

# JAPAN POST INSURANCE

Annual Report  
**2024**  
Main Section  
Year ended March 31, 2024



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### Editorial Policy

This Annual Report presents an overview of the Company, our business strategies, management issues and other information in an integrated manner that includes both financial and non-financial information in order to communicate clearly to our stakeholders the initiatives undertaken by Japan Post Insurance for sustainable value creation. This Annual Report was compiled with reference to the "International Integrated Reporting Framework" issued by the International Integrated Reporting Council (IIRC) and the "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation" issued by the Ministry of Economy, Trade and Industry. We also issue this Annual Report as disclosure materials prepared based on Article 111 of the Insurance Business Act.

▶ The Annual Report consists of a main section and a data section.

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Japan Post Insurance Co., Ltd. has been commissioned by the Organization for Postal Savings, Postal Life Insurance and Post Office Network (the "Management Network"), which succeeded the rights and obligations of the Postal Life Insurance Policies enrolled in before September 2007, to engage in insurance policy operations. As of April 1, 2019, the Management Network changed its name from the Management Organization for Postal Savings and Postal Life Insurance.

Notes: 1. This report is intended to provide information to the public and is not intended to constitute a solicitation to invest in stock or other marketable securities of Japan Post Insurance Co., Ltd. or its subsidiaries (the "Group"). In addition to the Group's current status, this report contains forward-looking statements regarding the outlook and targets of the Group, which are based on information available when the report was prepared or on Japan Post Insurance's expectations derived from projections or assumptions made at the time of the report's preparation. Please note that these forward-looking statements are subject to a broad range of risks and uncertainties, and actual results might vary materially from the statements contained in this report as a result of changes in the economic conditions or business trends, revisions to laws or regulations, effects of large-scale disasters, fluctuations in the value of assets owned, harmful rumors or false information.  
2. Unless otherwise noted, the numbers and percentages shown in this report are based on the latest available data as of March 31, 2024.  
3. Unless otherwise noted, financial figures in this report are reported on a consolidated basis. Unless the context indicates otherwise, references in this report to "we," "us," "our," "the Company" or similar terms refer to Japan Post Insurance Co., Ltd.

### Materials Posted on Our Website

In addition to this report, you can also view the following materials posted on the Company's website.

#### Sustainability

- Sustainability Report
- Corporate Governance Report
- Responsible Investment Report

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



#### Investor Relations

- Financial Results & Corporate  
Strategy Meeting Materials
- Other financial materials

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



**Web media that  
provides engaging  
information**

**Kampo Junction**

<https://www.jp-life.japanpost.jp/junction/> (in Japanese)

We are disseminating engaging information such as Japan Post Insurance's sustainability initiatives and product information.



Social Mission (Purpose) of Japan Post Insurance

**We will remain trusted and selected by customers,  
thereby protecting their lives  
by providing life insurance product.**

Management Philosophy

**Be a trustful partner for people, always being close  
at hand and endeavoring to protect their well-being.**

Embodiment

**A base for the day-to-day thoughts, decisions, and  
actions of all employees**

p.23

1. The value of our existence shines when people tell us “Thank you for being here.”  
We are a company that customers can rely on when they are anxious or when they want support.
2. We will continue to develop, grow, and exist as a company so that we can always protect the lives of all our customers.
3. To this end, each and every one of us will independently think, act, and challenge ourselves every day.





## Message From CEO

**Corporate value originates with the trust of our customers. We aim to build Japan Post Insurance into the most trusted and recognized brand in Japan.**

**TANIGAKI Kunio**

Director and President, CEO,  
Representative Executive Officer



I would like to begin this message by remembering with sadness all those who lost their lives in the Noto Peninsula Earthquake of 2024. I offer my sincere sympathy to their families and to everyone affected by the disaster. Employees of the Japan Post Group are continuing to work together to support the restoration of the affected areas. In February 2024, I visited the area to encourage our employees. I was really heartened to see their commitment to our social mission as a life insurance company, as they worked hard and engaged closely with the local community. As a member of the Japan Post Group, Japan Post Insurance will continue to support reconstruction efforts based on the essence of life insurance and our purpose in society, of providing peace of mind to customers.

### On year one as President

**Toward a corporate culture where employees take on challenges without fear of failure and with a spirit of striving for the Company**

It has been around one year since I assumed the role of president in June 2023. Amid issues, such as the need to strengthen our sales force and maintain and expand

policies in force, I made three main points in my inaugural address to all employees. The first is that I want us to be inspired by the heritage of Japan Post Insurance. Over a century, our company has dedicated itself to furthering Japan's economy and culture and providing citizens with peace of mind. We should draw confidence and pride from that, carrying out our work with a sense of boldness. Second, I want us to be a strong company that thoroughly fulfills both our social mission as a life insurance company and our responsibilities to customers. Third, I want us to always have a feeling of respect in our communications with customers and colleagues.

Since taking office, I have seen positive signs gradually emerge. The regular reporting obligation based on the order to improve business operations was lifted at the end of December 2023. Since then, our business environment has changed for the better in various ways. From January 2024 we launched sales of lump-sum payment whole life insurance, which has been well-received by many customers. We also resumed presenting proposals to elderly customers. I see our team efforts throughout the Company to revitalize Japan Post Insurance steadily taking shape.

This has also been reflected in the results of our employee satisfaction survey (ES survey), and a January 2024 survey showed a significant increase in scores

from the previous survey. In particular, I was delighted to see the improved evaluations in the Retail Service Division, to which our consultants (employees who work mainly by visiting customers' homes) belong.

I joined what was then the Ministry of Posts and Telecommunications after graduating from university. That was forty years ago. When I was 29, I became the director of a post office in Hyogo Prefecture. That year of serving as director taught me the challenges of being a leader who makes critical decisions daily, and the importance of addressing problems head-on. On one occasion, mail deliveries were disrupted by heavy snowfall, and we had to rely on support from other post offices nearby. Some of my more experienced colleagues who came in to support us said to me that they were doing it not to save the young director of the post office, but rather to uphold the reputation of the post office. Their words have stuck with me throughout the years.

Having been through these experiences, I hold dear one phrase, "for the Company." I believe that if each of our 20,000 employees feels a connection to the company and works with the aim of improving the company even a little, Japan Post Insurance will become a strong and reliable company trusted by our customers. We are creating an environment that supports and recognizes efforts to take on challenges to improve the

company, even if they end in failure, as these can be linked to our next success. We can never advance if we shy away from failure. We will create a corporate culture that enables our employees to take on challenges without fear of failure.

### Revision of Medium-Term Management Plan

**Becoming a strong company that grows sustainably while retaining and expanding our customer base**

In May 2024, we reviewed our Medium-Term Management Plan (FY2021-FY2025). In the interim period of our five-year plan, we re-evaluated our efforts and refined our management strategy, taking into account changes in our external and internal environments, such as rising interest rates and the resumption of solicitations to elderly customers, respectively.

Our existing Medium-Term Management Plan set out the pillars of "reconstruction as a company truly trusted by its customers" and "sustainable growth." Our revised plan now positions our future growth strategies of retaining and expanding our customer base and becoming a strong company that grows sustainably as strategic pillars.



**Toward retaining and expanding our customer base**

**Valuing the voices of employees in the front-line employees will lead to company growth**

As part of the reform of our sales system in April 2022, we welcomed approximately 10,000 consultants from Japan Post Co., Ltd. These consultants, alongside our employees engaging in whole sales at our branches, are the key personnel in our efforts to retain and expand our customer base. Furthermore, in July 2023, we introduced the Kampo GD System as a new human resource development system. This system evaluates achievements in sales activities, not only for performance but also in a more comprehensive and quantitative way. We are already seeing huge improvements in human resource development and motivation.

I believe that the front-line employees is a reflection of the company and what happens there in turn is what is happening at the company. To that end, we continue to hold “Front-line Meetings” where management and our frontline employees have a discussion. I make sure to visit sites all over the country every month so that I can understand what problems our employees are having and try to help solve them even a little. For example, right after the launch of a new product, I heard from one

of our consultants that the number of telephone confirmations required for applications had risen sharply. On the same day, I contacted the officers in charge, and by the next day, related officers and senior general managers drew up an action plan. Within two days, we managed to put in place an environment that enabled smoother telephone confirmations.

**Becoming a reliable and casual advisor for our customers**

**Offering products that meet customer needs and enhancing after-sales follow-up services**

To retain and expand our customer base, with customer-oriented business operations in mind, we will continue to expand our product lineup to meet diverse customer needs and enhance after-sales follow-up services that deliver in terms of both quality and quantity.

To enhance our product lineup, in addition to the lump-sum payment whole life insurance that we launched in January 2024, we are also considering other future products in line with the emerging needs of an age of the 100-year life, including insurance with coverage for cases requiring nursing care and incapacity to work. We will continue to expand our product lineup using the power of insurance to offer meticulous support and protection throughout our customers’ lives in line with any changes in their life events.

Regarding our after-sales follow-up services, we aim to improve the customer experience value (CX) by utilizing both physical and digital means. We will achieve this by focusing on the provision of useful information and resolution of problems, etc. based on a timely understanding of the situations of our customers and their families.

As a major player with one of the largest customer bases in the industry, we have many customers whose policies are approaching maturity. While providing seamless coverage for these customers, we will also continue to provide peace of mind to their families across life stages and generations through our efforts to expand our product lineup and enhance our after-sales follow-up services. Furthermore, we will strive to retain and expand our customer base by maintaining connections with our customers as a reliable and casual advisor.

**Becoming a strong company that grows sustainably**

**Promoting new initiatives that reinforce our management base to fulfill our responsibilities to our customers**

One of the two pillars of our growth strategies, becoming a strong company that grows sustainably, also has the double meaning of reinforcing our management base to fulfill our responsibilities to customers.

To achieve this, we will first and foremost aim to strengthen our sales force by maximizing the strengths of our human resources who support the face-to-face channels, such as our nationwide post office network. This will be done through proactive recruitment, which will strengthen our organizational structure, alongside our human resources development efforts through the Kampo GD System, which I mentioned earlier.

Regarding asset management, as we work to improve profitability that responds to changes in the market environment, we also aim to broaden the scope of our business with the goal of diversifying revenue sources and creating new growth opportunities. We will tap into a range of domestic and international partnerships, such as the capital and business alliance with Daiwa Securities Group that we announced in May 2024. At the same time, by promoting sustainable investments, we will aim to solve social issues while also fulfilling our responsibilities as an institutional investor.

In addition, by promoting DX (digital transformation), we will aim to boost the efficiency of business operations while also improving CX. For example, when accepting in-person claims from our customers, by replacing the use of paper hardcopy documents with tablets, we are helping reduce the burden of resolving potential deficiencies, such as the large amount of time needed to complete our customers’ applications or rectifying omissions in the required information, thereby reducing



the work needed in back-office operations for confirmation procedures and so forth. Efficiency improvements like this have enabled our internal human resources to be reskilled and assigned to other departments where they are needed. We see this as an important initiative for using human capital.

**Our vision for the future**

**Aiming to build Japan Post Insurance into the most trusted and recognized brand in Japan**

Our corporate value originates from the trust of our customers. We will continue to work together as team to establish Japan Post Insurance brand as “post office insurance,” making us the most trusted and recognized brand in Japan.

At the press conference in April 2023 when I was offered the position of president, I mentioned that my mission was to revitalize Japan Post Insurance. One year on, thanks to the hard work of each of our employees, I believe that we have taken the first step. Going forward, we will continue to steadily deliver on the Japan Post Insurance social mission: “We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.” Thank you for your continued support as we continue our journey toward a new stage.







Special Feature

Dialogue between  
President, CEO,  
Representative  
Executive Officer and  
Outside Director

**TANIGAKI Kunio**  
Director and President, CEO,  
Representative Executive Officer

**SUZUKI Masako**  
Outside Director

## Staying close to our customers 10, 20 years from now, and beyond

Since President TANIGAKI took office in June 2023, Japan Post Insurance has undergone a series of reforms. The question facing the Company now is how to increase corporate value while upholding the Japan Post Insurance brand.

The President spoke with SUZUKI Masako, an Outside Director, about where Japan Post Insurance is today and its future.

### Looking back on a year when steady efforts began to bear fruit

—President TANIGAKI took office last year, marking the start of a new journey for Japan Post Insurance. Please look back on this past year and give your own honest assessment of how things have gone.

SUZUKI: I feel that, under the new system led by President TANIGAKI, the Company has sped up efforts to strengthen the sales force. The new Japan Post Insurance sales system is also in the second year, and the consultants who joined from Japan Post seem to have gradually settled into their roles at Japan Post Insurance. Also, with the introduction of a new personnel

training system, the Kampo GD System, and the launch of new products, the entire company, particularly the front line, seems to have been revitalized. Over the year, the various initiatives we have undertaken so far have interlinked and I feel that it was a year in which we saw comprehensive changes, which I evaluate highly.

TANIGAKI: When I assumed my role as President, I felt a profound sense of urgency about the dwindling motivation of the front-line employees for sales activities and the relentless decline in the number of policies in force. That's why we have been steadily promoting initiatives over the past year to build a medium- to long-term sales force with the aim of revitalizing Japan Post

Insurance. These efforts have resulted in a year of positive signs for further growth. We have seen a significant increase in new policies and other positive results from our company-wide efforts to regain our customers' trust. These actions have also led to an improvement in our employee satisfaction survey (ES survey). While we still have a long way to go on the road toward revitalizing Japan Post Insurance, I feel that we have taken a step forward as a company thanks to the hard work of each and every one of our employees.

—In May 2024, you conducted a revision of your Medium-Term Management Plan (FY2021-FY2025), which had been in effect for three years. What discussions took place at the Board of Directors during this review process?

SUZUKI: One major theme we addressed at the Board of Directors was how to strengthen our sales force to tackle the decline in the number of policies in force. Over several meetings, we actively discussed how to expand our customer base and whether the Company is aligning closely with customers.

TANIGAKI: During our discussions at the Board of Directors on strengthening our sales force, I also asked the Directors for their opinions on personnel matters. Covering topics like recruitment activities and career paths, we had intensive discussions from a long-term perspective beyond the fiscal year ending March 31, 2026, the final year of our current Medium-Term Management Plan. As part of that, I received suggestions that there should be more emphasis placed on the Japan Post Insurance brand or the Japan Post Group brand. This is in line with my own thinking. By linking the Japan Post Insurance brand and the Japan Post Group brand to sales activities and employee motivation, we will create an environment where each of our employees feels a connection to the Company and can work with confidence, pride, and dignity while aiming to become the most trusted and approachable life insurance company in Japan.

SUZUKI: Japan Post Insurance is carrying out a range of worthwhile initiatives, and properly communicating them to the world will lead to more topics of conversation with customers during sales activities, which will in turn boost employee confidence. This is something I'd definitely like to see the Company approach strategically. In addition, in terms of improving corporate value, the Company is focusing on adjusted ROE (return on equity) as an indicator of our management goals.

TANIGAKI: In line with our review of the current Medium-Term Management Plan, we have set financial targets of "adjusted profit," which is an indicator that partially adjusts for the effect unique to life insurance companies, where an increase in new policies lowers net income in the short term, and "adjusted ROE" based on this, to ensure that we provide stable shareholder returns using the adjusted profit as the source of funds. We will continue to strive for management with an awareness of the cost of capital and the stock price to improve capital efficiency and increase corporate value, all while maintaining financial soundness.

—In terms of strengthening the sales force, what are your views on the current status and your thoughts on the tasks ahead?

SUZUKI: I feel that the reform of the sales system in the fiscal year ended March 31, 2023, has ushered in a change in the overall atmosphere of the company. In particular, the direct management of consultants by Japan Post Insurance has allowed for a more thorough identification of issues in our sales activities, which has led to quicker improvements and solutions. In addition to this, by adopting an account manager system, I believe that the Company has succeeded in giving consultants and post office workers a greater sense of responsibility than ever before. This has made it possible to provide high-quality and detailed responses that stay close to every customer. That is why I am looking forward to seeing enhancements in after-sales follow-up services and improvements in customer contact points more than ever before. Even if our customers understand the details of their policies at the time of issuance, there are many who find that there are unclear points or may consider reviewing their policies when going through procedures and requests arising from changes in life stages. I believe these occasions are opportunities for us to build long-term relationships of trust with customers and their families, by sincerely addressing the problems faced by our customers, staying close to them at all times, and delivering peace of mind.

TANIGAKI: I think that Ms. SUZUKI has touched on a very important point here that goes to the heart of life insurance. Japan Post Insurance delivers the life insurance services that post office customers need in an easy-to-understand and meticulous way. Even after the policy is issued, we provide our after-sales follow-up services, which we are continuing to enhance in terms of both quality and quantity. For this, we are using a combination of face-to-face channels, such as our nationwide post office network and digital channels, which offer better convenience to customers. We will continue to strengthen our system more than ever before by establishing a new management organization at the head office. As I often remind our employees, no matter the changes in our business environment, we must never forget what life insurance is fundamentally about: bringing peace of mind to customers.

SUZUKI: Thank you. In order to strengthen our sales force, in addition to human resource development, new products that meet customer needs are also important.

TANIGAKI: Following the new medical care riders in April 2022 and revisions to educational endowment insurance in April 2023, we launched sales of lump-sum payment whole life insurance in January 2024, which has boosted our sales activities as this has allowed us to respond to more diverse customer needs than ever before. Going forward, we will make comprehended changes in the external environment, such as rising interest rates, and continue to enhance our product lineup that can respond more thoroughly to the diverse needs of each life stage and generation to give our customers peace of mind as we work to improve the appeal of savings-type products.



—One of the pillars of the Medium-Term Management Plan is “Grow into a sustainable and ‘strong company.’” The following have been set out as Japan Post Insurance initiatives: achieving greater depth and evolution of asset management; diversification of revenue sources and creation of new growth opportunities; and boosting the efficiency of business operations. Please tell us what you expect from these initiatives.

**SUZUKI:** Japan Post Insurance is an institutional investor with an asset portfolio worth around ¥60 trillion. The impact that the Company can have on the economy and society through its investments and loans is enormous, and by fulfilling out responsibilities as an investor, the Company has an opportunity to change society for the better. Japan Post Insurance is promoting the Impact “K” Project, its unique certification framework for impact investments, and pursuing industry-academia collaboration with universities. I expect that through these and other initiatives, the Company will help bring about a brighter future and a better society. In terms of diversification of revenue

sources, the Company has formed strategic business alliances with KKR, one of the world’s leading U.S.-based asset management firms, and its subsidiary Global Atlantic Financial Group; and capital and business alliances with Mitsui & Co., Ltd. and Daiwa Securities Group. I feel that through these initiatives the Company is steadily steering into new areas. I have high hopes that by strengthening cooperation with other companies with infrastructure that Japan Post Insurance itself lacks, the Company will be able to secure new profits and create opportunities for growth.

**TANIGAKI:** Thank you. Our domestic life insurance business is still our mainstay. But as Ms. SUZUKI has explained, by participating in overseas business and asset management operations through partnerships with other companies, we intend to expand the scope of our business, diversify our revenue sources and create new growth opportunities. In addition, we are promoting industry-academia collaborations to encourage investment in innovative technological development and businesses from academia. Through initiatives such as the establishment of impact funds, we aim not only to solve social issues and drive innovation, but also to develop the next generation of financial talent.



## Advancing corporate reforms to revitalize the Japan Post Insurance brand

—As a foundation to support these initiatives, the Company is promoting initiatives for human capital management and corporate culture reform. What is your assessment of the current situation at Japan Post Insurance and the tasks ahead?

**SUZUKI:** The strengths of Japan Post Insurance derive in large part from its nationwide network of post offices and branches and the power of roughly 20,000 employees. The challenge is to promote initiatives for maximizing the power of these human resources. We have introduced the Kampo GD System and other measures as a system for developing our sales personnel, but human resource development cannot be achieved overnight. Change will happen gradually, so I think it is important to first ensure that these systems have taken hold properly. In corporate culture reform, it seems that there were some aspects where opinions were difficult to convey due to the relationship between supervisors and subordinates, or between the head office and the front line. However, in reality, each and every employee in the front line carries out activities that are closely connected to the actual situations and demands of the local community, and Japan Post Insurance has a unique culture and assets that other companies cannot imitate. During the investigation into the issue of improper solicitation activities, poor communication within the company was identified, but we have seen solid improvements in that regard. In addition to regular messages to all employees from top

management through the President’s Message, video content, etc., corporate culture reform is progressing steadily through such measures as Front-line Meetings, in which executives and other management visit locations nationwide and directly interact with employees, and the operation of Direct Suggestions to the President, where employees can submit various proposals directly to the President of Japan Post Insurance. For employees, knowing that their opinions are heard has a big impact on job satisfaction. This was clearly evident in the improvement in the employee satisfaction survey (ES survey) results. If dialogue with the executives and the President leads to improvements in the system and other areas, I hope that employee satisfaction will increase further, making our company an even better place to work.

**TANIGAKI:** We are tackling corporate culture reform from three angles. First, as Ms. SUZUKI said, is the people, which is the Company’s strength and the most important asset for a life insurance company. Employee communication was the point I placed the most emphasis on after I took office as President. Mutual respect among employees is vital. I believe that relationships of trust cannot be built unless colleagues, supervisors, and subordinates respect and acknowledge each other. The second is the connection between our employees with the company. Since they spend so much of their precious life at work, I want them to feel connected to each of their fellow workers, the workplace, and their jobs. Developing that connection to the company and workplace is a key factor in generating motivation to make even the smallest

improvements in customer service and the workplace. I think that if we can foster a corporate culture where each employee has a deep connection to the company and work with confidence and pride, we will become a truly strong company. The third is to evaluate people and work output from a positive perspective. I think a major point of our corporate culture reform is to create a culture where people can try again even if they fail, rather than looking at things negatively and saying, “This is no good” or “That is no good either,” and instead looking at things positively and saying, “We were able to do this much” and “This was good.”

**SUZUKI:** Having worked in sales in the past, when I visit various companies, I can tell the state of the company from the atmosphere for the employees. A company where employees work enthusiastically and greet each other cheerfully is a sign of a company that is easy to work in. At Japan Post Insurance, everyone greets me cheerfully when I walk down the corridor, so I think that it is a company where one can feel at ease.

**TANIGAKI:** I think those cheerful greetings say a lot about the atmosphere in the company. Work can be hard sometimes. It often doesn’t go the way you want it to. However, with the right kind of support from those around you and a good environment in the workplace, it can also be genuinely interesting and rewarding. We will continue to work towards fostering a workplace and corporate culture where each and every employee can respect each other as individuals, feel a connection to Japan Post Insurance, and work with confidence, pride, and a sense of purpose.

—Ms. SUZUKI, as an Outside Director, what do you value and what do you perceive as your role?

**SUZUKI:** Outside Directors have no executive role and can’t be directly involved in the running of the company. So, as I make comments, I take care to ensure that there are no gaps in my understanding. I also put importance on verifying whether my advice is being put into practice and whether my opinion was appropriate

decision. There is no point in just making a statement; I see it as part of my responsibilities to confirm whether the company has improved as a result of my input.

**TANIGAKI:** In evaluating the Company, Outside Directors refer not to the common sense of the Japan Post Group, but to the standards of society. We are incredibly grateful for all you do in checking the course of our management. I hope we can continue to receive your frank input going forward.

—The Medium-Term Management Plan will end in 2025. What is the vision for Japan Post Insurance in ten or twenty years from now?

