	10.5	12.1	11.9	12.1

* The figures are as of April 1 of the next fiscal year.

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of job leavers (Persons)	Total	—	—	—	—	284
Turnover rate (%)	Total	—	—	—	—	3.6

Data on Social

New hires Data*

		FY2016	FY2017	FY2018	FY2019	FY2020
Total (Persons)	Total	212	273	322	242	205
	Area core position	139	136	141	95	78
	General position	26	80	82	63	54
	Career-track position	47	57	99	84	73
Hokkaido Area (Persons)	Total	6	8	8	2	8
	Area core position	6	8	8	2	8
	General position	0	0	0	0	0
Tohoku Area (Persons)	Total	16	20	18	16	10
	Area core position	11	9	11	10	6
	General position	5	11	7	6	4
Kanto Area (Persons)	Total	8	10	6	9	13
	Area core position	8	10	6	9	13
	General position	0	0	0	0	0
Tokyo Area (Persons)	Total	48	63	74	56	38
	Area core position	42	23	36	16	10
	General position	6	40	38	40	28
Minami (South)-Kanto Area (Persons)	Total	5	7	7	3	5
	Area core position	5	7	7	3	5
	General position	0	0	0	0	0
Shinetsu Area (Persons)	Total	6	4	4	1	3
	Area core position	6	4	4	1	3
	General position	0	0	0	0	0
Hokuriku Area (Persons)	Total	6	5	4	5	3
	Area core position	6	5	4	5	3
	General position	0	0	0	0	0
Tokai Area (Persons)	Total	12	29	29	13	10
	Area core position	7	22	12	12	6
	General position	5	7	17	1	4
Kinki Area (Persons)	Total	20	38	40	27	19
	Area core position	15	26	23	13	7
	General position	5	12	17	14	12
Chugoku Area (Persons)	Total	17	1	12	9	3
	Area core position	17	1	12	9	3
	General position	0	0	0	0	0
Shikoku Area (Persons)	Total	2	3	3	1	1
	Area core position	2	3	3	1	1
	General position	0	0	0	0	0
Kyushu Area (Persons)	Total	18	28	16	14	19
	Area core position	13	18	13	12	13
	General position	5	10	3	2	6
Okinawa Area (Persons)	Total	1	0	2	2	0
	Area core position	1	0	2	2	0
	General position	0	0	0	0	0

* Area core position started in FY2019. The number of Area core position in FY2016-FY2018 is the sum of operational positions and sales positions.

Data on Social

	FY2016	FY2017	FY2018	FY2019	FY2020
New employee retention rate (at the end of 3 years) (%)	90.9	89.7	84.4	87.2	86.0

* Status of retention of new employees represents the retention rate of new graduates for each year after three years from their employment.

		FY2016	FY2017	FY2018	FY2019	FY2020
Rate of employees with disabilities (%)	Consolidated	2.03	2.15	2.24	2.39	2.26
	Non-consolidated	2.13	2.21	2.31	2.47	2.31
	Japan Post Group	2.08	2.16	2.28	2.31	2.36

*1 The scope of consolidation includes the Company and subsidiary, JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.

*2 Figures are as of June 1 of each fiscal year.

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of mid-career hires (Persons)	Total	56	45	32	16	9
	Male	43	37	26	15	6
	Female	13	8	6	1	3

Work-Life Balance

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees who took childcare leave (Persons)	Total	149	188	303	314	284
Total number of employees who returned to work (Persons)	Total	—	143	162	169	210
Return-to-work rate after childcare leave (%)	Total	98.8	99.3	98.2	97.7	96.8

		FY2016	FY2017	FY2018	FY2019	FY2020
Number of employees who took nursing care leave (persons)	Total	—	—	6	14	10
	Male	—	—	2	4	6
	Female	—	—	4	10	4
Number of employees who took partial nursing care leave (Persons)	Total	—	—	5	4	5
	Male	—	—	2	2	3
	Female	—	—	3	2	2

	FY2016	FY2017	FY2018	FY2019	FY2020
Monthly average amount of overtime per employee (Hours) (for regular employees who are entitled to overtime pay)	10.6	9.0	8.4	8.9	7.1

	FY2016	FY2017	FY2018	FY2019	FY2020
Rate of taking paid leave (%)	88.2	89.2	87.7	93.9	90.6

Data on Social

Employee Health

	FY2016	FY2017	FY2018	FY2019	FY2020
Health check-up rate (%)	100.0	100.0	100.0	100.0	100.0
Stress check-up rate (%)	95.3	93.6	92.8	92.30	92.50

Work-related Accidents

	FY2016	FY2017	FY2018	FY2019	FY2020
Occurrence of work-related accident (Cases)	0.55	0.66	0.47	0.38	0.38

* Calculated at an annual rate of 1,000 (the number of deaths and injuries that occur per 1,000 workers per year).

Satisfaction Survey

	FY2016	FY2017	FY2018	FY2019	FY2020
Customer Satisfaction Survey (%)	—	—	82	—	79

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

*2 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 results of the surveys of FY2017 and prior fiscal years are not shown because their survey methods differ from the current one. In FY2019, the Customer Satisfaction Survey was not performed as we concentrated our efforts on insurance claim surveys and other initiatives.

