

UNOFFICIAL TRANSLATION

Although Japan Post Insurance pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.

August 10, 2022

Company name: JAPAN POST INSURANCE Co., Ltd.
Representative: SENDA Tetsuya, Director and President, CEO, Representative Executive Officer
Stock exchange listing: Prime Market of the Tokyo Stock Exchange (Code Number: 7181)

**Notice Concerning the Determination of Matters Related to the Acquisition of
Treasury Stock**

**(Acquisition of Treasury Stock Based on the Articles of Incorporation
Complying with Article 459, Paragraph 1 of the Companies Act)**

JAPAN POST INSURANCE Co., Ltd. (hereinafter the “Company”) hereby announces that it has resolved matters related to the acquisition of its treasury stock based on Article 39, Paragraph 1 of the Company’s Articles of Incorporation complying with Article 459, Paragraph 1, Item 1 of the Companies Act at a meeting of the Board of Directors held on August 10, 2022, as described below.

1. Reason for the acquisition of treasury stock

As disclosed on May 13, 2022 at the time of the announcement of financial results for the fiscal year ended March 31, 2022, the Company’s shareholder return policies during the period of the Medium-term Management Plan aim for a medium-term average total payout ratio of 40 to 50%, through acquisition of treasury stock and other timely measures. Accordingly, the Company will consider acquiring treasury stock assuming that the total payout ratio for the fiscal year ended March 31, 2022 will be approximately 45% of the Company’s profit for such fiscal year. On the other hand, under the Postal Service Privatization Act, JAPAN POST HOLDINGS Co., Ltd., the parent company of the Company, is required to dispose of all of the Company’s shares as soon as practical while taking into consideration the Company’s business situation and the impact on the performance of the Company’s obligation to ensure universal services. In line with this purpose, JAPAN POST HOLDINGS Co., Ltd. aims to reduce its shareholding ratio of the Company to 50% or less as early as possible between now and fiscal year 2025. Due to past secondary offerings of our shares by JAPAN POST HOLDINGS Co., Ltd. and other factors, the ratio of voting rights of our shares held by JAPAN POST HOLDINGS Co., Ltd. is currently around 49.9%. In order to maintain the same ratio at the current level after the acquisition of treasury stock, it will be necessary to acquire almost the same number of our shares from JAPAN POST HOLDINGS Co., Ltd. as the general shareholders. Based on these circumstances and the above policies, the Company intends to conduct the acquisition of treasury stock to improve capital efficiency and enhance shareholder returns.

2. Details of the acquisition

- (1) Class of shares to be acquired: Common stock of the Company
- (2) Total number of shares to be acquired: 30,000,000 shares (maximum)
(The ratio of the total number of shares to be acquired to the total number of shares issued (excluding treasury stock): 7.5%)
- (3) Total amount of shares to be acquired: 35,000,000,000 yen (maximum)
- (4) Acquisition period: From August 12, 2022 to March 31, 2023
- (5) Method of acquisition: Purchases through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) and trading on the auction market of the Tokyo Stock Exchange, Inc.
- (6) In addition to the matters described above, any matters required for the acquisition of treasury stock shall be determined at the sole discretion of the President, CEO, Representative Executive Officer of the Company or a person appointed by the President, CEO, Representative Executive Officer of the Company.

Following the resolution by the Board of Directors of the Company to acquire its treasury stock, JAPAN POST HOLDINGS Co., Ltd. has notified the Company of its plan to place a sell order for a portion of the Company's common stock against the purchase in the future when the Company makes a decision on the implementation and conditions (acquisition price) of the share acquisition in the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) based on the resolution by the Board of Directors.

In subsequent treasury stock acquisitions, the Company will continue to consider ways to maintain the ratio of voting rights of the Company's shares held by JAPAN POST HOLDINGS Co., Ltd. at 50% or less. Therefore, depending on the status of the ratio of voting rights of the Company's shares held by JAPAN POST HOLDINGS Co., Ltd., the amount of acquisition of treasury stock based on this resolution of the Board of Directors may be significantly less than the "Total amount of shares to be acquired (maximum)" stated above.

JAPAN POST HOLDINGS Co., Ltd. will remain the parent company of the Company after this acquisition of treasury stock.

3. Matters pertaining to transactions with controlling shareholders

JAPAN POST HOLDINGS Co., Ltd., which is the controlling shareholder of the Company, may sell a portion of the Company's shares that it holds in connection with the Company's acquisition of treasury stock, and this transaction falls under "the significant transactions with controlling shareholders" prescribed in Rule 441-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

The "Guidelines for Measures to Protect Minority Shareholders in Transactions with Controlling Shareholders" which were presented in the corporate governance report published by the Company on July 12, 2022 states that the Company has established a framework for the Board of Directors (including outside directors) to resolve to implement important new transactions and amend the terms of important existing transactions in order to ensure the appropriateness of the terms of intra-

group transactions.

With regard to the current acquisition of treasury stock, in conformity with the purpose of the abovementioned framework, nine directors who have no special vested interests with the controlling shareholder (including six outside directors) have confirmed and unanimously passed a resolution at the meeting of the Board of Directors held on August 10, 2022 to the effect that the acquisition of treasury stock will be implemented based on the Company's shareholder return policies during the period of the Medium-term Management Plan, which were set in May 2022, with the aim of improving capital efficiency and enhancing shareholder returns. Mr. MASUDA Hiroya, a director of the Company, did not participate in the resolution on the acquisition of treasury stock as having special vested interests, since he concurrently holds the position of director of JAPAN POST HOLDINGS Co., Ltd., which is the controlling shareholder of the Company.

In addition, the Company will conduct an acquisition of treasury stock through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) and trading on the auction market at the market price of the Company's shares to secure fairness in trading conditions.

Furthermore, on August 10, 2022, the Company received a written opinion from its independent directors (being outside directors who are unlikely to have conflicts of interest with general shareholders of the Company), Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Mr. HARADA Kazuyuki, Mr. YAMAZAKI Hisashi, Ms. TONOSU Kaori and Mr. TOMII Satoshi who are outside directors of the Company, stating that the acquisition of treasury stock will not harm the interests of the minority shareholders because (i) the acquisition of treasury stock will be conducted with the aim of improving capital efficiency and enhancing shareholder returns in accordance with the intent of the Postal Service Privatization Act and the Company's shareholder return policies during the period of the Medium-Term Management Plan, which were set in May 2022, and does not aim or intend to harm the interests of minority shareholders; (ii) the resolution for the acquisition of treasury stock at the meeting of the Board of Directors was made by directors who do not have special vested interests with the controlling shareholder as stated above; and (iii) the share acquisition through ToSTNeT-3 and trading on the auction market will be carried out at market price and, in addition, the fairness of trading conditions and methods is secured, including by creating opportunities for shareholders other than JAPAN POST HOLDINGS Co., Ltd. to participate in the transaction.

As a result, the Company has determined that its actions relating to the acquisition of treasury stock comply with its "Guidelines for Measures to Protect Minority Shareholders in Transaction with Controlling Shareholders."

4. Treatment of treasury stock held after the acquisition

The Company intends to cancel the treasury stock acquired through this acquisition.

(Reference) Status of shareholding of treasury stock as of June 30, 2022

Total number of shares issued (excluding treasury stock): 399,682,549 shares

Number of shares of treasury stock: 11,151 shares

(The above number of shares of treasury stock does not include shares of the Company held by the Board Benefit Trust (BBT).)