**SUZUKI:** Whether it is in 10 years, 20 years, and 30 years from now, I believe Japan Post Insurance can become a long-running company that continues to earn the support of customers over the long term. Japan Post Insurance already has the infrastructure in place to achieve this and I feel that the rest comes down to how the Company takes the first action. If each employee acts positively and with confidence and pride, the Company will continue to gain the support of many people. I also hope that by utilizing the post office network, we will be able to achieve sustainable growth.

**TANIGAKI:** Thank you. Since its founding more than a century ago, Japan Post Insurance has been thoroughly responding to customer concerns about their lifestyles and their health, contributing to society, supporting Japan’s economic growth and creating the culture and market for life insurance. We believe this makes us the leading life insurance company in Japan. Our social mission of “protecting the means of fundamental livelihood of the public through simple procedures” has been passed down unchanged since our establishment and is clearly expressed in our current management philosophy: “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being.” Our focus is never ad hoc, short-term numbers or work. Through roughly 20,000 post offices and branches all over the country, we do not simply sell life insurance products. We provide our customers with peace of mind. The trust that we receive from our customers is the source of our corporate value, and with the brand image we have built up over the years as an asset, we will work hard together with all our employees so that we can continue to be close to, trusted and loved by our customers 10, 20 years from now, and beyond.

## Value Creation History

Our unchanging philosophy since the Company was founded:  
Protecting our customers' lives by providing life insurance product.

For more than a century since our founding in 1916, we have supported people's lives by providing insurance services that meet the social challenges and needs of our time. When Japan privatized its postal services in 2007, our organization changed from a state-run business to a private company. But our mission of supporting people's lives through insurance continues unchanged.

Through our nationwide post office network, we will continue to provide customers across Japan with the peace of mind that insurance brings. We will continue to support and protect the lives of each customer through the power of insurance.

### 1916

#### Commenced the Postal Life Insurance Service

When our predecessor Postal Life Insurance Service was formed, life insurance was difficult to obtain for everyone except the wealthy. The Company was founded on the idea of offering life insurance in smaller coverage amounts and spreading basic coverage through the familiar network of post offices.



### 1971

#### Established educational endowment insurance

At the time, while the enrollment rates in higher education had grown considerably, soaring education costs posed a heavy burden for most households. In response to the growing demand for insurance to help prepare future education funds, we established the educational endowment insurance, the first of its kind in the industry, as an insurance product from the post office.



#### Social Mission (Purpose)

We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.

### 2000

#### Established designated endowment insurance

The number of people receiving treatment for chronic diseases, such as diabetes, without hindrance to their work or daily life increased. A new attitude to health also emerged that it is possible to live healthily even with an illness, based on the idea that those who suffer from an illness often tend to take better care of their health and end up living longer. The designated endowment insurance was established to support the self-help efforts of a wide range of citizens and customers, including those suffering from chronic diseases.



#### Established special whole life insurance

Issues surrounding the elderly came to the forefront as a social issue due to a remarkable increase in the average life expectancy and the trend toward nuclear families. We established the special whole life insurance in response to a strong demand for the insured to receive some sort of insurance benefit while they are still alive, in addition to the coverage in the event of their death.



### 2007

#### Privatization of the postal service

With the privatization of the postal service, Japan Post Group was established and began its life insurance business as Japan Post Insurance Co., Ltd.



### 2015

#### Listed on the First Section of the Tokyo Stock Exchange

Our stock was listed on the First Section of the Tokyo Stock Exchange.



### 2004

#### Launched double/fivefold premium whole life insurance

To meet the need for lifelong coverage tailored to one's life cycle with low insurance premiums, we began selling whole life insurance in which the death benefit before the premium payment period expires is either double or five times the amount after that period expires.



### 2008

#### Launched Sono hi kara, a new hospitalization rider

To respond to requests from customers regarding short-term hospitalization coverage, we reviewed the details of previous hospitalization riders to include coverage for hospitalization of one day or more and expanded the scope of surgery benefits. This was the first product we launched after privatization.



### 2024

#### Launched Tsunagu Shiawase, lump-sum payment whole life insurance

We began selling lump-sum payment whole life insurance to meet the needs of middle-aged and elderly customers for lifetime death benefits and for those who want to promptly secure funeral expenses and living funds for surviving family members in the event of their death.





## Source of Value Creation



### Nationwide post office network

We provide insurance services to individual and corporate customers through around 20,000 post office counters spread throughout Japan, as well as Japan Post Insurance branches and Retail Service Divisions.

There are more post offices than elementary schools or police boxes, making them a reassuring presence in the community.

Number of post offices  
(post offices or contracted post offices undertaking life insurance solicitation)

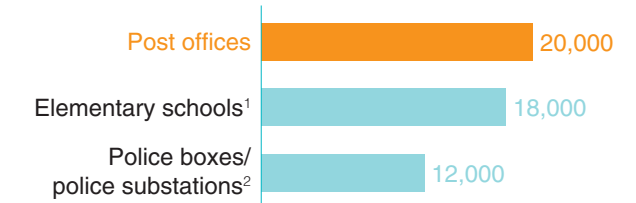
**20,348**

Japan Post Insurance branches

**82**

Retail Service Divisions

**623**



The Retail Service Division is an organization under Japan Post Insurance branches and is located at post offices within the branch's area of responsibility. The division is staffed by consultants who mainly visit customers' homes to conduct activities.

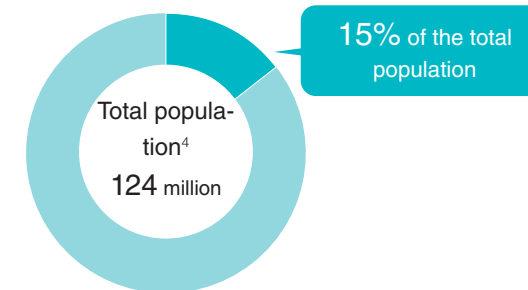


### Extremely large customer base

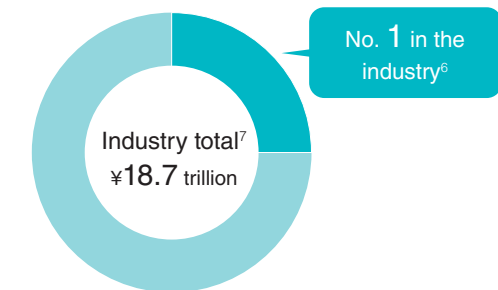
We provide customers with simple and easy-to-understand products (with easy procedures and smaller coverage amounts) and services, focusing on endowment insurance and whole life insurance. Our customer base amounts to approximately 15% of Japan's population.

Our payment amount of insurance claims and others is among the highest in the industry, and we pay insurance claims to a large number of customers to ensure that we fulfill our social mission as a life insurance company.

Number of customers<sup>3</sup> **18.07 million**



Insurance claims and others paid<sup>5</sup> **¥4.5 trillion**



### Among the largest total assets in the industry; sound financial base

We are an institutional investor whose total assets are among the largest in the industry. We manage our assets based on the insurance premiums we receive from our customers. Our solvency margin ratio, an indicator of the financial soundness of a life insurance company, far exceeds the 200% threshold below which corrective measures would be required by regulatory authorities. We have also received high credit ratings.

Total assets

**¥60.8 trillion**

No. 2 in the industry<sup>6</sup>

Consolidated solvency margin ratio

**1,023.2%**

● Credit ratings (as of June 1, 2024)

**AA-**

Insurance Claims Paying Ability  
Rating and Investment Information, Inc. (R&I)

**AA**

Ability to Pay Insurance Claims Rating  
Japan Credit Rating Agency, Ltd. (JCR)

**A+**

Insurer Financial Strength Ratings  
Standard & Poor's (S&P)



### The power of human resources to support our customers throughout their lives

Around 18,000 sales personnel and other employees work closely with our customers across Japan, supporting them throughout their lives.

To create an environment where diverse human resources can work comfortably, we are promoting the advancement of women and providing support for balancing work and childcare. We have achieved a 100% rate of male and female employees taking childcare leave.

Number of employees

**18,427**

Of which, number of sales personnel

**9,673**

Ratio of female managers (head office) (as of April 1, 2024)

**15.0%**

Rate of taking childcare leave

**100% for both male and female employees**

Average number of days of childcare leave taken by male employees **52.2 days**

Notes: 1. Number of elementary schools sourced from Ministry of Education, Culture, Sports, Science and Technology, "School Basic Survey"; as of May 1, 2023  
2. Number of police boxes and police stations; source: National Police Agency "National Police Facility Names, Locations, etc.," as of April 1, 2023  
3. The number of customers is the sum of policyholders and insured persons (including individual insurance and individual annuities as well as Postal Life Insurance reinsured by us).  
4. Total population; source: Statistics Bureau of Ministry of Internal Affairs and Communications, "Population Estimates," as of April 1, 2024 (approximate values)  
5. The amount of insurance claims and others paid is the sum of insurance claims, annuity payments, and benefits.  
6. Scope is 42 life insurance companies in Japan (domestic standalone (the Japanese entity in the case of foreign life insurance companies)).  
7. Source: The Life Insurance Association of Japan, "Life Insurance Statistics Summary (2023)"



# Value Creation Process

## Management Philosophy

Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being.

## Social Mission (Purpose)

We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.

### Materiality

### (Important Issues) p.19

- 1 Provide insurance products and services through the network of post offices, etc.
- 2 Deploy solutions to improve people's well-being and protect their smiles and health
- 3 Contribute to the development of safe, secure, and comfortable communities and a society where diversity and human rights are respected
- 4 Contribute to environmental conservation that nurtures abundant nature
- 5 Build a foundation to support sustainability management

### Medium-Term Management Plan

### (FY2021-FY2025) p.25

Along with a sense of familiarity as "Post Office insurance," we will continue to connect with customers as a "strong company" that can secure stable profits

reliable and casual advisor to provide peace of mind across life stages and generations, growing into a sustainable and

## INPUT

### Source of Value Creation p.15

Nationwide post office network



Extremely large customer base



Among the largest total assets in the industry; sound financial base

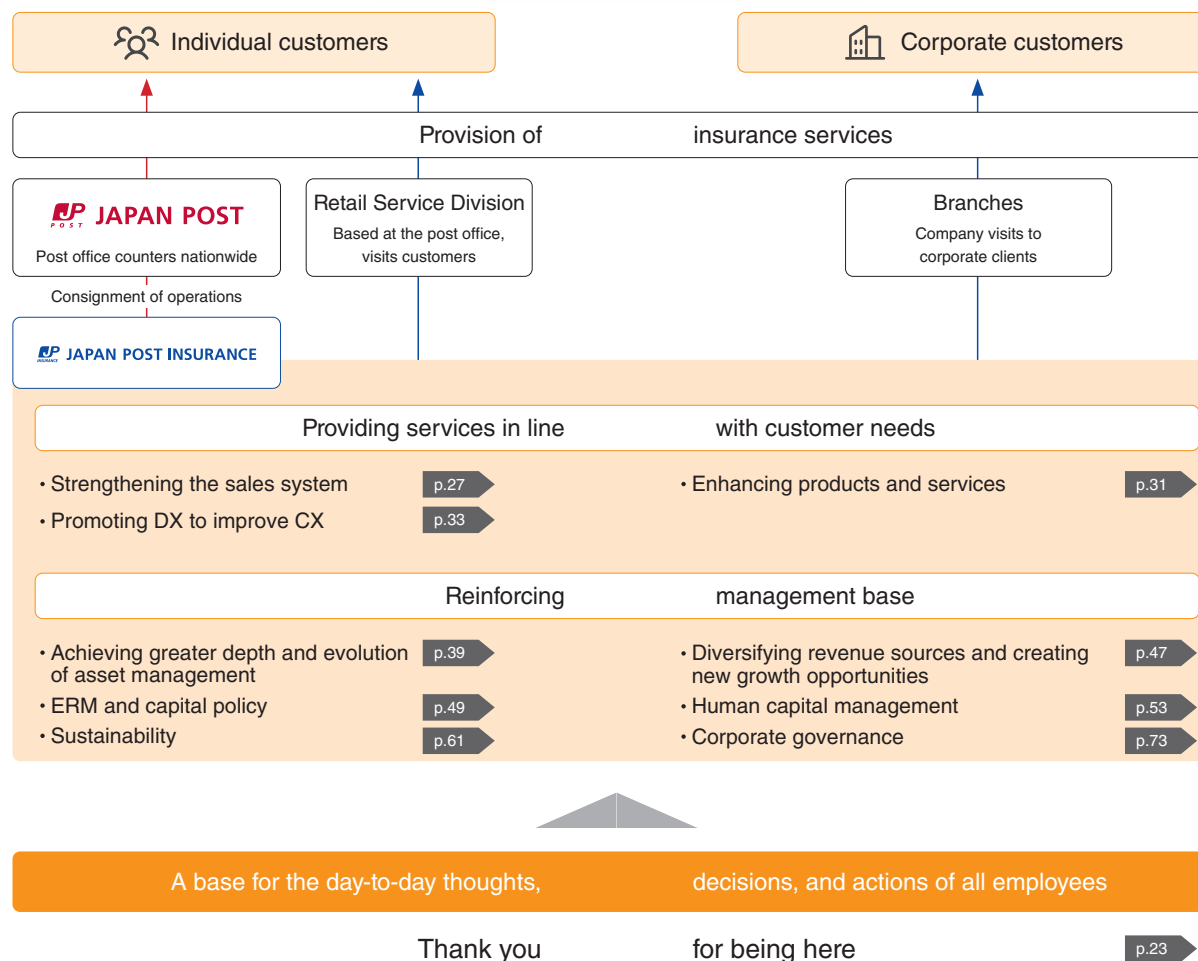


The power of human resources to support our customers throughout their lives



## BUSINESS

## ACTIVITY



## OUTCOME (FY2025 Targets)

### Non-financial targets p.21

- Number of policies in force (individual insurance) More than 18.5 million policies
- Customer satisfaction 90% or more
- NPS® One of the highest in the industry
- "Radio-Taiso" performance rate 25%
- Impact "K" Project Certified Funds 15 funds worth ¥50 billion in cumulative total
- Implementing social contribution activities
- Greenhouse gas emissions (Scope 1, 2) 46% reduction (compared to FY2020/3) (FY2031/3 target)
- ES survey results B, which is peer average
- Ratio of female managers at the head office 30% (FY2031/3 target)
- Rate of taking childcare leave 100% for both male and female employees
- Ratio of employees with disabilities (for the entire Japan Post Group) 3.0%
- Implementation of initiatives based on the Compliance Program

### Financial targets p.25

- Adjusted profit ¥97.0 billion
- Adjusted ROE Approx. 6%
- Dividend per share (DPS) In principle, we aim not to decrease but to increase dividend per share for the period of the Medium-Term Management Plan (Total payout ratio: medium-term average of 40% to 50%)
- EV growth (RoEV) Target growth of 6% to 8%

Changes in the business environment

March 2024 Revision

May 2024 Revision



# Materiality (Important Issues)

To fulfill our social mission of protecting our customers' lives by providing life insurance product, we position the provision of insurance services through post offices, branches, and the Retail Service Division as our primary materiality (important issues). We also conduct sustainable business operations that take people's health, diversity, human rights, and the environment into account.

## Review of materiality

In light of various changes since the previous formulation of our materiality (March 2021), such as those in the external environment, we recognized a need to update our materiality and reviewed it in March 2024.

- Changes in our external environment: Growing interest in human rights, human capital, and biodiversity
- Changes in our internal environment: Approximately 10,000 consultants now belong to the Company as part of our new Japan Post Insurance sales system (since April 2022)

## Materiality Identification Process

### STEP 1 Extracting social issues related to our business

From the 169 specific targets for achieving the 17 goals of the SDGs, we have extracted social issues for the Company, which runs a life insurance business. (Colored items are those that were newly added in this review.)



1.4 Provision of life insurance products and services	3.3 Contribution to the prevention of the spread of infectious diseases	3.4, 3.8, and 3.a Health promotion and health management	3.6 Reduction of traffic accidents
4.3 Support for enabling children to receive appropriate education	4.4 Human resource development	4.7 Health and financial literacy	5.1 Elimination of gender discrimination
5.4 Support for balancing work with childcare and nursing care	5.5 Increasing the ratio of female managers	5.b Promotion of telework	5.c Support for women's advancement
6.6 Activities to protect clean water and water-related ecosystems	7.2, 7.3, and 7.a Practical use of renewable energy	8.5 Corporate culture reform and work style reform	8.7 Prohibition of child labor (labor that interferes with compulsory education, etc.)
8.8 Promotion of employment of people with disabilities	8.8 Safe and secure working environment where employees can work comfortably	8.10 Designing an environment where products and services are easy to access	9.4 Efforts to reduce CO <sub>2</sub> emissions
9.5 Promotion of innovation, research, and study	10.2 Promotion of diversity	10.3 Promotion of efforts to respect human rights	11.1 and 11.5 Contribution to the local community
11.6 and 12.5 Recycling of resources and proper disposal of waste	12.6 Publication and disclosure of sustainability initiatives	13.2 and 13.3 Addressing global warming and other climate change issues	14.1 and 14.2 Activities to protect clean oceans and marine ecosystems
15.1 and 15.4 Activities to protect nature and ecosystems	16.3 Ensuring compliance	16.4 Elimination of money laundering, etc.	16.4 Elimination of antisocial forces
16.5 Preventing misconduct such as bribery and embezzlement	16.7 Corporate governance for sound management	16.b Elimination of discrimination	17.16 Promotion of sustainable investment

Note: The number assigned to each social issue is the one for the 169 targets of the related SDGs.

### STEP 2 Identifying high-priority social issues

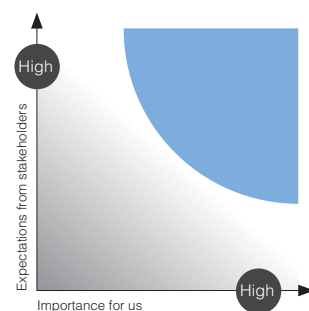
We identified high-priority social issues by prioritizing social issues extracted in STEP 1 based on two standards: "importance for us (strategic importance)" and "expectations from stakeholders."

#### Importance for us (strategic importance)

Selected based on our management philosophy, social mission (purpose), and Medium-Term Management Plan (FY2021-FY2025)

#### Expectations from stakeholders

Selected based on opinions received from stakeholders, such as society, shareholders/investors, customers, and employees (See next page)



[Reference] Process of identifying expectations from stakeholders

Stakeholders	Identification process
Society	Reviewed government and industry guidelines and additional elements of evaluation (questionnaire) items related to third-party assessors and SDGs
Shareholders and investors	Reviewed expectations of the Company from comments received during shareholder relations activities
Customers	Reviewed requests, comments, etc. to the Company from customers based on the voices of customers
Employees	Conducted employee questionnaires to confirm the social issues for the Company to prioritize

As a result, we have identified the following as high-priority social issues.

1.4 Provision of life insurance products and services	3.3 Contribution to the prevention of the spread of infectious diseases	3.4, 3.8, and 3.a Health promotion and health management	4.4 Human resource development
5.4 Support for balancing work with childcare and nursing care	5.c Support for women's advancement	8.5 Corporate culture reform and work style reform	8.8 Promotion of employment of people with disabilities
8.8 Safe and secure working environment where employees can work comfortably	8.10 Designing an environment where products and services are easy to access	9.4 Efforts to reduce CO <sub>2</sub> emissions	9.5 Promotion of innovation, research, and study
10.2 Promotion of diversity	10.3 Promotion of respect for human rights	11.1 and 11.5 Contribution to the local community	13.2 and 13.3 Addressing global warming and other climate change issues
15.1 and 15.4 Activities to protect nature and ecosystems	16.3 Ensuring compliance	16.7 Corporate governance for sound management	17.16 Promotion of sustainable investment

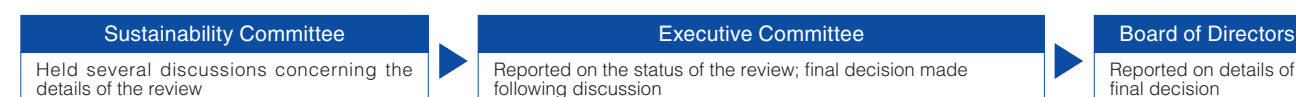
Note: The number assigned to each social issue is the one for the 169 targets of the related SDGs.

### STEP 3 Determining materialities

We organized the high-priority social issues identified in STEP 2 into the following five materiality items, discussed and determined them at the Sustainability Committee and Executive Committee, and reported them to the Board of Directors. We also set KPIs for monitoring the progress of each materiality. (See next page.)

	Materiality	The High-Priority Social Issues Identified in STEP 2	Goals of Achieving SDGs
Issues related to business	1 Provide insurance products and services through the network of post offices, etc.	1.4 Provision of life insurance products and services	8.10 Designing an environment where products and services are easy to access
		9.5 Promotion of innovation, research, and study	
	2 Deploy solutions to improve well-being and protect smiles and health	3.3 Contribution to the prevention of the spread of infectious diseases	3.4, 3.8, and 3.a Health promotion and health management
		17.16 Promotion of sustainable investment	
	3 Contribute to the development of safe, secure, and comfortable communities and a society where diversity and human rights are respected	10.3 Promotion of respect for human rights	11.1 and 11.5 Contribution to the local community
		17.16 Promotion of sustainable investment	
	4 Contribute to environmental conservation that nurtures abundant nature	9.4 Efforts to reduce CO <sub>2</sub> emissions	13.2 and 13.3 Addressing global warming and other climate change issues
		15.1 and 15.4 Activities to protect nature and ecosystems	17.16 Promotion of sustainable investment
Issues related to business infrastructure	5 Build a foundation to support sustainability management	4.4 Human resource development	5.4 Support for balancing work with childcare and nursing care
		5.c Support for women's advancement	8.5 Corporate culture reform and work style reform
		8.8 Promotion of employment of people with disabilities	8.8 Safe and secure working environment where employees can work comfortably
		10.2 Promotion of diversity	16.3 Ensuring compliance
		16.7 Corporate governance for sound management	

[Reference] Internal decision process



In addition to the above, we also sought opinions at an internal meeting of external experts to consider further revisions.








### Main Initiatives and Targets for Materiality

The Company is promoting the following initiatives for our five materiality items (important issues), setting related targets, and managing their progress.