Capacity Development and Education

	FY2016	FY2017	FY2018	FY2019	FY2020
Skill development training hours (Hours) *	—	—	72,154	40,394	19,829
Average training time per participant (Hours)	—	—	44.2	24.9	8.0
Average training time of all employees (Hours)	—	—	9.5	5.3	2.6

* Skill development training hours are the hours of training by job level, such as new employee and management training, organized by the Human Resources Development Department (training hours x number of participants).

	FY2016	FY2017	FY2018	FY2019	FY2020
Number of users in encouragement program for the acquisition of qualifications and certifications (Persons) *1	—	420	738	1,308	1,029
Number of participants in correspondence courses (Persons) *2	—	163	219	192	125
Number of users in e-learning library (Persons)	—	3,193	2,760	2,240	2,210
Number of participants in overseas education (Persons) *3	1	1	0	1	1
Number of overseas trainees (Persons) *3	2	4	9	3	0
Number of users in domestic MBA support program (Persons) *3	0	2	5	2	0

*1 The number of users in encouragement program for the acquisition of qualifications and certifications is calculated based on the number of qualifications acquired through this system.

*2 The number of participants in correspondence courses is calculated based on the number of courses taken.

*3 For overseas education, overseas trainees, and domestic MBA support programs, the number of employees in the fiscal year in which they traveled or started using the program is shown.

Data on Social

Social Contribution

	FY2016	FY2017	FY2018	FY2019	FY2020
Donation Amount (thousands of yen)	—	72,340	81,378	77,709	121,945

	Until FY2020
Cumulative number of participants in dementia supporter training course (Persons)	11,965

Data on Governance

Structure of the Board of Directors, etc.

		FY2017	FY2018	FY2019	FY2020	FY2021
Board of Directors	Chairperson	President, CEO and Representative Executive Officer				
	Number of Directors	12	11	10	9	9
	Number of Outside Directors	8	7	7	5	5
	Ratio of Female Directors (%)	33.3	27.3	30.0	22.2	22.2
Audit Committee	Committee Chair	Outside Director	Outside Director	Outside Director	Outside Director	Outside Director
	Number of Audit Committee members	5	4	4	5	5
	Number of Outside Directors	4	3	4	4	4
Nomination Committee	Committee Chair	Internal non-Executive Director	Internal non-Executive Director	Internal non-Executive Director	Outside Director	Outside Director
	Number of Nomination Committee members	3	3	3	5	5
	Number of Outside Directors	2	2	2	3	3
Compensation Committee	Committee Chair	Outside Director	Outside Director	Outside Director	Outside Director	Outside Director
	Number of Compensation Committee members	3	3	3	3	3
	Number of Outside Directors	2	2	2	2	2

* As of July 1, of each fiscal year

Operations of the Board of Directors, etc.

		FY2016	FY2017	FY2018	FY2019	FY2020
Board of Directors	Number of meetings held	12	13	13	21	17
	Average attendance rate (%)	96.4	97.4	98.6	98.1	100
Audit Committee	Number of meetings held	18	17	16	16	17
	Average attendance rate (%)	100	98.8	100	100	100
Nomination Committee	Number of meetings held	3	2	3	3	5
	Average attendance rate (%)	88.9	100	88.9	100	100
Compensation Committee	Number of meetings held	7	4	4	7	8
	Average attendance rate (%)	76.2	100	100	100	100

* April 1 to March 31 of each fiscal year.

Average attendance rate: The attendance rate for each meeting is calculated, summed for one fiscal year, and then divided by the number of meetings (rounded to the first decimal place).

Executive Compensation (FY2020)

Officer Category	Total amount of compensation, etc. (millions of yen)	Total amount of compensation, etc. by type (millions of yen)		Number of eligible officers
		Fixed compensation	Performance-linked stock compensation	
Directors (excluding Outside Directors)	21	21	—	1
Outside Directors	48	48	—	7
Executive Officers	625	630	(4)	31

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

*2 The amount recorded as performance-linked stock compensation is the amount recorded in the fiscal year ended March 31, 2021. 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, and the difference is shown as a reduction in the current fiscal year.

*3 No bonuses are paid.

Data on Governance

Status of Voting Rights

As of September 30, 2021

Classification	Number of stocks	Number of voting rights	Content
Non-voting stocks	—	—	—
Stocks with restricted voting rights (treasury shares, etc.)	—	—	—
Stocks with restricted voting rights (other)	—	—	—
Stocks with full voting rights (treasury shares, etc.)	(Treasury stock)		Standard stock of the Company with no restrictions on the content of rights
	Common stock	—	
Stocks with full voting rights (other)	11,100	—	same as above
	Common stock	3,996,468	
Shares of less than one unit	399,646,800	—	—
	Common stock	—	
	35,800	—	—
Total number of issued stocks	399,693,700	—	—
The number of voting rights of all shareholders	—	3,996,468	—

*1 The common stock in the stocks with full voting rights (other) column includes 140,300 stocks (1,403 voting rights) of the Company stock held by the Board Benefit Trust (BBT).

*2 The common stock in the shares of less than one unit column includes 50 shares of treasury stock owned by the Company.

Independent Auditor

As of March 31, 2021

Name of auditing firm	Continuous audit period (years)
KPMG AZSA LLC	15