Basic policies of our Medium-term Management Plan [p.25](#)

- (1) Continue efforts to regain trust
- (3) Improve customer experience value
- (5) Corporate culture and work style reform

- (2) Reinforce business foundations
- (4) Promote ESG management
- (6) Reinforcement of governance, solvency policy

Materiality	Reason for initiative, etc.	Major initiatives	FY2025 targets	FY2023 results	Reference page	Related basic policies of the Medium-term Management Plan
<b>1 Provide insurance products and services through the network of post offices, etc.</b> 	Since the establishment of its predecessor, the Postal Life Insurance Service, the Company has been providing basic insurance products and services to customers across Japan, through its network of post offices, etc. The Company believes that its social mission is to protect customers' lives with the power of insurance, and to meet the protection needs of customers of all generations in the age of the 100-year life. By fulfilling this mission, the Company aims to contribute to solving social challenges related to sustainability and pursues its sustainable growth. To this end, the Company will always offer insurance services that meet the needs of customers and develop a structure so that we can pay insurance benefits promptly without fail to customers in critical need.	<ul style="list-style-type: none"> <li>• Provide basic protection and services through the network of community-based post offices</li> <li>• Integrate the network of post offices and digital contact points through DX promotion</li> <li>• Develop products that respond to the protection needs of all generations, etc.</li> </ul>	Number of policies in force (individual insurance): More than 18.5 million policies	19.7 million policies	p.27	(1)(2)(3)(4)
			Customer satisfaction <sup>1</sup> : Aim for 90% or more	83%	p.33	
			NPS <sup>2</sup> : Aim for one of the highest in the industry	[Reference] NPS <sup>3</sup> benchmark survey <sup>3</sup> : (56.1)		
<b>2 Deploy solutions to improve well-being and protect smiles and health</b> 	We aim to contribute to making people's daily lives into something full of vigor and smiles through not only supporting customers' contingencies as a life insurance company, but also through supporting their daily health promotion activities and working to promote sustainable investment. We believe that implementing these initiatives and supporting the healthy and fulfilling lives of people will also contribute to the sustainable growth of the Company as a life insurance company.	<ul style="list-style-type: none"> <li>• Popularize "Radio-Taiso"</li> <li>• Provide services utilizing the health promotion app "Sukoyakanpo"</li> <li>• Promote sustainable investment, etc.</li> </ul>	"Radio-Taiso" performance rate <sup>4</sup> : 25%	24.0%	p.69	(4)
			Impact "K" Project Certified Funds: 15 funds worth ¥50 billion in cumulative total	6 funds worth ¥22.55 billion in cumulative total	p.44	
<b>3 Contribute to the development of safe, secure, and comfortable communities and a society where diversity and human rights are respected</b> 	Under the growing social demands for diversity and respect for human rights, Japan Post Insurance recognizes that it must engage in corporate activities without compromising them. To this end, the Company will be committed, with a view to ensuring that people can live with safety and security into the future, to realizing an inclusive society where every one of us can live a plentiful life with something to live for, by engaging in the initiatives for contributing to the sustainable development of communities and society that embrace respect for diversity and human rights.	<ul style="list-style-type: none"> <li>• Initiatives to realize a society that respects human rights (human rights due diligence initiatives, etc.)</li> <li>• Support for wheelchair tennis and social contribution activities at the local level</li> <li>• Promote sustainable investment, etc.</li> </ul>	Implementing social contribution activities	Implemented community contribution activities at the local level, sponsored wheelchair tennis, etc.	p.71	(4)
			Cumulative total number and amounts of Impact "K" Project Certified Funds (as described in Materiality 2)			
<b>4 Contribute to environmental conservation that nurtures abundant nature</b> 	Under the philosophy that our sustainable growth can only be achieved with a sustainable global environment, we are addressing environmental challenges, such as climate change as well as biodiversity and natural capital, for which there is a growing social demand.	<ul style="list-style-type: none"> <li>• Climate change initiatives</li> <li>• Initiatives related to biodiversity and natural capital</li> <li>• Promote sustainable investment, etc.</li> </ul>	Greenhouse gas emissions (Scope 1, 2) -FY2031/3 target: 46% reduction (compared to FY2020/3) -2050 target: Achieve carbon neutrality	Reduced by 33.9% (compared to FY2020/3) (FY2023/3 Results)	p.65	(4)
			Cumulative total number and amounts of Impact "K" Project Certified Funds (as described in Materiality 2)			
<b>5 Build a foundation to support sustainability management</b> 	We recognize that the essential prerequisite to achieving Materiality items 1, 2, 3, and 4 is a working environment that allows each employee to fully exert their individual talent, coupled with a sound management base of the Company. To realize them, the Company will promote human capital management that enhances employee engagement and taps into diversified human resources, as well as thoroughly implement compliance, and strengthen corporate governance.	<ul style="list-style-type: none"> <li>• Promote human capital management</li> <li>• Thorough compliance</li> <li>• Strengthen corporate governance, etc.</li> </ul>	ES survey results: B, which is peer average	CC	p.54	(1)(4)(5)(6)
			Ratio of female managers at the head offices: 30% (FY2031/3 target)	15.0% (As of April 1, 2024)	p.58	
			Rate of taking childcare leave: 100% for both male and female employees	Male: 100%; Female:100%	p.59	
			Ratio of employees with disabilities (for the entire Japan Post Group): 3.0%	2.56% (As of June 1, 2023)		
			Implementation of initiatives based on the Compliance Program	Selected "crime prevention plan" and "solicitation quality and control plan" as focus areas, and implemented related initiatives.	p.87	

Notes: 1. The total percentage of customers who responded as "satisfied" or "somewhat satisfied" within the 5-level rating of customer satisfaction.  
 2. NPS<sup>®</sup> (Net Promoter Score) is a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.)  
 3. "NPS<sup>®</sup> Benchmark Study, Life Insurance Division (2023)" by NTTCom Online Marketing Solutions  
 4. "Radio-Taiso" performance rate refers to the percentage of respondents who answered "I do "Radio-Taiso" once or more in a year." among those who answered "I know what "Radio-Taiso" is." in the regular online survey (on 2,400 men and women aged between 20 and 69) conducted by the Company.



## A Base for the Day-to-Day Thoughts, Decisions, and Actions of All Employees

In order to realize our management philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” we have come up with “base” as a word that embodies our philosophy and connects it to the actions of our employees, so that each employee can make it their own and bring about a change in behavior. All employees think and act from this “base” from day to day.

**FUJIOKA Riho**

Retail Service Division,  
Okayama Minami Post  
Office, Okayama Branch



**Aiming to be an employee who thinks about our customers' future together and supports them**

As a consultant, I provide customers with guidance on insurance products. When I visit customers, by listening carefully to their situation and thoughts, I can imagine together with them where they see themselves in the future. I always think about what I can do to help bring about that future. Hearing a customer say, “Thank you for coming,” motivates me to carry out my duties every day.

**FUJIWARA Yuta**

Whole Sales Division 2,  
Osaka Corporate Branch/  
Whole Sales Department,  
Head Office



**Facing customers with sincerity and passion to truly respond to their needs and support them**

As an employee of the Whole Sales Division, I provide corporate customers with guidance on insurance products. I meet with more than 360 companies a year, and I face my customers with passion every day so that everyone I meet, both current and future customers, say they're glad they asked me for guidance.

**WATANABE Yoritaka**

In charge of IT Utilization  
Promotion, IT Systems  
Planning Department



**Respecting and supporting colleagues working on the front line**

I plan and promote the use of systems, tools, etc. that consultants and employees at our head office and branches use. I strive to answer inquiries from within the company in a clear and thorough manner. I work hard every day, believing that the thanks I get from my colleagues at work will in turn lead to thanks from our customers.

**YAMANE Mai**

Sales Agency Support  
Department, Fukui Branch

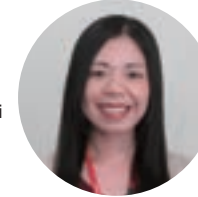


**Supporting our post offices from behind the scenes, with our customers in mind**

We offer training on products, procedures, etc. to post office employees, who have to carry out a wide range of tasks in areas including mail, savings, and insurance, so that they can confidently handle insurance-related customer inquiries. We sometimes receive inquiries from post offices, and in those cases, I respond as though the customer were sitting right in front of me. I will continue striving to support our post office staff from behind the scenes for the good of our customers.

**ASAI Youko**

Customer Service Unit, Sendai  
Customer Services Center



**To bring our customers peace of mind**

I handle telephone inquiries from customers. Many people call because they have a problem and feel anxious, so I greet them in a warm voice that says, “I’ll help you solve your problem!” and try to give answers that are easy to understand. It makes me happy to hear the relief in the customers’ voices as they say, “I understand.” I will continue to support our customers with a caring heart close to them.

**MATSUURA Masaki**

Examination and Investigation  
Unit, Fukuoka Policy  
Assessment Services Center



**Making sure our customers receive their insurance claims as soon as possible**

I think the moment when customers feel most glad that they have insurance is when they can promptly receive their insurance claims after being hospitalized or a family member passes. I handle insurance claim payment examination operations, and I strive to be of service to our customers by examining their claims accurately and quickly.

## A Base for the Day-to-Day Thoughts, Decisions, and Actions of All Employees

# “Thank you for being here”

**IMAI Kosuke**

Retail Service Division,  
Asahikawa Higashi Post  
Office, Asahikawa Branch



**I meet with all my assigned customers so I can provide them with peace of mind**

I carry out policy coverage confirmation activities to help customers deepen their understanding of the policies they have enrolled in. Even customers, who were initially reluctant, often express their gratitude after meeting me in person and discussing details, saying, “I’m glad I was able to confirm my coverage again.” I will continue to carry out these activities so that our customers can use Japan Post Insurance with peace of mind.

**HIROSE Ayumi**

Retail Service Division,  
Kohoku Post Office,  
Yokohama Branch



**I want us to be a place that people remember as somewhere they can ask for advice**

As an in-house employee, I answer phone calls and provide support to our consultants. When answering the phone, I try to imagine the customer’s situation and feelings, and speak in a way that will ease their anxiety and give them peace of mind. Although we don’t meet with customers in person, I hope that the work we do as in-house employees will feed into the activities of our consultants and help build better relationships with our customers.



# Overview of Business Strategy: Medium-Term Management Plan

## Reviewed Medium-Term Management Plan (FY2021-FY2025)

As three years have passed since the formulation of the Medium-Term Management Plan, we have reviewed the Plan based on changes in the internal and external environment and the progress of the Plan while maintaining basic policies such as thoroughly implementing customer-oriented business operations.

Changes in business environment		Main Points of the Reviewed Medium-Term Management Plan	
<b>External environment</b>	<ul style="list-style-type: none"> <li>From a world without interest rates to a world with interest rates</li> <li>Changes in customer contact points due to accelerated digitalization</li> </ul>	1	<b>Through a post office network, etc., we maintain connections with customers as "a trusted partner easy to consult with".</b> - Expand product lineup that includes both savings- and protection-oriented features - Enhance after-sales follow-up services via physical and digital means
<b>Internal environment</b>	<ul style="list-style-type: none"> <li>Resumption of senior-citizen solicitation based on customer-oriented business operations</li> <li>Decrease in the number of sales employees amid a tougher hiring environment</li> </ul>		<b>Further diversification of revenue sources through domestic and international alliances, etc.</b>
<b>Basic policy</b>		2	<b>Promote human capital management/corporate culture reform</b>
<b>Major progress</b>			
Reconstruction	(i) Continue efforts to regain trust	3	<b>Further promotion of management conscious of capital efficiency</b>
	(ii) Reinforce business foundations		
Sustainable growth	(iii) Improve customer experience value	4	<b>Also, we will steadily progress with the other initiatives such as asset management and streamlining business operations</b>
	(iv) Promote ESG management (contribute solutions to social issues)		
(v) Corporate culture and work-style reform			
(vi) Reinforcement of governance, solvency policy			

Notes: 1. DX is an abbreviation for Digital Transformation  
 2. CX is an abbreviation for Customer Experience  
 3. ERM is an abbreviation for Enterprise Risk Management

## Progress and Review of Primary Targets

Based on the progress of the Medium-Term Management Plan and changes in the business environment, we reviewed the primary targets as follows. We aim to achieve the bottoming out and upturn of the number of policies in force by continuing to focus on customer-oriented business operations and to achieve sustainable growth by introducing adjusted profit and adjusted ROE and implementing stable shareholder returns using adjusted profit as their source.

### Progress and review of FY2025 financial targets, etc.

	Before Review	After Review	FY2023 Results	
<b>Reviewed</b>	<b>Number of policies in force (individual insurance)</b>	20 million or more policies	18.5 million or more policies	19.7 million policies Compared to end of FY2023/3: (6.1%)
<b>New</b>	<b>Adjusted profit [Ref.: Net income]</b>	- [¥91.0 billion]	¥97.0 billion [¥80.0 billion]	Net income [¥87.0 billion] Change from FY2022: (10.8%)
	<b>Adjusted ROE</b>	-	Approx. 6%	-
<b>Unchanged</b>	<b>EV growth (RoEV<sup>1</sup>)</b>	Aim for 6% to 8% growth		7.6% (Ref.) FY2022: 3.1%
	<b>Dividend per share (DPS)</b>	In principle aim not to decrease but to increase dividend per share for the period of The Medium-Term Management Plan		¥94 Compared to FY2022: +¥2
	<b>Customer satisfaction<sup>2</sup> NPS<sup>3</sup></b>	Customer satisfaction: Aim for 90% or more NPS <sup>3</sup> : Aim for one of the highest in the industry		Customer satisfaction: 83% NPS <sup>3</sup> : Lower rank in the industry

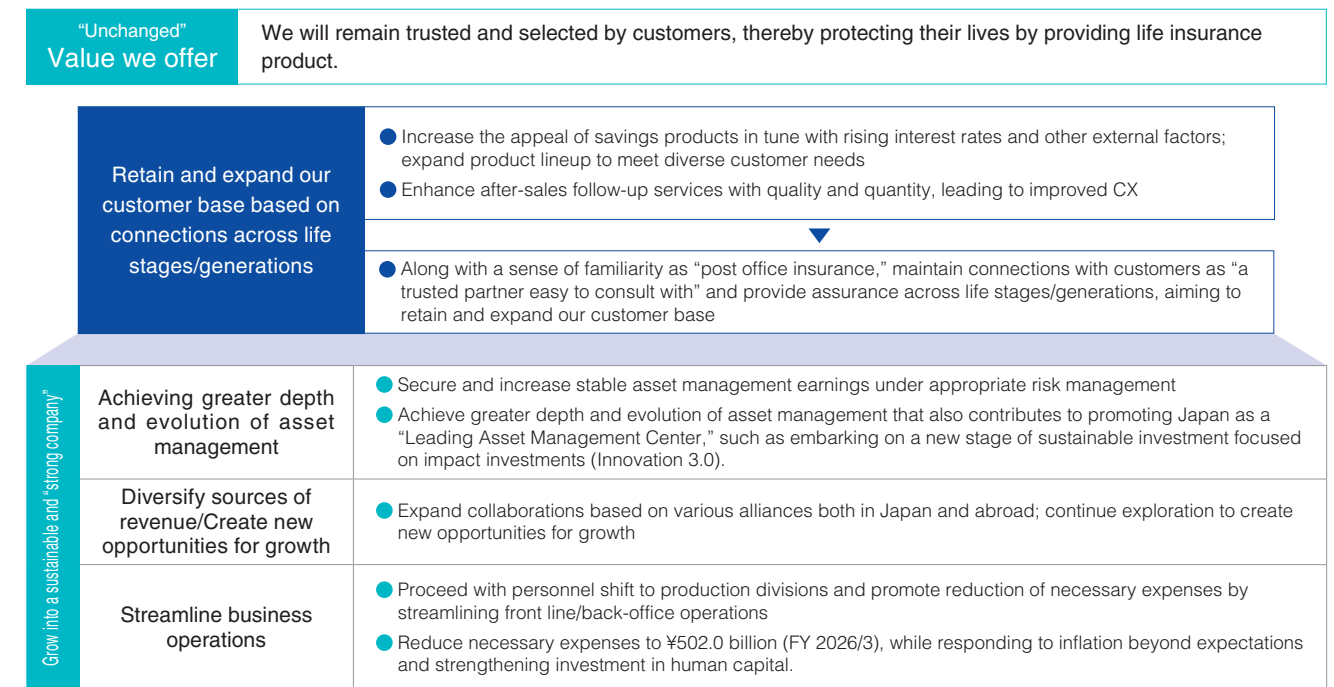
  

Year	Forecast
2024	19.7 mn
2025	18.5 mn or more policies
2026	Bottom out individual insurance policies as a whole during the next medium-term plan period
2027	Bottom out new category policies during the current medium-term plan period
2028	
2029	
2030	
2031	

Notes: 1. Calculated by excluding economic variance factors  
 2. The total percentage of customers who responded as "satisfied" and "somewhat satisfied" in a 5-level rating of customer satisfaction  
 3. NPS<sup>3</sup> is an abbreviation for "Net Promoter Score" and a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. (currently NICE Systems, Inc.)

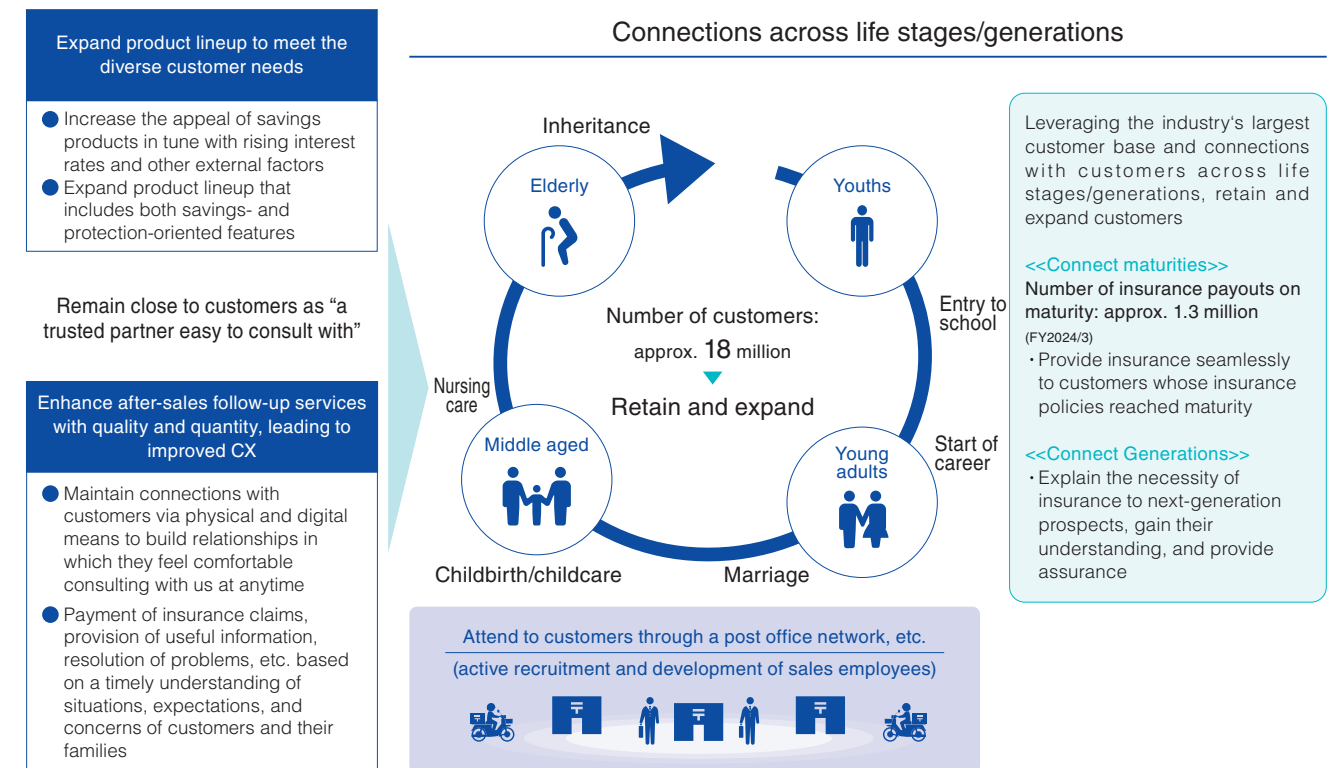
## Overall Picture of the Growth Strategies

While thoroughly implementing customer-oriented business operations, we aim to retain and expand customer base based on connections across life stages/generations, and grow into a sustainable and "strong company" that can secure a stable income.



## Retain and Expand Our Customer Base Based on Connections across Life Stages/Generations

We will maintain connections with customers as "a trusted partner easy to consult with" and continue providing assurance across life stages/generations. To this end, we will work to expand our product lineup to meet diverse customer needs and further enhance after-sales follow-up services with quality and quantity.





## Strengthening the Sales System

### Message from the officer in charge

Become a reliable and casual advisor for each customer, and become a company that grows with customers

**SAKAMOTO Hidekazu**  
Senior Managing Executive Officer



Under the Company's sales strategy, our consultants (employees who work mainly by visiting customers' homes) and post office counter sales personnel endeavor to become a reliable and casual advisor for each customer and continue to provide peace of mind across life stages and generations, as we aim to become a company selected by customers and retain and expand the number of policies in force. Specifically, we will enhance after-sales follow-up services that deliver on both quality and quantity to understand diverse customer needs and expand our product lineup to meet those needs.

In expanding the product lineup, we will meet customer expectations by offering attractive savings-type products that can appeal to a wide range of customers, taking into account current changes in the interest rate environment, while proposing the necessary coverage to prepare for the unexpected, tailored to each customer's needs. [p.31](#) In enhancing after-sales follow-up services, we will improve customer experience value by enhancing after-sales support tailored to the customer's situation and convenience. To that end, we will promote DX and work on providing after-sales support that combines physical and digital means as a company-wide team. [p.33](#) In addition, we will work to actively develop and recruit consultants to enhance the people that underpin these initiatives. [p.28](#)

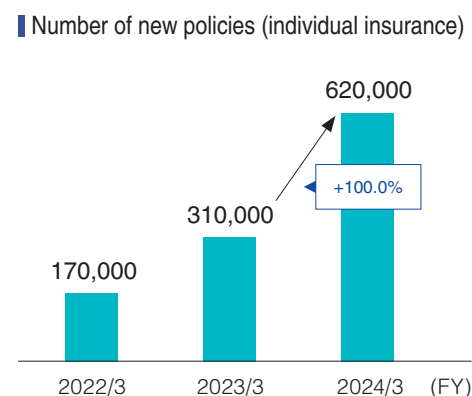
Through these initiatives, we aim to retain and expand our customer base by providing protection according to their life stage and passing on peace of mind that extends to the next generation.

## Recognition of the Environment and Basic Strategy

As the population shrinks due to declining birthrate and the super-aging society progresses, we believe that our role in providing peace of mind in response to various anxieties and needs that change with the times will become even more important.

In order to provide insurance services that meet the diverse coverage needs of customers, in April 2022, we accepted more than 10,000 consultants and other employees seconded from Japan Post Co., Ltd. in April 2022 to be managed directly and responsibly by the Company. Through this, we have built a new Japan Post Insurance sales system that combines our expertise and the breadth of post office counters to realize comprehensive consulting services provided by Japan Post Group as a whole.

In addition, the reporting obligation based on the order to improve business operations received from the Financial Services Agency in December 2019 ended in December 2023, and we started sales of lump-sum payment whole life insurance in January 2024 and resumed proposals to customers aged 70 years and older. With the return of positive interest rates, we were able to offer attractive products that meet the needs of our customers, and our employees can now confidently make proposals, leading to increased activity and sales volume.



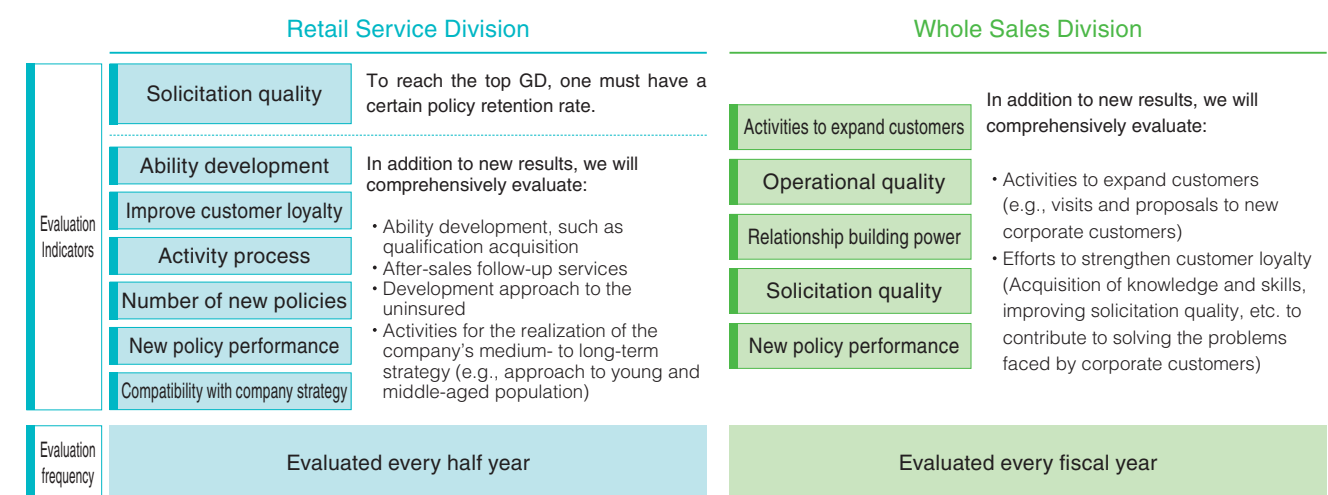
## Developing Sales Personnel (Enhancing Quality)

### New Human Resource Development System "Kampo GD System"

In July 2023, to develop the abilities of each consultant from a medium- to long-term perspective, we introduced the Kampo GD System as a new system to comprehensively and quantitatively evaluate not only sales performance but also the ability to build relationships of trust with our customers and the degree of growth in that ability through the solicitation process and after-sales follow-up services.

#### Overview and Design of the System

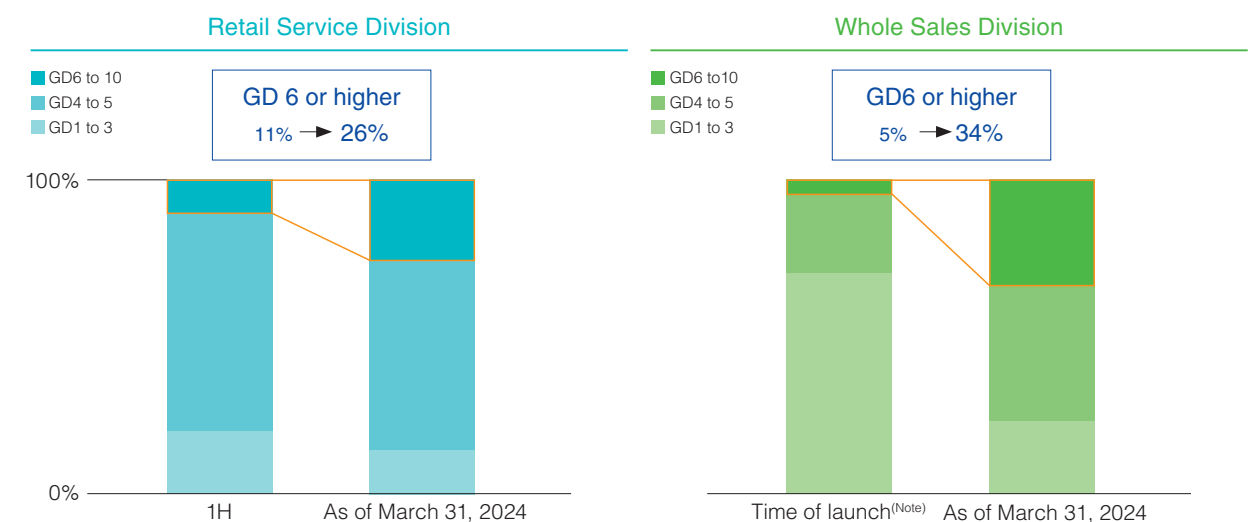
- Mechanism to comprehensively and quantitatively evaluate the performance of sales performance
- The evaluation is conducted on 15-level (GD1~GD15) for the retail service division and on 10-level (GD1~GD10) for the Whole Sales Division, based on total points for each evaluation indicator



The percentage of upper and middle tiers seen in the evaluation by the Kampo GD System is rising steadily in both the Retail Service Division and the Whole Sales Division.

Positive evaluation of high-level customer services under the Kampo GD System, together with training dialogues conducted at each office based on the system, is creating a virtuous cycle that promotes employees' motivation for growth.

### Changes in the percentage of employees by GD in FY2024/3



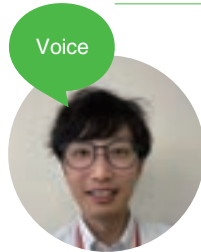
Note: The number for "time of launch" for the Whole Sales Division was evaluated at the time of system introduction, based on the situation from April 2023 to November 2023.

In the fiscal year ending March 31, 2025, we are reviewing the system so as to better evaluate approaches to the young to middle-aged segment and the quality of after-sales follow-up services, and continue system improvements so that we can evaluate and develop activities that our customers expect.

### Other Human Resource Development Initiatives

We are enhancing the sales management skills of management employees by repeatedly providing practical training, such as developing sales strategies suited to each team.

In addition, sales leaders responsible for improving the sales skills of consultants receive training to enhance their teaching methods so that they can then provide focused accompanying support and skill improvement training to less-experienced consultants.



Voice

**I train employees with the aim of becoming the branch that cares most seriously about customers in Japan.**

I train consultants as a consulting advisor. In order to put customer-first sales activities into practice, I believe it is important to carefully listen to the thoughts, feelings, and concerns of our customers, and I always tell our consultants that "listening carefully to what our customers have to say is the starting point of our activities." I will continue to train consultants who will make our customers want to say, "I'm glad you're my consultant."

FUJISAWA Ryoma, Retail Service Control Division, Morioka Branch

**We carry out our sales activities every day to let more customers know about the benefits of Japan Post Insurance.**

Fujisawa CAD (Consulting Advisor) accompanied me on customer visits and supported me throughout the process, from the first visit to grasping the customer's wishes. I try to keep in mind the lessons I was taught: "Listen carefully to the customer's thoughts" and "First, share the customer's issues with them and their families, and then help them solve the problems, so that they understand the need for protection." I would like to continue meeting many customers and convey the benefits of Japan Post Insurance.



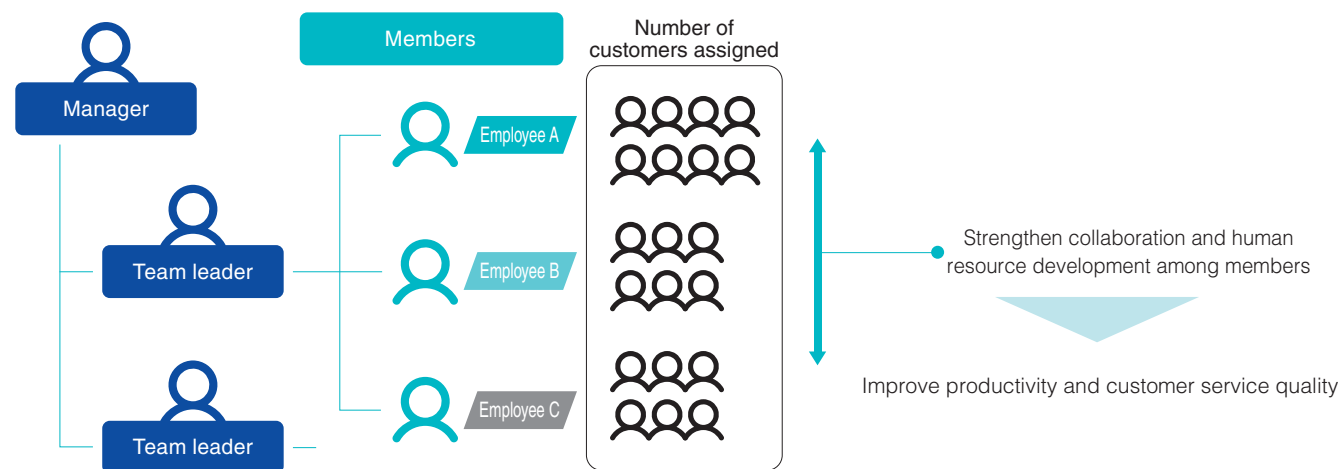
KAWAKAMI Yusuke, Retail Service Division, Miyako Post Office, Morioka Branch

### Recruitment of Consultants (Enhancing Quantity)

We are actively hiring consultants to support face-to-face channels, such as our nationwide post office network. We are striving to secure consultants by improving our public relations activities, such as by providing internships when hiring new graduates, and utilizing recruitment agencies for year-round hiring of experienced personnel. Moreover, we will proceed with securing consultants from a wide range of backgrounds by strengthening mid-career recruitment through referrals from employees and creating an environment in which senior employees can play an active role.

### Enhanced Account Manager System (Customer Service on Team Unit)

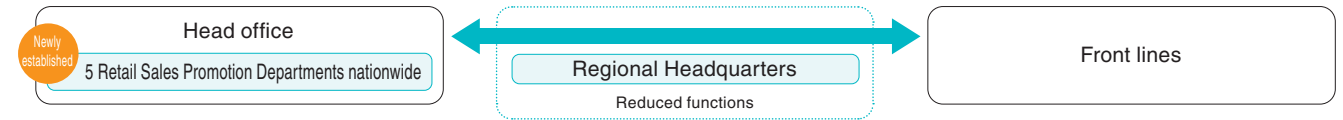
We have revised the account manager system introduced in the fiscal year ended March 31, 2023. Our employees take individual responsibility for customers while small teams, each headed by a team leader, work together to enhance customer service. Team leaders are responsible for improving the team's overall customer service level and developing the talents of each team member.



### Sales Organization Restructuring

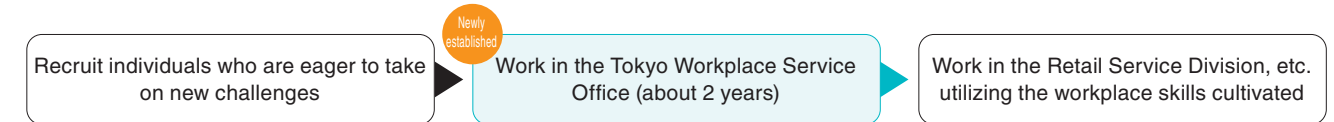
#### Strengthening Our Retail Sales Organization

In July 2023, we reorganized the Regional Headquarters, an intermediate organization, and established a head office organization directly responsible for sales promotion in each of the five divided regions across the country. This has secured a system in which the head office directly presents activity policies to the front line, the real voice of the frontline is reflected in sales measures, and the head office and the front line can work together as one to promote sales.



#### Trial Start of Workplace-Dedicated Channels

In order to approach the uninsured and the young and middle-aged generation, we positioned workplace sales as a growth area in the future, and established the Tokyo Workplace Service Department in April 2024. The Tokyo Workplace Service Department functions as a base for developing workplace sales personnel and mainly is composed of young employees. We will work to expand and revitalize workplace sales through human resource development at this base.



#### Strengthening Customer Contact Points

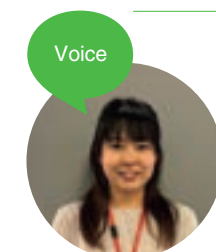
The Customer Relations Department was established in July 2024 to strengthen customer contact points by promoting after-sales follow-up services company-wide (people & digital), such as confirmation of policy details and filed claims. In addition to serving as a PMO to improve the quantity and quality of after-sales follow-up services, this department will also develop tools and systems to promote these services and engage in marketing using digital technology, with the aim of improving the customer experience value and retaining and expanding our customer base.

#### Initiatives in the Whole Sales Sector

Based on the Vision of the Whole Sales Divisions that "Every employee of the Whole Sales Divisions of Japan Post Insurance will continue the challenge of growing with customers and local communities," we are working to build and deepen true relationships of trust with customers by working closely with corporate managers and providing higher quality services tailored to their intentions.

At the same time, in April 2023, we newly established the RM<sup>(Note)</sup> Promotion Department within the Whole Sales Department at our head office to explore new markets in both whole sales and workplace sales while building good relationships with companies involved with the Japan Post Group and large corporations.

Note: RM stands for "relationship management," and refers to efforts to maintain and build relationships with large companies, companies with existing contracts, and related organizations with which the Company has close relationships.



Voice

**Aiming to be a presence that is close to local companies and makes them want to say, "I'm glad to have consulted with you."**

As I meet with presidents of companies in various industries, I often hear about the hardships and concerns that come with being a business leader, and I work every day with the desire to help solve them. Building relationships through interviews enables me to have more consultations with presidents, and I find it very rewarding to be able to play a part in resolving their problems. As a Japan Post Insurance employee, I would like to work hard to have as many presidents as possible say, "I'm glad to have consulted with you."

YAMADA Rina, Whole Sales Division I, Saitama Branch



## Enhancing Products and Services

### Recognition of the Environment and Basic Strategy

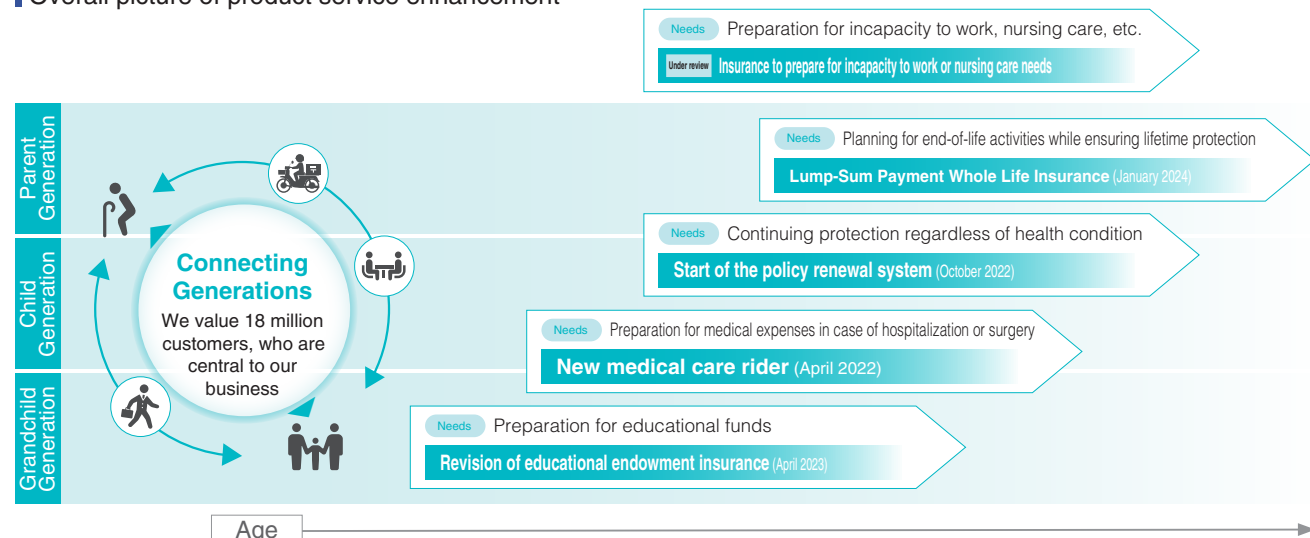
We are expanding our product lineup to meet various customer needs, taking into account the current social and economic conditions.

In response to the low interest rate environment, we have previously launched *Motto sono hi kara Plus* medical rider, which offers generous medical coverage at a low premium, in April 2022. In addition, in October 2022, we introduced a policy renewal system that provides continuous coverage regardless of health conditions at the time of maturity of the policy term, thereby meeting the protection needs of our customers.

In April 2023, we changed the insurance premium rates of *Hajime no Kampo* (educational endowment insurance (H24)) and devised a plan with a return rate exceeding 100%. In addition, in light of rising interest rates, we began selling lump-sum payment whole life insurance in January 2024 that can provide death benefits equal to or exceeding the premium paid in lump-sum for the lifetime protection needs of middle-aged and elderly customers.

Going forward, we will continue to take advantage of external factors, including rising interest rates, to improve the appeal of our savings-type products, and will work to expand our range of products that blend savings and protection features.

#### Overall picture of product service enhancement



### Revision of *Hajime no Kampo* (Educational Endowment Insurance (H24))

In April 2023, we revised *Hajime no Kampo* (educational endowment insurance (H24)).

In response to the recent increase in educational expenses and customer demand, we changed the insurance premium rates and devised a plan with a return rate<sup>1</sup> exceeding 100%, to make it easier for parents to prepare for their children's education funds.

Furthermore, in light of the current situation where many children go to prep schools as an after-school activity and the tendency<sup>2</sup> for prep school costs to start increasing after a child turns 10, policyholders can now choose plans in which they can finish their premium payments by the time the child turns this age.



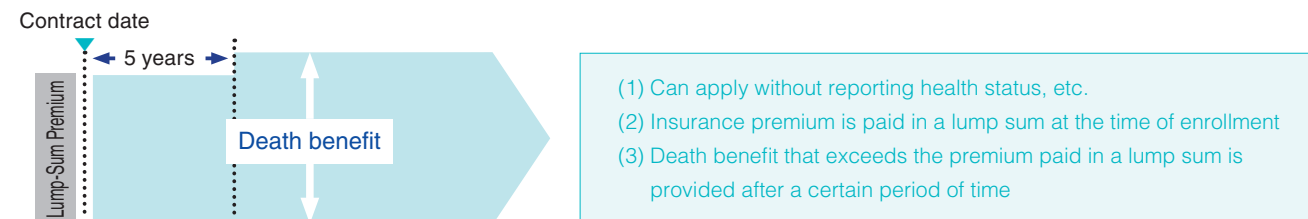
Notes: 1. The ratio of education funds that may be received to the total amount of insurance premiums paid  
2. Source: Ministry of Education, Culture, Sports, Science and Technology, "Survey on Educational Expenditures of Children 2021"

### Launch of *Tsunagu Shiawase* (Lump-Sum Payment Whole Life Insurance)

In January 2024, we launched lump-sum payment whole life insurance to meet the needs of elderly and middle-aged customers for lifetime death benefits and to promptly secure funeral expenses and living funds for surviving family members in the event of their own death. This insurance can be applied for without reporting their health status, etc., and provides a death benefit that exceeds the premium paid in lump-sum after a certain period of time.



#### Lump-Sum Payment Whole Life Insurance Product Image



This product was eagerly awaited, with consultants who work with customers on a daily basis reporting high customer demand for it. In the three months since its launch in January 2024, approximately 160,000 policies have been sold, and the product has been well received by many customers.

### Holding "Product Working Groups"

In order to realize the development and provision of products that contribute to customer-first business operations, we have established a "Product Working Group" to consider products and ancillary services in collaboration with the head office and the front line, which is closer to the customer. In the fiscal year ended March 31, 2024, we held seven such meetings to discuss the marketability and handling of products to be introduced, and product development is being advanced while drawing on insights from the front-line employees.



Voice

#### Delivering customer requests and needs regarding products

In my daily sales activities, I often receive requests from customers for products, such as "I wish there was a product like this," and I also think to myself "It would be perfect if we had such a product for this customer." At the Product Working Group, we make requests for such products and discuss the marketability and handling of products that are under consideration. As a member of the group, I would like to continue contributing to the development of products that can meet the needs of customers.

ISHIZUKA Wataru, Retail Service Division, Shinjuku Kita Post Office, Tokyo Shintoshin Branch

#### Valuing opinions from the front-line employees and developing products that delight customers

The Product Working Group is a valuable place where we can hear the opinions of front-line employees who interact with customers every day. We received a great deal of opinions when developing "Tsunagu Shiawase" lump-sum payment whole life insurance, which we started selling in January 2024. I would like to continue to work on the development of products that will please customers through the collection and exchange of opinions, including customer requests from front-line employees.



KAWASAKI Riku, Product Planning Department

## Promoting DX to Improve CX

### Message from the officer in charge

### Making customers feel

### “glad to be with Japan Post Insurance”

**HIRONAKA Yasuaki**  
Senior Managing Executive Officer



With the spread of smartphones and social media, means of communication have diversified. The impact of COVID-19 has also brought significant changes in our customers' lifestyles, behaviors, and values. As we respond to these shifts, we will continue to focus on valuing our contact with customers, and stay close to their lives so that they will feel comfortable reaching out to Japan Post Insurance at any time over the long life insurance coverage period.

As part of that effort, we combine warm, face-to-face service with highly convenient digital services to offer not only products and services, but also work to improve customer experience value (CX) so that our customers will feel glad to be with Japan Post Insurance. Through these efforts, we will fulfill our social mission and function as a life insurance company, improving customer experience value to maintain and expand our customer base as we pursue sustainable growth.

### Customer Satisfaction Survey

We conduct a Customer Satisfaction Survey on an annual basis to directly receive opinions from customers and use them to improve our services. The total satisfaction with our services in the fiscal year ended March 31, 2024, improved by 4 percentage points compared to the previous fiscal year, and 83% of customers showed satisfaction (total of “Satisfied” and “Somewhat satisfied”).

In addition to the customer satisfaction survey, we also conduct surveys for each important contact point with customers, such as maintenance procedures including address or name changes, and insurance claims, in order to measure the results of various initiatives in more detail. We will continue to actively obtain evaluations of our services and customer feedback to improve various procedures through the PDCA cycle.

### Promote After-sales Follow-up Services Using Digital Tools

In addition to in-person and telephone communication with customers, we will aim to create more contact points by using digital tools such as emails. Furthermore, by linking optimal information tailored to each of our customers to our business smartphones and allowing consultants to use this information when communicating with customers, both the quantity and quality of after-sales follow-up services can be improved, thereby improving CX<sup>(Note)</sup>.

Note: CX is an abbreviation for Customer Experience

#### Main initiatives

Initiatives to provide information to customers using email, etc.	Use emails, etc., to provide customers with useful information (advance notices for various procedures, sales of new products, notices of special handling in the event of a disaster, etc.), and have consultants carefully follow up with customers when they make inquiries about the information provided (in progress from January 2022)
Initiatives to provide timely information from consultants to customers	Provide consultants with information on the results of customer procedures and guidance based on customers' life events in a timely manner, and provide careful after-sales follow-up to customers based on that information (implemented nationwide from February 2024).

## Initiatives to Improve Customer Convenience

We are gradually increasing the range of procedures that can be completed via My Page or online and have begun offering the Japan Post Insurance Digital Procedure System, which enables sales personnel to complete simple claim procedures using a clear and easy-to-understand screen when visiting customers' homes so that our customers can complete procedures anytime, anywhere. By doing so, we work to improve convenience for our customers by shortening the time taken to complete procedures and the time between application and payment of insurance benefits.

#### Main initiatives

Expanding My Page features that allow customers to complete procedures anytime, anywhere	Gradually expand various procedures that can be completed simply on My Page or online Added the following features to My Page in FY2023 <ul style="list-style-type: none"> <li>Expanded the scope of insurance policies for which loan requests can be used (May 2023)</li> <li>Added features to My Page allowing policyholders to check notices and updates, and their family members to view policy details (September 2023)</li> </ul>
Initiatives to enable customers to complete procedures without burden	Introduced a mechanism to reduce the time required for procedures and eliminate the burden on customers to prepare documents by making various procedures paperless <ul style="list-style-type: none"> <li>Started implementation of systems that allow paperless claim filing procedures including designation and change of beneficiary of insurance benefits (October 2023)</li> <li>Expanded the scope to include receiving claims for hospitalization and surgery benefits, etc. (March 2024)</li> </ul>

## Introduction of New Terminals for Sales Personnel

In the fiscal year ending March 31, 2025, we will gradually introduce new terminals for sales personnel nationwide who use them to sell insurance.

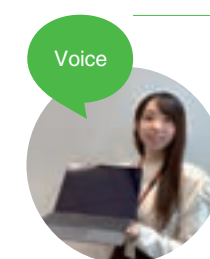
In order to enhance customer convenience and service quality, we will further promote DX<sup>(Note)</sup> by improving the convenience of the terminals themselves and promoting paperless operations, as well as by making the terminals capable of quickly introducing and using new services.



Note: DX is an abbreviation for Digital Transformation

#### Key Improvements

Improving convenience of terminals	By making the screen that customers see larger and detachable, we have improved visibility, enabling clearer explanation of products and services to customers.
Promoting paperless procedures	In addition to our existing paperless application procedures, we have digitized various documents that were previously given to customers as paper copies at the time of enrolment in their policies. This makes it possible for customers to receive the digitized documents on a dedicated website (My Page). Customers can now check their documents anytime, anywhere, and no longer have to worry about losing them. Reduce paperless procedures also cuts down on paper use and helps protect forests and reduce CO <sub>2</sub> emissions, lessening our impact on the environment.



### Making a device that is easy for anyone to use

I am responsible for application development for new terminals. Most recently, leveraging my previous experience as a sales person, I have been involved in developing a tool that enables sales personnel to undergo training in advance on system operation, which helps them smoothly respond to customers. Developing this tool was challenging to some extent, as I had to make countless adjustments together with the system development department to make it more practical. But when I finally saw the completed tool, I felt a sense of joy at having accomplished the task, and at the same time, my hopes grew that I could be of help to everyone. I would like to continue to ensure development focused on convenience for both our customers and sales person.

URAKAWA Kayano, Sales IT Systems Planning Office, Sales Promotion Department



## Engagement with Customers

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

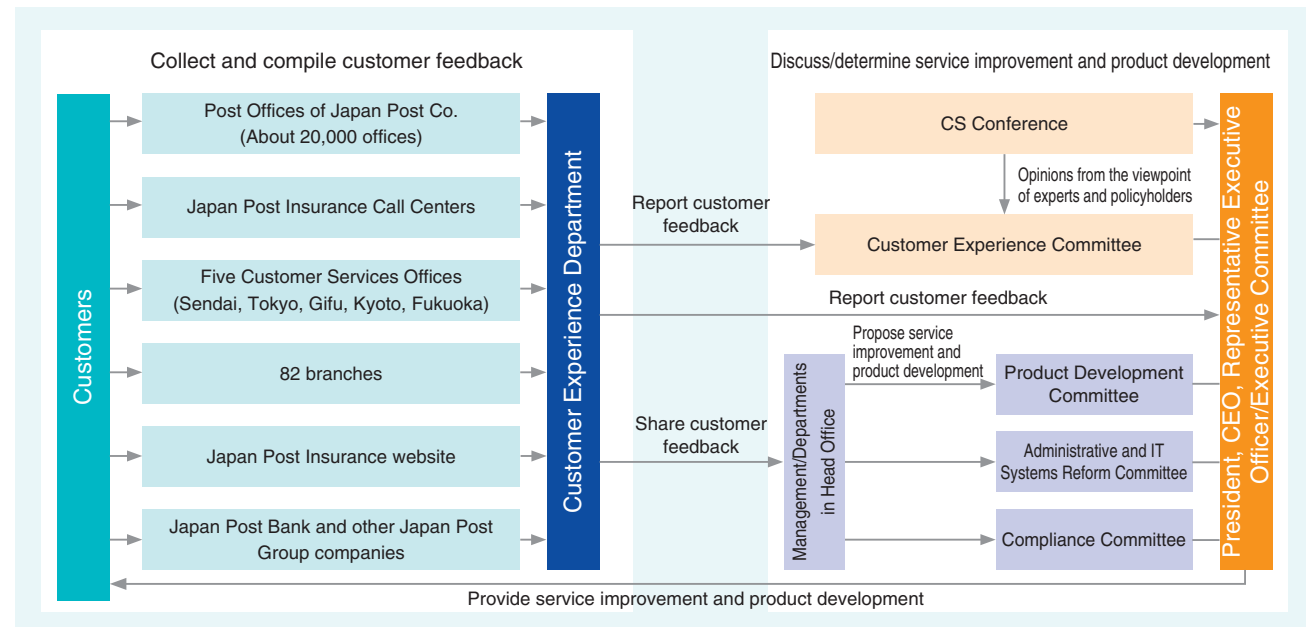
### Initiatives to Utilize “Customer Feedback” in Management

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

In the fiscal year ended March 31, 2024, we received approximately 1.1 million feedback comments from our customers through our post offices and Japan Post Insurance Call Centers. The customer feedback is compiled and centrally managed by our Customer Experience Department and is analyzed to improve our services and develop superior products with the aim of providing services that bring satisfaction to our customers.

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

### Structure for Product and Service Improvements Using Customer Feedback



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

The number of complaints received from customers during the period from April 1, 2023 to March 31, 2024 was as follows.

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

Content	FY2023		Key examples
	Number of complains	%	
New policies (Enrollment in insurance policies)	20,932	28.6%	• Dissatisfaction with an explanation at the time of enrollment • Dissatisfaction with the underwriting examination
Collection of premiums (Payments of premiums, etc.)	3,244	4.4%	• Dissatisfaction with bank account transfers and deposits
Policy maintenance (Procedures, dividends and other issues following enrollment in a policy)	15,264	20.9%	• Dissatisfaction with surrender procedures • Dissatisfaction with change of name or address
Insurance benefits (Payments of insurance benefits)	23,212	31.8%	• Dissatisfaction with benefit payment procedures • Dissatisfaction with payment procedures for maturity benefits
Other (Attitude and manners)	10,417	14.3%	• Dissatisfaction with the attitude and manners of sales personnel • Dissatisfaction with after-sales followup services
<b>Total</b>	<b>73,069</b>	<b>100.0%</b>	

## Cases of Product and Service Improvements Using Customer Feedback

**Customer feedback** I tried to file an insurance claim online, but it didn't work.

**Improvements** There were some conditions (times of day and riders) that made it impossible to submit claims for hospitalization, surgery, and radiation therapy online (through Japan Post Insurance My Page and Insurance Claim Web Service) but as of March 18, 2024, we have expanded the conditions under which claims can be submitted online.

(1) Even with new registrations made on My Page on weekends, holidays, and weekday evenings (after 7:00 p.m.), it is now possible to apply for insurance payments for hospitalization, surgery, and radiation therapy immediately.

(2) Online claims are now also available for customers enrolled in the following riders:  
(Note) Some payment claims may require a “request by mail (request for paper-based documents for payment claims).”

<Examples of riders available for payment claims online from March 2024>

- Accident hospitalization rider
- Illness hospitalization rider
- Illness hospitalization rider with health benefit
- Non-participating accident hospitalization rider, etc.

**Customer feedback** It's a hassle to fill out documents for insurance-related procedures, so I'd be glad if it was easier.

**Improvements** In October 2023, we began accepting paperless applications for some procedures. In addition, from March 18, 2024, we expanded the scope of application procedures that can be completed paperless. This greatly reduces the amount of time that customers need to fill out paper invoices, etc., and makes it easier to complete the procedures.

<Target Procedures>

- Designation/change of beneficiary of insurance benefits
- Designation/change of designated proxy for a payment claim
- Registration/change of registered family members
- Change of address and phone number (from March 2024)
- Name change (from March 2024)
- Hospitalization and surgery benefit claims (from March 2024)

**Customer feedback** I wish logging in to My Page was easier.

**Improvements** Starting in May 2024, by linking the Post Office App released in October 2023 with the Japan Post Insurance My Page, it is now possible to log in to My Page from the App using biometric authentication.

In addition, since April 2022, by linking the Sukoyakanpo app with the Japan Post Insurance My Page, it is possible to log in to My Page from the Sukoyakanpo app using biometric authentication.

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

The total number of customer feedback (gratitude/compliments) that we received from customers between April 1, 2023, and March 31, 2024, was 663,260.

#### <Customer feedback>

- When my father passed away and I consulted about the claim procedure, you came right away to complete the procedure, which was very helpful. I felt reassured by the employees' careful and polite handling of the situation when something happened. Looking ahead, I would like to consider taking out whole life insurance myself as my father did.
- When my mother got sick, I was worried about what would happen next, but I was relieved to hear that she would be covered by the insurance policy she had had taken out. I am also grateful to those who have recommended insurance to my mother.

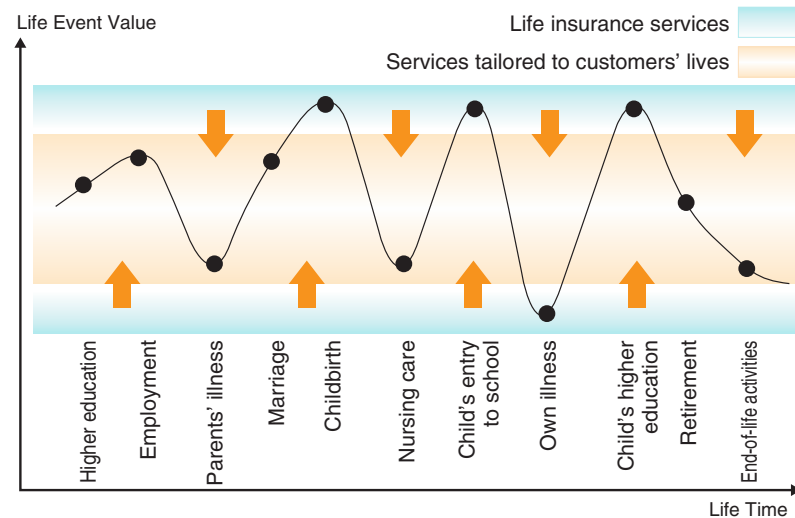
Special Feature

## Initiatives Aimed at Creating New Services

Japan Post Insurance aims to build a relationship of trust with customers and grow its insurance business by providing new services tailored to the daily lives of our customers, as well as life insurance services. In addition to services related to solving social issues, such as health promotion, nursing care, and inheritance, we are also considering those related to support for various life events, including daily necessities such as food, clothing, and housing.

### Connection between the Customers' Lifetimes and Japan Post Insurance (from Points to Lines)

We would like to help resolve any problems our customers may have at any given time by providing daily after-sales follow-up services, etc. as a reliable and casual advisor. We will build a lasting connection with our customers in all aspects of their lives (lines), as opposed to our conventional connection with customers in limited aspects of their lives (points).



### Collaboration with Venture Companies "Acceleration Program"

In collaboration with Aflac Life Insurance Japan Ltd., we have been implementing the "Acceleration Program" since the fiscal year ended March 31, 2023, which aims to create new businesses by collaborating with venture companies.

In the fiscal year ended March 31, 2024, more than 100 applications were submitted with the themes of "Healthcare/Nursing Care" and "Insurance," and Japan Post Insurance selected seven companies, including the joint adoption with Aflac. As of April 2024, we are conducting or planning to conduct business alliances and joint research with four companies.

In the fiscal year ending March 31, 2025, Japan Post will join us, and the three companies will co-host the "Japan Post Insurance - Aflac - Japan Post Acceleration Program 2024," aiming to evolve existing businesses and create new businesses through cooperation with venture companies with various ideas and technologies.



July 2023: Presidents of both Japan Post Insurance and Aflac, together with some of the selected companies

### Establishment of JP LIFE NEXT Fund

In August 2023, we launched the JP LIFE NEXT Fund in collaboration with JAPAN POST INSURANCE NEXT PARTNERS Co.,Ltd.

a subsidiary of the Company, and started investing in venture companies. The fund invests in venture companies that have the potential for a business alliance with the Company and aim for creating new technologies, business models, and markets expected to grow. By March 2024, we have invested a total of about ¥1.5 billion in eight venture companies.



### Example of New Service Introduced: Home Nursing Care Related Services "Living and Care Support"

As part of our efforts in home nursing care related services, in which we have begun a business alliance with Aflac Life Insurance Japan Ltd., we have started distributing our Living and Care Support services, developed in collaboration with Hatch Healthcare K.K., an Aflac group company, at all branches from April 2024.

Living and Care Support is a one-stop concierge service that provides support to alleviate or resolve any worries and problems related to the daily lives and nursing care of elderly people, and our consultants act as liaisons between customers and the concierge.

In the future, we plan to offer this service through post office counters in addition to branches.

Voice

Creating a society where everyone across the nation can live life with a smile, true to themselves, forever



Japan Post Insurance Development Team Members (Sales Promotion Department, Corporate Planning Department (including the Affiliated Business Office))

The problem of nursing care comes suddenly to everyone. That's why, just like with life insurance, I feel it is very important to communicate the significance of "preparing" for nursing care through all contact points with customers. We strive to provide services that will make customers, including those who face the responsibility of nursing care, feel "glad to be with Japan Post Insurance" by listening to their concerns and helping to resolve them through Living and Care Support.

ITO Yosuke, Sales Promotion Department (lower center of photo)

### Developing services together with our consultants

Our services are run by a team of qualified and experienced professionals, including care managers, social workers, and nurses. We have developed our services by incorporating the opinions of Japan Post Insurance consultants who have the best understanding of customers' lifestyles and nursing care. We will continue to evolve our services on a daily basis.



Development team members of Hatch Healthcare K.K. (including concierges)

OSUMI Takahiro, Hatch Healthcare K.K. (upper row, second from left in the photo)

### Internal Proposal System "Kampo Tsunagu Challenge! (KaNAe!)"

We have implemented our internal proposal system "KaNAe!" which aims to collect ideas for new services from within the Company since the fiscal year ended March 31, 2023. With the theme of "new services tailored to the daily lives of our customers" in the fiscal year ended March 31, 2024, we selected one from a large number of proposals received from employees across the country for the top prize, and as of April 2024, two proposals have actually been realized.



# Achieving Greater Depth and Evolution of Asset Management

## Message from the officer in charge

Aiming to be a leading global institutional investor, we will deepen and evolve our asset portfolio

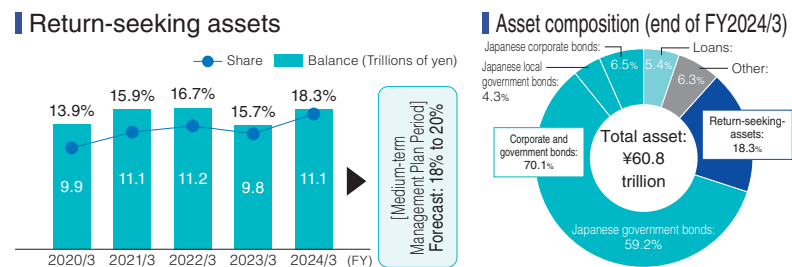
**HARUNA Takayuki**  
Senior Managing Executive Officer



Japan Post Insurance is entering a new phase of challenge in asset management. As an asset owner managing over 60 trillion yen in long-term investments, our goal has been to ensure stable returns and improve investment earnings. Since the fiscal year ended March 31, 2014, we have been promoting the diversification and sophistication of asset management to expand investment in return-seeking assets, and, since the fiscal year ended March 31, 2022, the deepening and sophistication of asset management to achieve further increase in returns. From the fiscal year ending March 31, 2025, in light of the market shift to a world with interest rates, we will focus on strengthening our asset portfolio under the new strategy of achieving greater depth and evolution of asset management. In addition, we will strengthen our partnerships with companies including Mitsui & Co. and Daiwa Securities Group as we focus on expanding revenue opportunities and on people development. In the area of impact investing, we will evolve our sustainable investments using our unique investment framework Impact "K" Project, alongside industry-academia collaboration. Our goal as a universal owner is to pursue economic returns and a more sustainable society. We will continue these efforts to become a leading global institutional investor, as we embark on our next stage of achieving greater depth and evolution of asset management.

## Review of FY2023

In the fiscal year ended March 31, 2024, we flexibly allocated assets according to the market environment, such as shrinking the balance of hedged foreign bonds due to high foreign exchange hedging costs and reducing the balance of unhedged foreign bonds in anticipation of future yen appreciation, while shifting funds to domestic bonds, where interest rates were on an upward trend. We are also steadily strengthening our asset management base by focusing on economic value-based return on risk in anticipation of the new capital regulations to be introduced in 2025, and by collaborating with Mitsui & Co., Ltd. in the asset management business in real estate, etc.



We are expanding our return-seeking assets incrementally, with 18.3% of total assets being return-seeking assets as of March 31, 2024. In addition, mainly due to the diversification of asset management, including the expansion of return-seeking assets, we secured a positive spread of ¥91.8 billion in the fiscal year ended March 31, 2024.

### Policy for entrusting investment management to emerging asset managers to contribute to the realization of Japan as a leading asset management center

As one of Japan's leading asset owners, Japan Post Insurance has decided to proceed with outsourcing investment management more proactively than ever before by setting aside ¥300 billion over the next five years to be managed by the so-called "emerging managers (EM)," up-and-coming asset managers with limited track records, in order to contribute to the realization of Japan as a leading asset management center. In addition, of the funds to be entrusted, approximately ¥10 billion will be managed externally after conducting due diligence, with the EM Showcase<sup>(Note)</sup> introduced by The Organization of Global Financial City Tokyo as the investment universe. Going forward, we will use these frameworks to contribute to the establishment of Japan as a leading asset management center.

Note: A measure to introduce emerging asset managers that merit attention, with the aim of promoting market entry of emerging asset managers and promoting diversification and sophistication of the domestic asset management business

## Key Initiatives Based on the Review of the Medium-term Management Plan —Achieving Greater Depth and Evolution of Asset Management—

In order to secure stable investment income and aim for its further enhancement, we will work towards greater depth and evolution of asset management as Innovation 3.0, following the diversification and sophistication of asset management in FY2013-FY2020 (Innovation 1.0) and achievement of greater depth and sophistication of asset management in FY2021-FY2023 (Innovation 2.0).

FY2013-FY2020	FY2021-FY2023	FY2024-
Innovation 1.0 Diversification and sophistication of asset management	Innovation 2.0 Achieving greater depth and sophistication of asset management	Innovation 3.0 Achieving greater depth and evolution of asset management
<b>Investment field</b>		
<ul style="list-style-type: none"> <li>Building up return-seeking assets through diversification of asset management in response to the low interest rate environment</li> </ul>	<ul style="list-style-type: none"> <li>Building up the amount of alternative assets, while reducing the amount of foreign bonds in light of rising hedging costs, etc.</li> <li>Implemented asset allocation process in anticipation of the introduction of new capital regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Restructuring of asset portfolio in light of the Japanese economy's shift toward inflation.</li> <li>Establishment of investment framework with emphasis on economic value-based return on risk, in anticipation of the introduction of new capital regulations.</li> </ul>
<b>New businesses and organizational restructuring</b>		
<ul style="list-style-type: none"> <li>Joint investments with The Dai-ichi Life Insurance through an alliance and sharing of asset management operations infrastructure of Trust &amp; Custody Services Bank.</li> <li>Restructure organizations to support the diversification of asset management.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening asset management capabilities in each area through the development of a specialized department for alternatives and credit, etc.</li> <li>Expansion of the scale of investment targets through an alliance with MITSUI &amp; CO., LTD. (participation in real estate AM business)</li> </ul>	<ul style="list-style-type: none"> <li>Seizing revenue and creating synergetic effects through collaborations, etc. with other companies, such as the expansion of asset management business through an alliance with Daiwa Securities Group.</li> <li>Developing specialists well versed in diversified asset classes and strengthen measures to foster personnel engaged in specialist jobs.</li> </ul>
<b>Sustainability investment</b>		
<ul style="list-style-type: none"> <li>Developing a responsible investment structure (accept Japan's Stewardship Code, signatory to PRI, announce the ESG Investment Policy, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Implementing ESG integration in all assets under management and setting GHG emission reduction targets for investees</li> <li>Starting/promoting impact investments and industry-academia collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening initiatives considering factors such as climate change, natural capital, human rights, and human capital</li> <li>Establishment of a specialized organization, further promotion of impact investment and industry-academia collaboration</li> </ul>

## Improving Organizational Structure and Fostering Asset Management Specialists

In April 2024, we established a Real Estate Investment Office in the Alternative Investment Department to strengthen our real estate management capabilities, and a Responsible Investment Office in the Investment Planning Department to promote sustainable investment.

In order to foster asset management specialists, our investment divisions actively dispatch employees to overseas MBA programs and trainees to overseas investment managers, etc. In the future, we will continue to develop human resources with the aim of becoming an institutional investor with even higher investment capabilities.

**Voice**

**HAYASHI Takaaki**  
Investment Planning Department

**Studying in an MBA Program Abroad**

I participated in an MBA program in the U.S. for two years, cultivating a global perspective while working with participants from around the world, and learning the latest theories in finance and economics. Using this experience, I am working to expand our business areas and capture revenue opportunities in the asset management departments.

**Voice**

**MIYAGAWA Momoka**  
Global Credit Investment Department

**Overseas Trainee Program**

I participated in a one-month trainee program at a U.S. asset management firm, where I gained a better understanding of the firm's management process through corporate analysis with credit analysts and conversations with fund managers. I will use this experience to help improve investment revenue.

## Sustainable Investment

### Taking on a New Stage of Sustainable Investment

“Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being.” Based on this management philosophy, we aim to fulfill our social responsibilities to all stakeholders by contributing to the resolution of social issues surrounding sustainability (medium- to long-term sustainability, including ESG (environmental, social, and governance) elements), while also achieving sustainable growth and the SDGs.

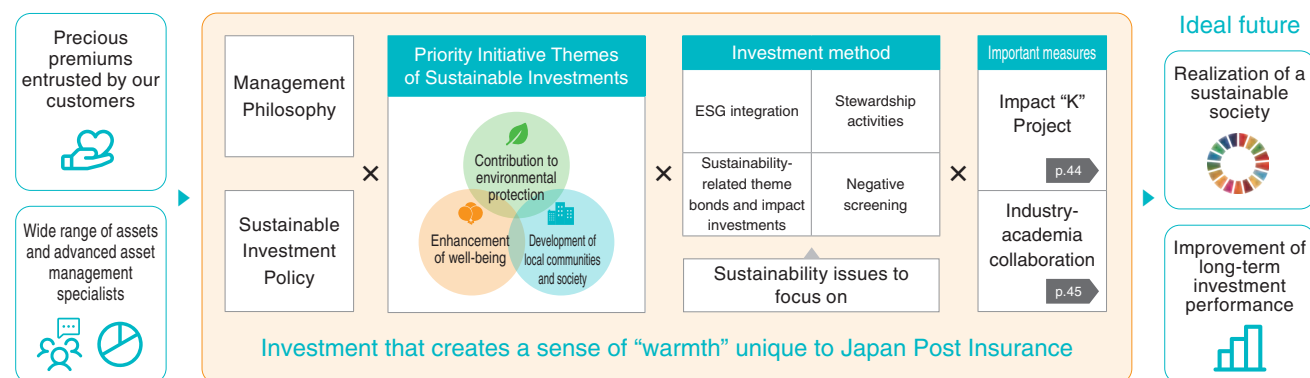
As a universal owner<sup>(Note)</sup>, we will take the lead in the financial industry and take on a new stage of sustainable investment, by expanding impact-oriented investment and financing and working on investment and financing that will generate innovation centered on industry-academia collaboration.

Note: An institutional investor managing large amounts of money diversified widely across capital markets.

### Investment that Creates a Sense of “Warmth” Unique to Japan Post Insurance

In order to ensure the payment of insurance claims to customers in the future, and to realize a better society in the future, based on our sustainable investment policy, we consider various elements of sustainability in our entire asset portfolio and make investments and loans that can widely contribute to achieving the goals of the SDGs and solving social issues.

Specifically, our key initiative themes are “enhancement of well-being,” “development of local communities and society,” and “contribution to environmental protection.” We promote sustainable investments with the warmth that is unique to Japan Post Insurance through stewardship activities that encourage our portfolio companies to increase corporate value, the Impact “K” Project that promotes impact investment based on our own framework, and industry-academia collaboration through asset management.



**Investment Example** We invest in sustainability themes with consideration for sustainability factors. After checking the use and effectiveness of funds, we invest in projects that can broadly contribute to the achievement of SDGs and the resolution of issues.

- Enhancement of well-being**
  - Facilities and companies that contribute to health promotion
  - Constructing environments where children, elderly people, and people with disabilities can live safely with a sense of security

Investment in PE funds to achieve wellness equity  
Aim for a society where everyone can take the initiative in activities and lifestyles that bring holistic health. Plan to improve wellness literacy and enhance social capital.
- Development of local communities and society**
  - Encouraging local businesses and attracting new enterprises
  - Formation of local communities

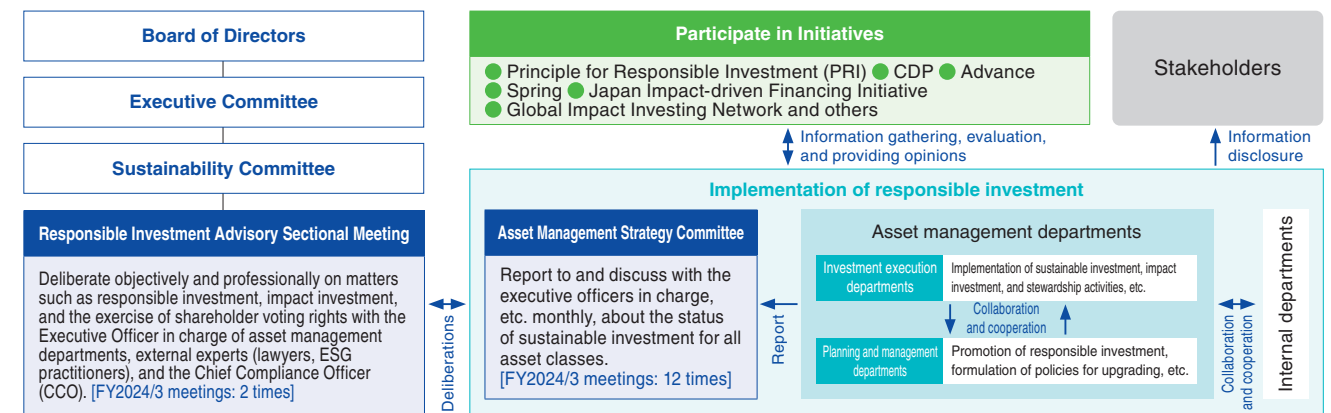
Investment in SDGs bonds issued by local governments  
Invest in bonds issued by local governments for the purpose of sustainable community development. The funds will be allocated to projects aimed at solving social issues.
- Contribution to environmental protection**
  - Renewable energy
  - Business and technologies that reduce greenhouse gas emissions

Investment in renewable energy businesses such as solar power generation and wind power generation  
Promote investments that contribute to the stable supply of electricity using renewable energy that is not depleted, and support the transition to a low carbon society.

### Governance Structure for Promoting Responsible Investments

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

Through participation in the Responsible Investment Advisory Sectional Meeting, which includes outside experts, as well as other initiatives, we fully utilize outside perspectives and continue to promote and advance responsible investment.



### Addressing Sustainability Issues as an Institutional Investor

As a responsible institutional investor, the Company is working to solve important sustainability issues through investments to realize a sustainable society.

**Major asset management initiatives**

**Climate change**

- Set targets for reducing greenhouse gas emissions generated from our investment portfolio, measure and manage them

Targets for reducing greenhouse gas emissions generated from our investment portfolio	March 2030	2050
Greenhouse gas emissions reduction	50% reduction (relative to end of FY2021/3)	Net zero

**Natural capital**

- Promote investment and financing conducive to the decarbonization of society, such as renewable energy projects including solar and wind power generation

**Human rights**

- Analyze and disclose nature-related risks and opportunities in investment and financing activities and main nature-related dependencies and impacts of investment and financing portfolios and use them for engagement.
- Be an endorser of Spring, an initiative for institutional investors to create a positive impact on nature through stewardship activities.
- Analyze risks related to human rights and use them for engagement.
- Set negative screening criteria for inhumane weapons.
- Be an endorser of the “Advance” collaborative stewardship initiative for institutional investors to act on human rights and social issues.

**Human capital**

- In addition to taking into account investment decisions, encourage the enhancement of disclosure and initiatives in dialogues with investee companies.

**Reference page**

- Climate Change Initiatives (Initiatives for the TCFD Recommendations) p.63
- Biodiversity Initiatives (Initiatives for the TNFD Recommendations) p.66
- Human Rights Initiatives p.67

### Participation in Initiatives

In addition to participating in initiatives in Japan and abroad that share the purpose and awareness of issues related to sustainable investment, such as climate change response and impact investment, we strive to improve our efforts based on the knowledge gained from these initiatives.





### Stewardship Activities

As a responsible institutional investor, Japan Post Insurance responds to social demands such as complying with Japan's Stewardship Code. At the same time, we are promoting stewardship activities according to the characteristics of each asset, including stocks and bonds, in order to increase medium- to long-term investment returns by promoting the value enhancement and sustainable growth of investee companies.



We will promote the improvement of the value of investee companies by asking them to enhance the disclosure of non-financial information and to contribute to the realization of a sustainable society through their business activities, through continuous engagement and the exercise of shareholder voting rights, thereby fulfilling our stewardship responsibilities. In 2023, we set natural capital, human rights, and human capital in addition to climate change as sustainability themes that we emphasize in our stewardship activities, taking into account recent social demands and trends.

In addition, we participate in initiatives in Japan and abroad and work on collaborative engagement with investment managers, and at the same time, actively disseminate opinions and encourage policy authorities through initiatives, etc., on important matters and requests to promote sustainable investment.

### Dialogue Examples

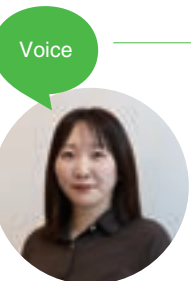
We request investee companies to enhance the disclosure of non-financial information, including matters related to sustainability, and continue to engage in constructive, purposeful dialogue with them to promote the improvement of their medium- to long-term corporate value.

#### Example 1: Medium- to long-term management strategy

We recognized that an investee company faced the issue of some businesses with low ROIC and poor profitability, although it has conducted M&As to grow sales. We requested the company to disclose cost-effectiveness and impact on performance for each M&A project, through dialogue. We exchanged views with its management team on the medium- to long-term management policy, set the ROIC for each business as KPIs, and confirmed that the company will proceed with the business restructuring as necessary.

#### Example 2: Initiatives for human rights

An investee company has formulated a human rights policy, but the contents were unclear due to non-disclosure. Through dialogue, we confirmed that the policy and human rights due diligence will be disclosed as soon as they are ready, and that specific efforts are being made regarding the system in the overseas supply chain. Since the establishment of a system for human rights is still underway, we will continue to exchange opinions with the company while sharing cases.



Voice

### Engagement that values mutual understanding

We place great importance on deeper mutual understanding with companies in our engagement. By conducting in-depth preliminary research and ongoing engagement, we have strived to understand the goals and current challenges of companies, and to ensure that they understand our stance and efforts. In addition, we want more people to know about the efforts of companies, so we are committed to engaging with them to devise and expand disclosure methods. I intend to continue to value the attitude of mutual understanding and help more companies to improve their value and achieve sustainable growth.

ITADANI Naoko, in charge of domestic credit investment, Global Credit Investment Department

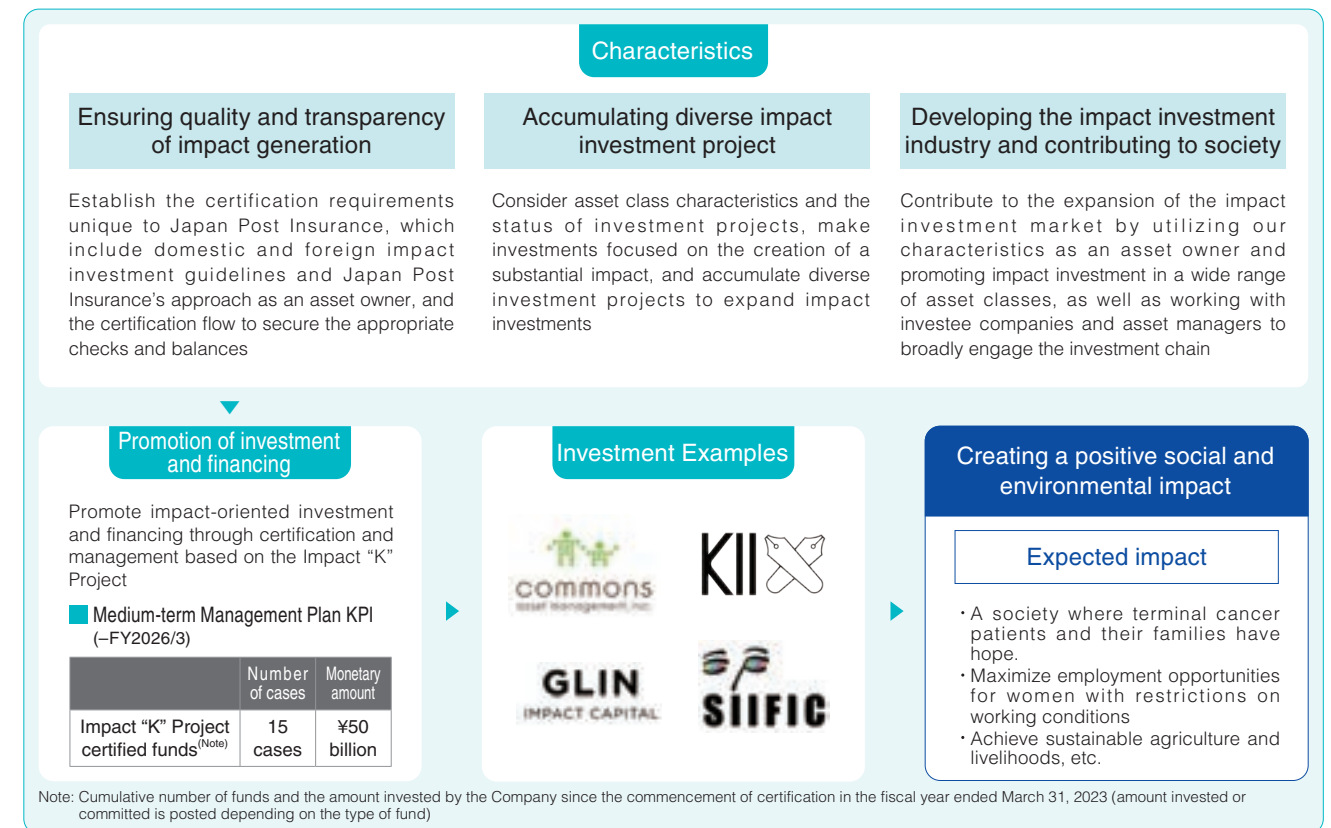
For more information on our policy and implementation status for fulfilling our stewardship responsibilities, please visit our website. Sustainable investment: <https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg/index.html>

### Impact "K" Project

To expand impact-oriented investment and financing to solve social issues, Japan Post Insurance has launched its own impact investment framework, the Impact "K" Project. インパクト "K" プロジェクト

We believe that impact investment aimed at solving medium- to long-term social issues has a high affinity with the investment style of life insurance companies seeking for stable long-term profits, and will also contribute to the improvement of corporate value in the future. Based on this idea, we are aiming for impact-oriented investment and financing that will truly contribute to the resolution of social issues by structurally solving them and promoting system transformation. The Impact "K" Project focuses on creating substantial impact, and we internally certify and manage impact investment projects that meet our own requirements.

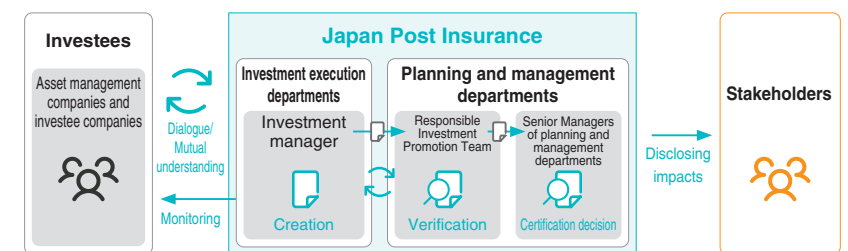
### Promotion of impact-oriented investment and financing based on our own framework Impact "K" Project



### Certification Process

The certification process is carried out through the Confirmation Sheet created by the investment executive departments. The Confirmation Sheet clarifies the characteristics of each investment project and the issues involved in approval, allowing for a shared understanding among departments.

In addition, final decisions on certification are made by the senior managers of the planning and management departments, ensuring checks and balances.



### Investment Example

#### Investment in an impact fund that invests in domestic listed equity

We invested in the "Commons Impact Fund—Co-Creation—," an impact fund that aims to achieve both social and economic returns.

This fund focuses on the impact-creating capabilities of listed companies and their impact on society, and from a long-term perspective, invests in listed companies in Japan that are actively engaged in creating social impact.



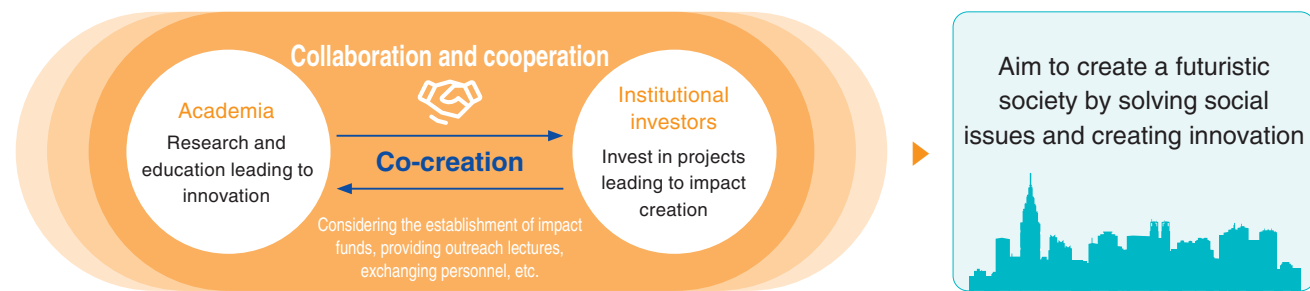
Special Feature

# Industry-Academia Collaboration through Asset Management

## Finance and education working together towards the future

Educational institutions play an important role in creating innovation by providing advanced and innovative education and training to young people who will lead the next generation, bringing together cutting-edge knowledge and technology. In particular, research in academia, such as at universities, is essential to Japan's economic growth, and is expected to lead to technological developments that can contribute to solving various social issues.

Japan Post Insurance aims to improve medium- to long-term investment outcomes and realize a sustainable society through funding for academic research at universities and other institutions. Furthermore, rather than being merely a provider of funds, we are working to create multifaceted connections with educational institutions and academia, thereby narrowing the gap between financial institutions and the education industry, which was previously distant, and working to promote co-creative industry-academia collaboration to move together toward the future.



### Establishment of a framework for collaboration and cooperation with universities

We have signed memorandums of understanding with three educational corporations to collaborate and cooperate in promoting investment in innovative technological development and businesses in academia.

We are making full use of our assets, human resources, and knowledge as one of Japan's leading life insurance companies to consider the provision of funds to research fields, as well as to promote cooperation and collaboration in a wide range of fields, including accompanying support for the social implementation of research results, providing outreach lectures, and personnel exchanges.

- ▶ Keio University Concluded in January 2022
- ▶ Osaka University Concluded in January 2023
- ▶ The Ritsumeikan Trust Concluded in March 2023



Keio University Collaboration Event

### Consideration of the establishment of an impact fund aimed at solving social issues

We have established an impact fund aimed at solving social issues with the three educational corporations with which we signed memorandums of understanding. As part of this effort, we established and invested in an impact fund with Keio University in 2023 and with Osaka University and the Ritsumeikan Trust in 2024.

When establishing an impact fund, we hold a series of discussions between the three parties of a general partner (GP), which is responsible for the execution of the fund's operations, educational corporations, and Japan Post Insurance, from the stage of developing the fund concept. We share mutual philosophies and visions for the future, including the fields of investment, social issues we aim to solve, and funding startups utilize academic research results.

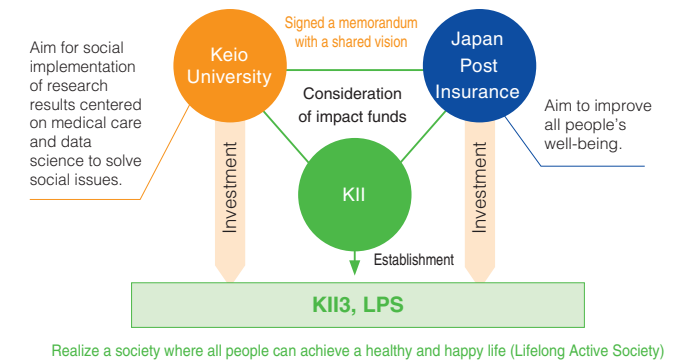
### Investments in industry-academia collaboration funds

In October 2023, we invested in the impact fund KII3, LPS, which was established by Keio University's official venture capital, KII (Keio Innovation Initiative, Inc.). This fund will be the first impact fund to be a university-based venture capital.

#### Investment Example

Investment in an impact fund that aims to realize a society where all people can achieve a healthy and happy life (Lifelong Active Society)

We aim to create social and environmental impact by investing in university-based venture companies that work to innovate society through digital technology and solve social issues in the medical and health fields.



Voice

### Promotion of industry-academia collaboration through support for the development of university-based startups

Based on the philosophy of contributing to "the achievement of a healthy and happy life for all," Keio University has established the first impact fund launched by a university VC in cooperation with Japan Post Insurance, and has launched a Keio Startup Incubation Program to nurture deep tech companies capable of solving global issues based on the research results of the university. We will work together with Japan Post Insurance to solve social issues and create innovation.

SHINDO Nobuaki, Director of Startup Division and Project Professor, Office of Innovation and Entrepreneurship, Keio University

### Promoting Impact Investment as a pioneer in deep tech investment

KII has consistently invested in deep tech startups focused on solving social issues. In this journey, we established the first impact fund launched by a university VC. After more than a year of discussions with Japan Post Insurance, we obtained the "Impact K Project" certification. We are committed to promoting impact investing with the goal of realizing a society where everyone can achieve a healthy and fulfilling life ("Lifelong Active Society").



GIBO Yuriko, Principal, Keio Innovation Initiative, Inc.

### Multifaceted collaboration and cooperation with educational institutions

As a universal owner who contributes to sustainable growth in the economy and society as a whole, we actively engage in financial education for students and children who will be responsible for the future and exchange personnel with an eye toward recruitment activities.

#### Outreach lectures at universities and other educational institutions



We provide outreach lectures to inform students about the roles and responsibilities that life insurance companies and institutional investors have in society, the concept of asset management, and the significance of investments such as impact investment.

#### Financial education for upper elementary school students



With the aim of improving financial literacy as a skill for life necessary for children who will lead the next generation, we provided outreach lessons for upper elementary school students.

#### Personnel exchange



For university and graduate students, we have implemented initiatives for personnel exchange, such as on-the-job training to learn about asset management in practice at the Japan Post Insurance headquarters and internships for the recruitment of specialized human resources (digital, quant, etc.).



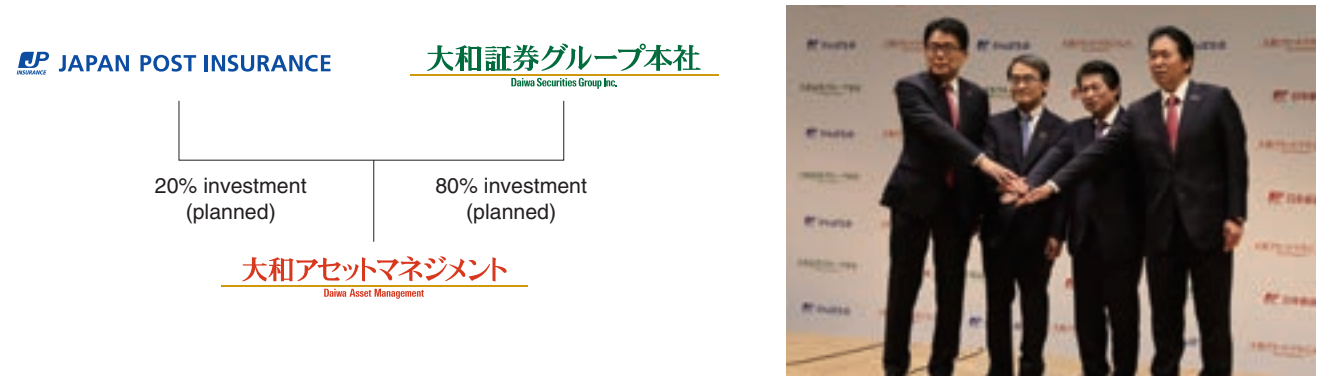
## Diversifying Revenue Sources and Creating New Growth Opportunities

In our Medium-term Management Plan, we set the goal of diversifying our revenue sources and creating new growth opportunities. We will work to expand collaboration based on various domestic and overseas alliances, and to deepen and evolve our asset management, which will also contribute to the promotion of Japan as a leading asset management center.

### Capital and Business Alliance with Daiwa Securities Group in the Field of Asset Management

In May 2024, we agreed to enter into a capital and business alliance with Daiwa Securities Group Inc. and Daiwa Asset Management Co., Ltd. (hereinafter, "Daiwa Asset Management") in the asset management field, and will acquire 20% of Daiwa Asset Management's shares after a capital increase.

The Company aims to acquire a new revenue source by entering the asset management business through Daiwa Asset Management, strengthen asset management capabilities through the use of specialist personnel in Daiwa Asset Management and its overseas bases, and enhance specialist personnel through mutual personnel exchange. In addition, by enhancing our corporate value through this alliance, we will meet the expectations of our stakeholders and contribute to the promotion of Japan as a leading asset management center.

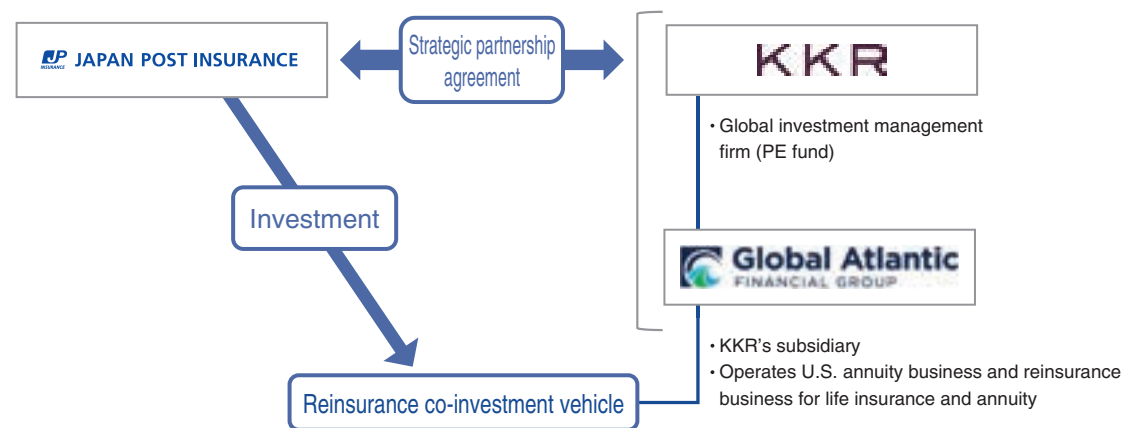


### Strategic Partnerships with KKR and GA

In June 2023, as our first overseas partnership project, we entered into a strategic partnership agreement with KKR & Co. Inc. (hereinafter, "KKR"), one of the world's leading asset management companies and its subsidiary, Global Atlantic Financial Group (hereinafter, "Global Atlantic"), which conducts extensive reinsurance<sup>1</sup> operations for life insurance and annuities. In addition to signing the agreement, we have also made a considerable investment in the reinsurance co-investment vehicle<sup>2</sup> sponsored by Global Atlantic.

We have begun discussions to expand our collaboration through regular meetings and other means, and by leveraging the business foundation of KKR and Global Atlantic, we aim to capture overseas revenue, strengthen growth potential and diversify our business portfolio.

Notes: 1. Reinsurance is an insurance contract that life insurance companies enter into with a domestic or foreign reinsurance company to diversify the financial risks of the insurance policies they underwrite.  
2. A reinsurance co-investment vehicle is an entity established by a reinsurance company as a means of raising capital from investors in order to capture large reinsurance transaction opportunities.

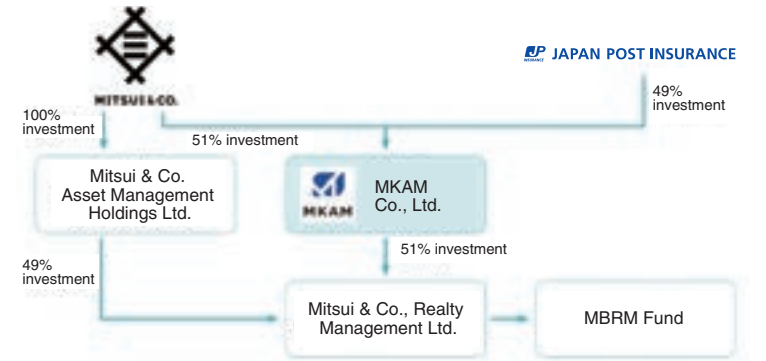


## Business and Capital Alliance with Mitsui & Co., Ltd.

In August 2022, we established MKAM Co., Ltd. (MKAM) as an intermediate holding company of Mitsui & Co., Realty Management Ltd. (MBRM) for the purpose of cooperation between both Mitsui & Co. and Japan Post Insurance.

MBRM has established a flagship fund in which we invests as a limited partner, and is striving to create new investment opportunities by expanding the scale of investment targets and the range of investment management strategies. Currently, we are steadily accumulating assets under management and aiming for an asset size of several hundred billion yen in the future.

We are also actively discussing further cooperation strategies with Mitsui & Co. through capital participation in MKAM, such as the joint establishment of new management companies, including those related to ESG investment, and existing management companies.



### MBRM Fund Investment Examples

The MBRM Fund is a private fund exclusively for our company that invests in real estate, including development properties, which are expected to operate stably in the medium to long term. Specifically, we are investing in industrial facilities including logistics facilities, offices, residential properties, commercial facilities, hotels, etc.

As a sustainability investment for the MBRM fund, we are promoting the acquisition of environmental certifications, such as CASBEE for real estate and the DBJ Green Building certification. In addition, we measure greenhouse gas emissions (GHG emissions) on a property-by-property basis as part of our efforts to combat climate change.

As a management company, MBRM has strengthened its sustainability investment efforts, signed the Principles for Responsible Investment (PRI) through MAH (Mitsui & Co. Asset Management Holdings Ltd.), and endorsed the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.



A commercial facility (in the Tokyo metropolitan area)

**Voice**

**Real estate investment that utilizes the asset management know-how of Japan Post Insurance and MBRM**

Based on our priorities of enhancement of well-being, development of local communities and society, and contribution to environmental protection, we are expanding our investments in a variety of real estate, including office buildings and logistics facilities, by integrating our knowledge as an institutional investor with MBRM's experience and network in real estate investment. While there are differences in the culture of life insurance and trading companies, working with members from diverse backgrounds every day is inspiring, and I work excitedly toward our shared dream.

**YOSHIDA Akihiro, Real Estate Investment Office, Alternative Investment Department (Lower right of photo)**

**Using the sourcing power of MBRM and the strengths and knowledge of Japan Post Insurance to promote it as a part of Japan Post Insurance's real estate investment.**

As I was in charge of the first investment property after Japan Post Insurance and Mitsui & Co. made an alliance, I had the opportunity to work in the Alternative Investment Department of Japan Post Insurance for one month last year as part of the personnel exchange program. At the beginning, I was confused by the differences in corporate culture, but by sitting together at the same table, I was able to get a first-hand understanding of Japan Post Insurance's way of thinking as an investor, their expectations for MBRM, and their efforts toward the SDGs. I hope to continue to help develop alliances across the boundaries of life insurance and trading companies.

**HONDA Ayumi, Mitsui & Co., Realty Management Ltd. (Lower row, second from left in the photo)**

# ERM and Capital Policy

## Message from the officer in charge

Aim to be a “strong company” that can grow sustainably

**ONISHI Toru**  
Deputy President, Representative Executive Officer



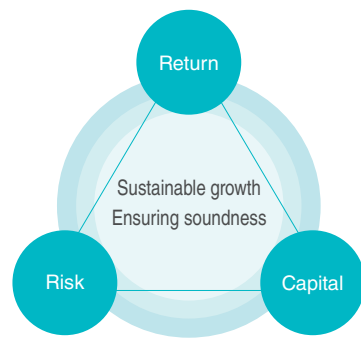
We aim to achieve sustainable growth and long-term enhancement of corporate value while ensuring the soundness of business management based on ERM, under the framework of our Risk Appetite Statement. We will aim to secure revenues considering efficiency with respect to capital and risks, while securing 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.

In March 2024, we implemented ceding by utilizing retrocession for whole life annuities in the old classification, which have high risk levels. We will continue to consider initiatives to enhance our liability management in order to improve future profits and capital efficiency. In May 2024, in line with the review of the Medium-term Management Plan, we replaced the “net income” previously set as a financial target with “adjusted profit,” which is partially adjusted to account for the effect unique to life insurance companies where an increase in new policies lowers net income in the short term, and “adjusted ROE” based on the adjusted profit. From the fiscal year ending March 31, 2025, we will implement stable shareholder returns funded by this “adjusted profit,” and aim to achieve an EV growth rate (RoEV) and adjusted ROE that exceeds the assumed cost of capital (approx. 6%). While the RoEV was 7.6% as of March 31, 2024, we have recognized that the PBR was below 1, a low level compared to industry peers, and the Company’s market valuation is not yet sufficiently high.

In order to improve market valuation, we believe that it is most important to continue to thoroughly engage in customer-first sales activities, provide our customers with peace of mind (protection) across life stages and generations, and aim to bottom out and upturn the number of policies in force by retaining and expanding customer base. At the same time, we will endeavor to achieve further growth by boosting the efficiency of business operations, deepening and evolving our asset management, and diversifying our revenue sources, thereby striving to become a “strong company” that can secure stable income and grow sustainably.

## Basic ERM Strategy

- ### Improvement of return on risk
- Build a well-balanced product portfolio between savings and protection-type products
  - Achieve greater depth and evolution of asset management to maximize return on risk (Return seeking assets: approx. 18% to 20%)
  - Invest in DX while promoting improved efficiency in business operations



- ### Improvement of capital efficiency
- Aim for growth exceeding assumed capital costs in the medium to long term, at adjusted ROE and RoEV<sup>(Note)</sup> (approx. 6%)
  - Pay due consideration to costs and quality in capital composition and maintain soundness of financial base
  - During the Medium-term Management Plan, average total payout ratio in the medium term is set at 40% to 50%. Adjusted profit was introduced in an effort to define sources of shareholder returns while taking their stability into consideration.

Note: Obtained by excluding “difference between economic assumption and actual results” from EV variance factors

### Maintaining financial soundness

- Establish and maintain various levels of financial soundness  
ESR: appropriate standards (target range) of 150% to 220%/warning standard of 110%; SM ratio: standard ratio of 600% / minimum ratio of 400%
- Implementation of improvement measures aimed at stable achievement of the ESR target range (debt financing, ceded reinsurance, etc.)
- Smooth introduction of the new capital regulations

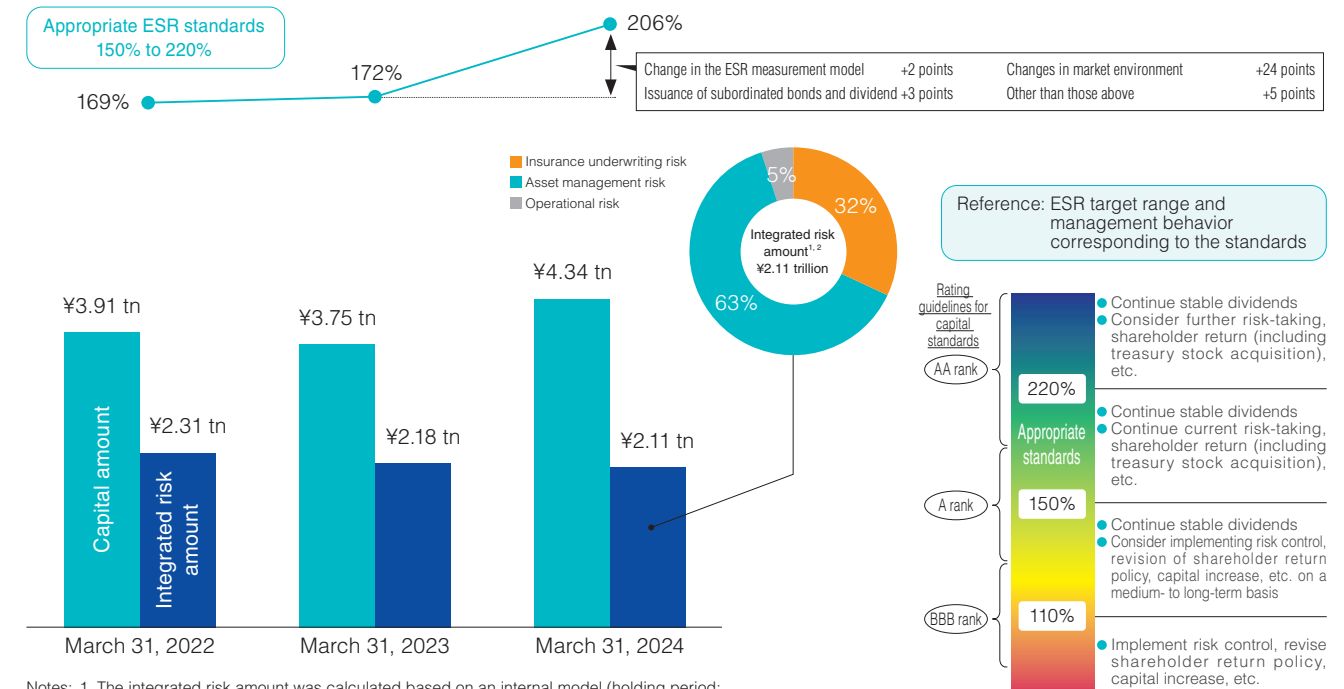
## Risk Appetite Statement

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

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

## ESR

The ESR as of March 31, 2024 increased to 206% due to the slight decrease in the amount of integrated risk from March 31, 2023, while the capital amount increased due to an increase in unrealized gains of domestic stock holdings resulting from the domestic stock price increase, and the issuance of subordinated bonds, etc.



Notes: 1. The integrated risk amount was calculated based on an internal model (holding period: 1 year, confidence level: 99.5%), recognizing fluctuations in the capital amount as risk.  
2. The share of the pie chart in the integrated risk amount did not take into account the diversification effect between risks, etc.



## Ensure Appropriate ESR with Good Stability (Maintain Financial Soundness)

In preparation for the introduction of the new economic basis solvency regulations in the fiscal year ending March 31, 2026, we are gradually changing a part of our ESR measurement model to the specifications based on new capital regulations (the new economic basis solvency regulations). We expect no significant difference in ESR levels between our ESR measurement model as of March 31, 2024 and the new economic basis solvency regulation, and will continue our efforts to ensure appropriate ESR with good stability.

The major difference in ESR levels between the ESR measurement model as of March 31, 2024 and the new economic basis solvency regulations<sup>1</sup>

<b>Capital amount</b>	<ul style="list-style-type: none"> <li>The discount rate for insurance liabilities is the risk-free rate and no addition (adjusted spread) is applied [+].</li> <li>Differences were noticed in risk margin (MOCE) in terms of risks covered and measurement methods [-].</li> </ul>
<b>Life insurance risk<sup>2</sup></b>	<ul style="list-style-type: none"> <li>Internal model (coefficients based on in-house actual results) used [-]<sup>3</sup>.</li> </ul>
<b>Massive catastrophe risk</b>	<ul style="list-style-type: none"> <li>Takes into account the risk of large earthquakes that are not included in the new economic value-based solvency regulation [+].</li> </ul>
<b>Asset management risk</b>	<ul style="list-style-type: none"> <li>Volatility and correlation coefficients are estimated in-house from market data [-].</li> </ul>

No significant difference is expected in ESR levels

Initiatives for securing appropriate ESR with good stability

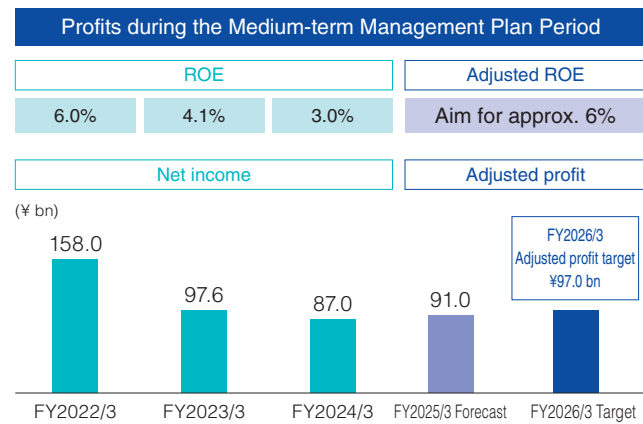
<b>Increase in capital amount</b>	<ul style="list-style-type: none"> <li><b>Increase in new policies</b> Promoting initiatives to retain and expand customer base</li> <li><b>Debt financing</b> Domestic subordinated bonds issuance</li> </ul>
<b>Decrease in risk amount</b>	<ul style="list-style-type: none"> <li><b>Implementation of interest rate swaps</b> Began in January 2023</li> <li><b>Utilization of reinsurance</b> Ceded a portion of the whole life annuity in the old classification in March 2024</li> </ul>

September 2023: ¥100.0 bn  
April 2024: ¥100.0 bn

Notes: 1. The sign in [ ] indicates the impact on our ESR (in the direction of increase or decrease) if the new economic value-based solvency regulations are applied.  
2. Excluding business expense risk and large volume cancellation risk.  
3. When standard coefficients are applied. No significant difference is expected between the internal model and the coefficients when company-specific coefficients can be applied.

## Stable Shareholder Returns (Introduction of Adjusted Profit)

As part of the initiatives set forth in the Medium-term Management Plan, we aim to improve the appeal of savings-type products by responding to changes in the external environment such as rising interest rates, and thus retain and expand customer base. Considering the characteristics of a life insurance company, where sales recovery measures may cause downward pressure on profits in the short term, we will implement stable shareholder returns by introducing adjusted profit which partially adjust for such impact as a new management target and a source for shareholder returns.



Assumptions underlying the financial results forecast for FY2025/3

<b>Domestic and foreign interest rates</b>	Assumed to be trending in line with the implied forward rate as of March 31, 2024
<b>Foreign exchange and stock price</b>	Assumed to follow the trend as of March 31, 2024 (USD/JPY: 151.4 yen, Nikkei Stock Average: 40,369 yen)
<b>Number of policies</b>	Approximately 880 thousand cases of new policies (individual insurance) assumed. Approximately 1,770 thousand cases of cancelled policies (individual insurance) <sup>(Note)</sup> assumed.

Note: The numbers of cancelled policies are the sum of death, maturity, surrender and lapse. Also include postal life insurance policies.

Reference: Definition of adjusted profit and adjusted ROE

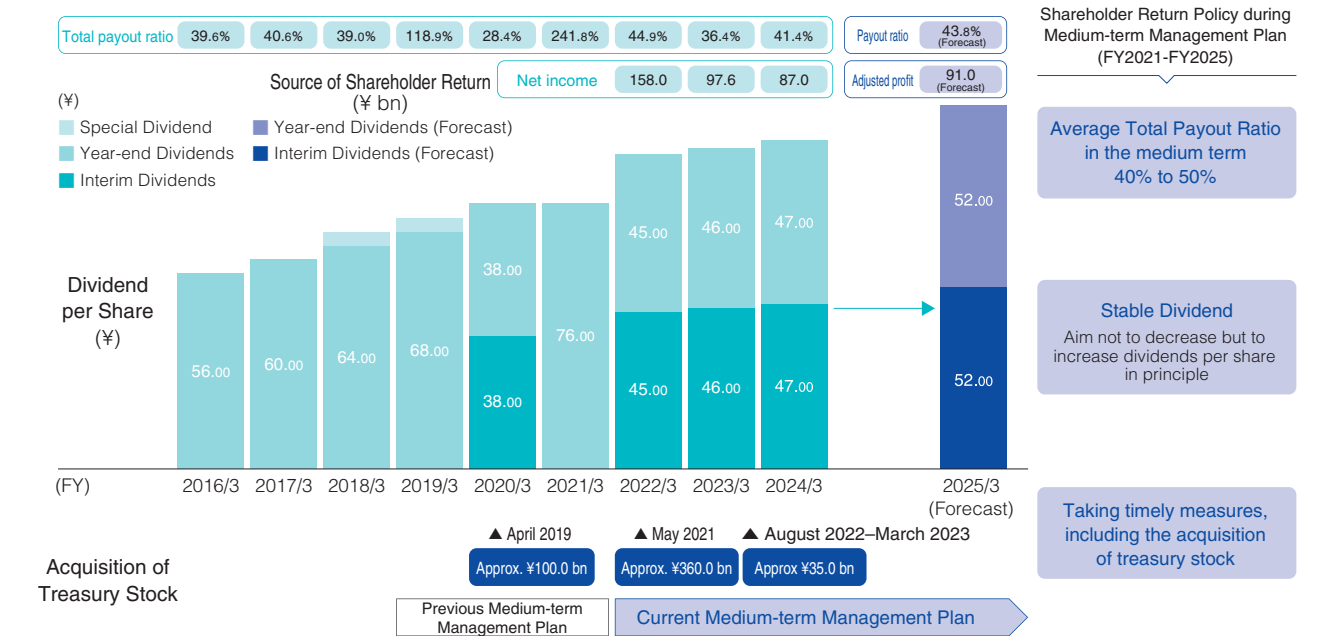
<b>Adjusted profit</b>	Net income + Burden of regular policy reserves in the first year (after tax)
<b>Adjusted ROE</b>	Adjusted profit ÷ Shareholders' equity (average)

- By adjusting the burden of regular policy reserves from net income, we can mitigate the effect of downward pressure on profits in the short term when considering future sales recovery
- Stable returns to shareholders while ensuring soundness by treating adjusted profit as a source of shareholder returns
- Our cost of shareholders' equity is believed to be approx. 6.0%
- Aim to achieve medium- to long-term growth exceeding the cost of shareholders' equity under adjusted ROE with adjusted profit as the numerator and shareholders' equity as the denominator

## Shareholder Return Policy

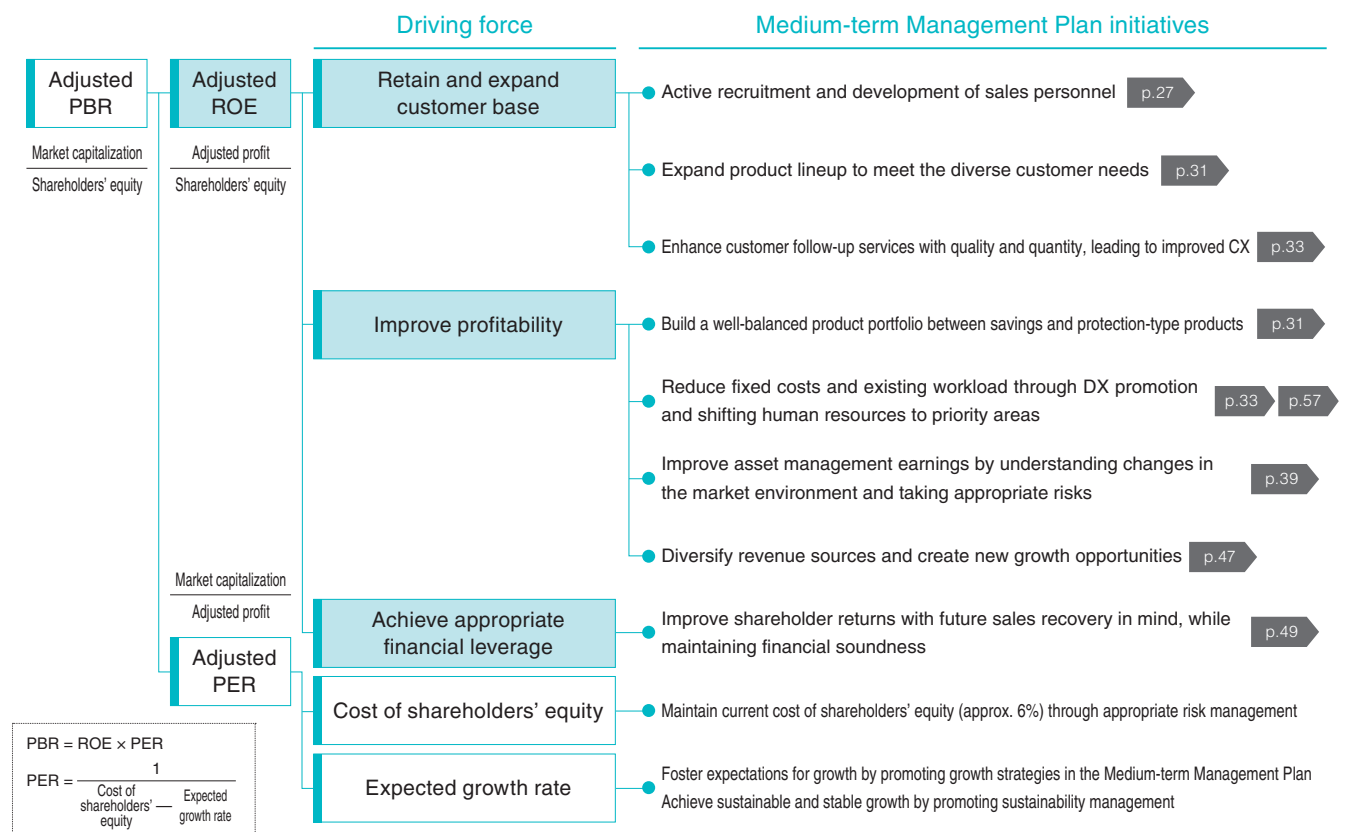
In accordance with the shareholder return policies during the period of the Medium-term Management Plan, we provide returns to shareholders. The dividend per share for the fiscal year ended March 31, 2024, is ¥94 as planned, and for the fiscal year ending March 31, 2025, we forecast a dividend of ¥104 per share.

Starting from the fiscal year ending March 31, 2025, we introduce "adjusted profit" and use these profits as a source of stable shareholder returns.



## Improving Market Valuation through Medium-Term Management Plan Initiatives

We aim to improve our market evaluation by steadily implementing a series of initiatives set forth in our Medium-term Management Plan: retaining and expanding customer base, improving profitability, and achieving appropriate financial leverage.



# Human Capital Management

## Message from the officer in charge

A company where all employees can work with confidence and pride

TACHIBANA Atsushi  
Senior Managing Executive Officer



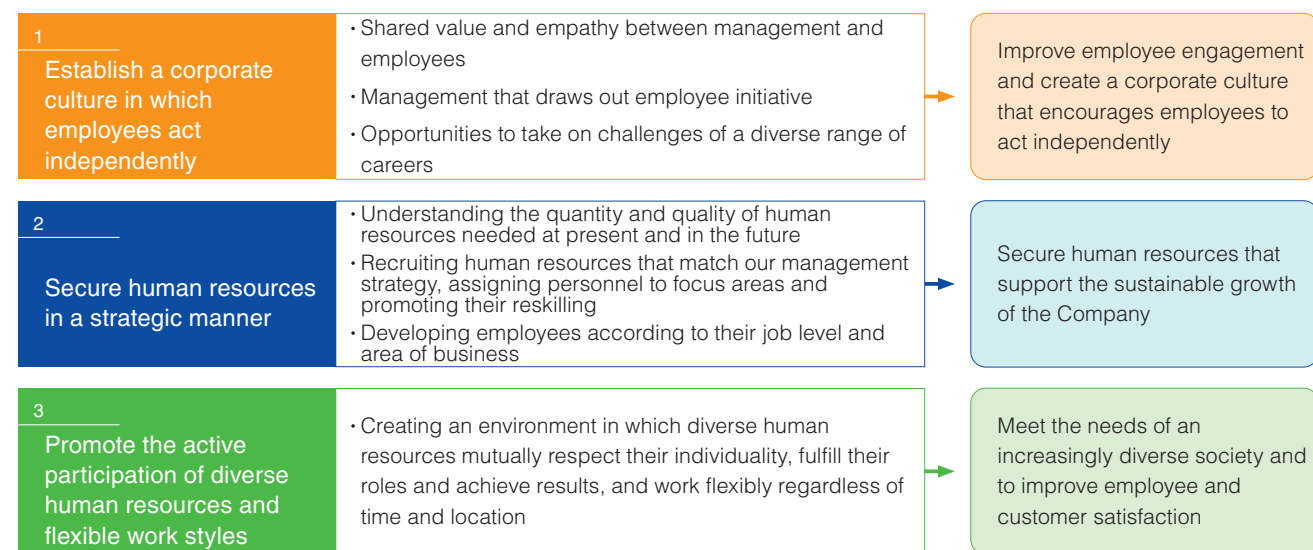
Recognizing that human capital is an important form of management capital, we are actively investing in human capital to promote the growth of people, the source of our corporate value. We aim to make our company a place where all executives and employees can grow together with the company and work with confidence, pride, and dignity.

In June 2023, we formulated the Three Basic Principles of Human Capital Management. By making the direction of these initiatives clearer, we are further supporting the independent growth of employees and promoting human capital management that enables both the company and its employees to grow together.

As a specific initiative, we arrange discussions between management and employees on themes such as enhancing our sales force. These talks provide opportunities for employees to autonomously and proactively consider organizational issues. We are working as a whole company to address challenges such as the improvement of our sales force. We are also committed to creating a workplace where a diverse range of people can thrive. In 2024, we were selected for the "Next Nadeshiko: Companies Supporting Dual-career and Co-parenting," an initiative that recognizes companies for outstanding efforts in providing support for both men and women to enable dual-career and co-parenting. We also strive to be an LGBT-friendly company, retaining our "PRIDE INDEX" gold certification by continuously working on a range of related measures.

To achieve our vision, we will continue measuring the effectiveness of our various initiatives and working to improve them. We will also continue to promote human capital management, which enables executives and employees to grow together with the company.

## Three Basic Principles of Human Capital Management



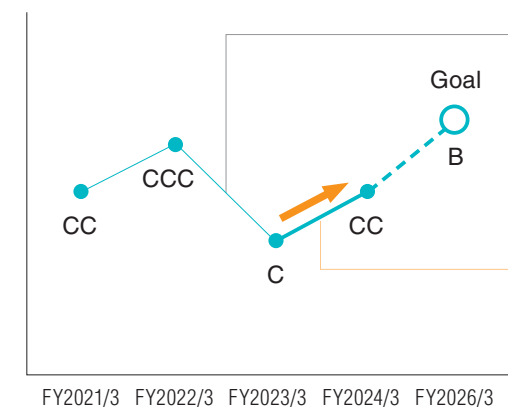
## [Basic Principle 1] Establish a Corporate Culture in Which Employees Act Independently

We will enact measures to stimulate communication between management and employees, deepening mutual understanding and strengthening management skills to encourage employees to take the initiative. Furthermore, we will support the career development of employees, thereby promoting their autonomous growth and increasing employee engagement.

### ES Surveys

In order to objectively assess employee engagement, we carry out the engagement score (ES) survey twice a year to identify issues and problems related to the workplace environment at each site and make ongoing improvements. We set a target of achieving "B" or above, the peer average, in the fiscal year ending March 31, 2026.

### ES results



Note: C is the 9th from the top of all 11 levels, CC is the 8th from the top, CCC is the 7th from the top and B is the 6th from the top.

**FY2022/3→FY2023/3**

- The score declined due to challenges in building company-wide cohesion and a sense of unity, as approximately 10,000 employees, equivalent to half of all employees post-transition, newly joined the Company as a result of the transition to the new Japan Post Insurance sales system starting in April 2022.

**FY2023/3→FY2024/3**

- The score improved by one grade, as we have advanced the transition to our new structure, and the entire Company including employees who joined us through the new Japan Post Insurance sales system has become more united in tackling challenges.
- The score improved in all organizational categories (head office, regional headquarters, and branches). In particular, the Retail Service Division of the branches, to which the consultants mainly belong, improved its score.
- In terms of evaluation items, by stimulating communication and better conveying to employees the Company's philosophy, policies, and business situation, we have achieved improved satisfaction with the foundation of the Company, which has also led to an improvement in items such as trust in senior management.

While the score improved in the fiscal year ended March 31, 2024, we recognize the need for further improvements in our company foundation, organizational culture, and human capital so that we can meet our goals for the fiscal year ending March 31, 2026. We will continue to work on stimulating communication between management and employees and strengthening management skills to encourage employees to act independently, thereby creating an environment where employees feel motivated and engaged.

## Stimulating Communication between Management and Employees

### Front-line Meetings

To revitalize communication between management and employees, we hold discussions between management and employees (front-line meetings). This is a forum for fostering a sense of trust and unity between management and employees. It gives management a chance to talk directly with employees about the Company's management policy and expectations of its employees, while employees also benefit from directly communicating with management. In the fiscal year ended March 31, 2024, all bases held two sessions, one in the first half of the year and another in the second half, on themes such as strengthening our sales force and future growth strategies.

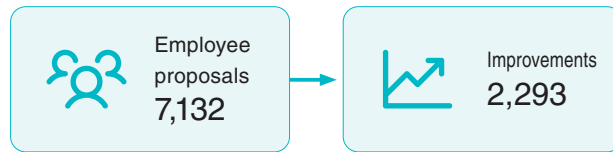


Front-line meeting at Kawagoe Branch



**Direct Suggestions to the President**

We have introduced a system called Direct Suggestions to the President of Japan Post Insurance, an initiative that allows employees to make proposals directly to the President. The opinions received from employees are shared with management and related departments, who consider their effectiveness and feasibility and channel them toward business improvements. The system also serves as an effective mechanism for detecting risks.



**Examples of improvements: Improving the content of leaflets given to customers**

I think customers would gain a deeper understanding of life insurance premium deductions if there were leaflets that gave them an idea of how much they could actually get reimbursed.

**Suggestion**

(From left) MORIKAWA Akihiro  
Retail Service Division, Yamatotakada Post Office, Nara Branch  
SOTANI Yukari  
Retail Service Control Division, Nara Branch

To help customers understand how much their income and inhabitant taxes could be reduced, we included model cases of life insurance premium deductions based on different family structures and annual incomes in the leaflet.

**Improvements**

Solicitation tool development staff, Sales Promotion Department

**President's Message**

We issue the President's Message through which the President communicates the Company's direction to all employees. Employees have responded positively, saying they understand and empathize with the Company's vision and management's thinking. This shows that the President's Message is working as a tool for communication between management and employees.



Besides boosting communication between management and employees, we are taking the following steps to improve communication between the head office and the front line and also among employees.

**Collaborative projects between the head office and front lines**

Instead of planning solely at the head office, we involve the front line in collaborations. Each department uses this approach, aiming to use feedback from the work sites to create more effective plans.

Case 1	We spoke with female employees working in sales about creating an environment where they can play more active roles. Based on concerns that women shared about conducting sales activities alone, we created the Guide to Safe Behavior for Insurance Consultants, a tool for reducing anxiety so that women can conduct business with a sense of security.
Case 2	Front-line employees and head office employees work together on solicitation materials, discussing how to make them easy for customers to understand. Their ideas are reflected in the actual materials we use.

**Small meetings**

With the aim of stimulating communication among employees, we decide on a theme every time and set up opportunities at each workplace for employees to exchange opinions. This is done by splitting into small groups, which makes it easier for each employee to express their own ideas.

**Strengthening Management Skills to Encourage Employees to Act Independently**

In addition to ensuring validity and objectivity in personnel evaluations, we hold Human Resource Development Meetings to discuss how to approach each employee's development, based on the employee's own career aspirations. Furthermore, by clarifying the roles required of managers and improving management methods through the introduction of coaching training, we are encouraging employees to act independently.

**Career Development Support**

We have introduced a career challenge system that allows employees to take on the challenge of new tasks in a different job or environment from their current one for the purpose of encouraging autonomous growth. This system allows employees to take on new tasks on their own, improve their skills and broaden their perspectives in that area, thereby enhancing their ability to solve problems through new ideas, and also promotes mutual understanding between organizations by stimulating personnel exchanges.

Voice

**I realized the importance of working with a customer-first approach**

After working at a branch, I was assigned to the regional headquarters where I had more opportunities to interact with people at the head office. This made me interested in working at the head office, so I applied for the career challenge system. At the head office, I was assigned to the Human Resources Strategy Department, and was given responsibility for Direct Suggestions to the President, the system where employees can submit proposals for improving business issues. Every day, I saw suggestions come in from employees all over the country. It made me realize how important it is to listen to the opinions of employees working in the field. I now work in the Sales Agency Support Department at a branch. I want to listen to the opinions of the teams working at the post offices, and to help build an environment where customers can use insurance services with peace of mind.

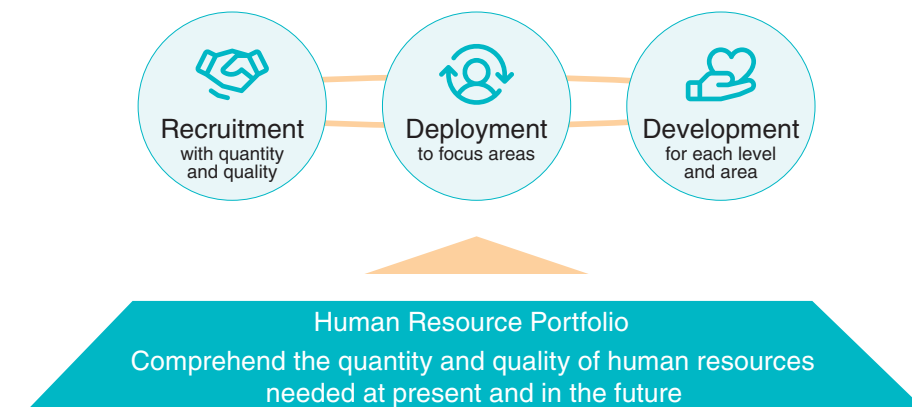
SHIBUYA Haruna, Sales Agency Support Department, Sapporo Branch

**[Basic Principle 2] Secure Human Resources in a Strategic Manner**

**Development of Human Resource Portfolio**

As a tool to support the business expansion and transformation of each division from the organizational and human resource perspectives, we are developing a human resource portfolio that visualizes the quantity and quality of the human resources needed at present and in the future. This will make it possible to identify priority organizations that need enhancement and human resources that will be required in each area, and by analyzing the gap between the ideal and current situation, we will hire, allocate and train human resources strategically to fill the gap.

Secure human resources to support the Company's sustainable growth through the recruitment, deployment, and development of human resources aligned with management strategy



### Recruitment

In recruiting new graduates, we are working on career development support through activities such as company information sessions and internships, as well as proactive activities by recruiters. For mid-career recruitment, we are promoting employment through referrals from employees to hire specialists in the sales, actuaries,<sup>(Note)</sup> asset management and risk management, and IT and digital fields.

We are also building an alumni network for the Japan Post Group. The aim is to bring retired former employees back to work in the organization, while also enabling collaboration with former employees and recruitment of experienced employees.

Note: An actuary is a professional who uses methods such as probability and statistics to evaluate uncertain future events and perform actuarial work and risk management.

### Deployment

As a result of transforming our business model through means such as streamlining back-office operations, including document screening and data entry of claim details at branches and Services Centers, we will reskill personnel engaged in such operations and shift them to focus areas such as divisions that handle customer service.

### Human Resources Development

#### Developing next generation leaders

We have established a next-generation leader development program for the purpose of strategically developing employees in the context of a long-term plan to continuously produce management leaders who will support the Company's growth. With an eye to the future, we implement employee training tailored to each level.

#### Overview of the Next Generation Leader Development Program

Management positions	Management leadership development program	We provide employees who are candidates for management leadership positions with strategic assignments and selective training to strengthen management skills, based on career paths with a view to promotion to management leadership positions.
Executive positions	Core human resource development program	We conduct training and other programs to "improve management skills and management literacy" and "raise awareness among young and mid-career employees."
General employees	Basic program	We implement training programs by year for the purpose of "forming a foundation of business skills."

#### Human resources development for sales personnel

The Kampo GD System has been launched for the comprehensive and quantitative evaluation of the ability and growth of each sales employee, whereby we will be developing sales personnel from a medium- to long-term perspective. (See page 28 for details on the Kampo GD system)

#### Human resources development in the digital field

In order to systematically develop human resources in the digital field, we have implemented a separate development curriculum for each type of human resource. We have prepared a training lineup that is unique and tailored to our business operations, while utilizing the common training programs of the Japan Post Group. We have also established an environment in which employees can learn necessary skills and knowledge by pairing them with experienced employees, incorporating knowledge from outside the company, and providing on-the-job training (OJT) in the course of actual work. In the future, we will build a framework for continuously producing digital human resources and accelerate the promotion of digital transformation.

### [Basic Principle 3] Promote the Active Participation of Diverse Human Resources and Flexible Work Styles

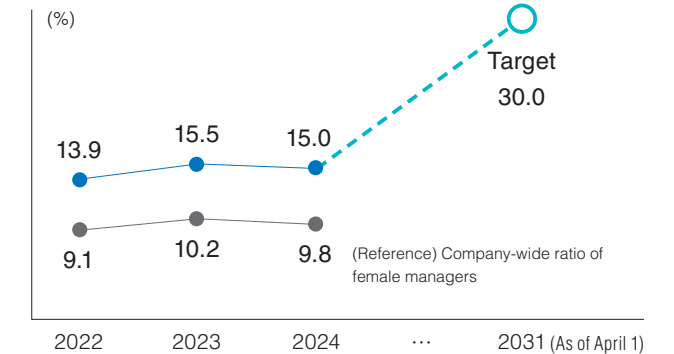
We are committed to creating a diverse and vibrant organization, respecting the human rights of all people involved in our business activities, ensuring a safe and comfortable work environment, and creating a rich workplace where individual employees can exercise their independence and creativity

#### Promoting Expanding Roles of Female Employees

We are working to ensure gender equality so that more female employees can play active roles in various workplaces and positions. We aim to increase the ratio of female managers at the head office (including Services Centers) to 30% or more by the fiscal year ending March 31, 2031.

Our initiatives in the fiscal year ended March 31, 2024 focused on training aimed at fostering awareness for female employees who are future managers. Achieving our goals will require us to strengthen our initiatives further. As well as fostering awareness, we will provide opportunities for employees to gain practical skills to prepare them for managerial roles. By focusing on these initiatives, we will work toward achieving our goals.

#### Ratio of female managers at the head office



Notes: 1. Partial amendments have been made to the calculation procedures from FY2024/3 (excluding the employees assigned from other companies and including those assigned from the Company to other companies).  
2. Partial amendments have been made to the calculation procedures from FY2025/3 (the scope of head office functions has been expanded due to organizational reform, etc.).

#### Training and networking for female employees

##### Training for future managers

This training is provided to employees who are expected to play an active role as managers in the future. The aim is to foster awareness about higher positions, enabling employees to gain skills and build relationships with each other.

##### Conference/roundtable discussion for female consultants

Since the percentage of female consultants is small, each area holds roundtable discussions attended by female consultants, with the aim of strengthening cooperation among female consultants. In the fiscal year ended March 31, 2024, we also held a conference at our head office for female consultants in management positions from across the country.



Retail Service Division female employee roundtable discussion at the Kyushu Regional Headquarters

#### Voice

**Aiming to be a role model so others can take an interest in management**  
I'm in my second year as a manager, having started my role in April 2023. Before I became a manager, I was worried about the increased responsibilities, but I wanted to have ownership over my decisions. So, with the support of my boss, I took on the challenge. I've been able to look at the company from a different perspective, and be involved in employee development, and this all has been more rewarding and fulfilling than I had ever imagined. I would like to see many others pursue the role of manager so they can gain a wide range of experience.



OIWA Seina, General Affairs Unit, Tokyo Administration Services Center, Business Process Services Department

#### We will share information from the perspective of female managers so that women can play an active role in various fields and positions

I have been the Deputy Senior Manager of the Retail Service Division since April 2024. I did worry about whether I'd be able to balance work and family life while raising my elementary school daughter. But with the cooperation of both my workplace and family, I've been able to work hard every day as a manager. There are still only a few female managers in the Retail Service Division. So, I'd like to share information that will enable women to play an active role in various fields and positions.



IWASAKI Noriko, Retail Service Division, Kumamotohigashi Post Office, Kumamoto Branch



### Support for balancing work with childcare and nursing care

We aim for a workplace culture where it is commonplace for both men and women to play an active role while balancing work and family lives. We regularly communicate information, such as taking childcare leave and nursing care leave to all employees.

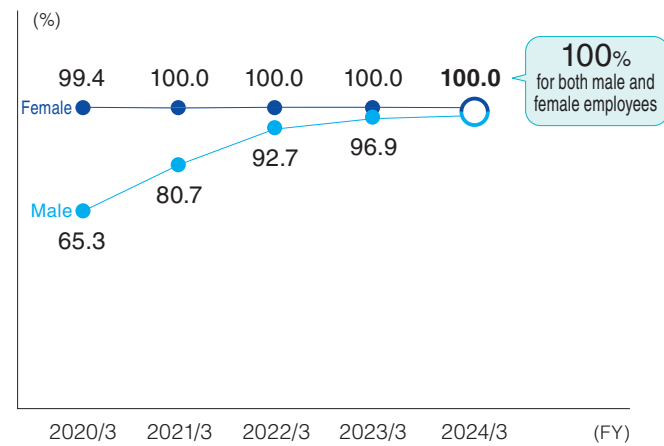
To ensure that employees can continue to work with peace of mind while raising children, we are working to thoroughly implement the return-to-work support program for employees who have taken childcare leave. We also hold seminars to help employees achieve a balance between work and childcare, targeting a 100% rate of taking childcare leave among eligible male and female employees.

Since May 2023, it has become compulsory to take paid childcare leave. In the fiscal year ended March 31, 2024, the rate of taking paid childcare leave reached 100% among eligible male and female employees. We will continue to carry out various initiatives to maintain a 100% uptake rate.

We also recognize that our future challenge is not only to maintain the rate of taking childcare leave among male employees, but also to enhance the quality of this leave, including the number of days taken. Our view is that childcare leave is a leave system for truly doing childcare and housework. We want all employees to understand its significance and the benefits of male participation.

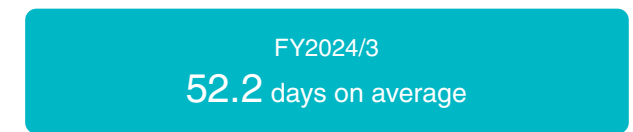
Toward this end, we will continue our efforts to support balancing work with childcare and nursing care.

#### Rate of taking childcare leave



Note: Partial amendments have been made to the calculation procedures from FY2024/3 (excluding the employees assigned from other companies, and including those assigned from the Company to other companies).

#### Number of childcare leave days taken by male employees



### Promoting Support and Employment for People with Disabilities

We actively promote the employment of people with disabilities, recognizing that fairly evaluating their work skills and providing work opportunities for a diverse population is a part of our corporate social responsibility. The Japan Post Group as a whole aims to reach a ratio of employees with disabilities of 3.0% by the fiscal year ending March 31, 2026.

We are promoting a range of measures to support the retention of people with disabilities. We have set up a dedicated consultation service for employees with disabilities and held roundtable discussions. We also provide such employees with opportunities for dialogue with leaders who promote the employment of people with disabilities, who are assigned to each regional headquarters and Services Centers. Additionally, we are also expanding the areas of work and workload, such as starting the operation of an in-house café, as we work to create an environment where employees with disabilities can actively demonstrate their full potential.

#### Ratio of employees with disabilities (for the entire Japan Post Group)

FY2026/3 targets	FY2024/3 results
3.0%	2.56%

Note: Ratio of employees with disabilities (for the entire Japan Post Group) represents the number employed by all six companies of the Japan Post Group as of June 1 of each fiscal year.



Preparing mail for delivery to other departments



Preparing to sell bread

### 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 an LGBT friendly company. We continue to take these initiatives to create a diverse and inclusive working environment, so that each and every employee can work with energy and vitality.



### Health Management

In line with the 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.

	FY2024/3 Results
Monthly average amount of overtime per employee	9.2 hours
Stress check implementation rate	94.2%

### External Evaluation

In March 2024, we were selected for the “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” as a company recognized for outstanding efforts in providing support for both men and women to enable dual-career and co-parenting, becoming one of the first year’s recipients for this award. We have also received the following recognition for various initiatives.

Advancement of women	Support for balancing work with childcare	Support for balancing work with nursing care
Eruboshi Certification	Next Nadeshiko: Companies Supporting Dual-career and Co-parenting	Platinum Kurumin
Tomonin		
LGBT friendly	Flexible workstyles	Health management
PRIDE Index	Top Hundred Telework Pioneers	Certified Health and Productivity Management Outstanding Organization
		Sports Yell Company

#### Japan Post Group initiatives—Group Human Resources Policy—

The Group Human Resources Policy has been formulated to determine the basic direction for implementing management strategies and personnel strategies.

The policy identifies four elements to focus on: “pride and fulfillment” as the vision, three axes for achieving this vision, “recognizing each other’s differences,” “enhancing capabilities,” and “demonstrating strengths,” and identifies specific indicators and targets.

Key indicators and targets	Consolidated results of 4 Group companies (FY2024/3)
Employee engagement (pride and satisfaction) score: At least the score in the previous fiscal year	3.31pt
Average number of childcare leave days taken by male employees: More than 30 days	35.0 days
Ratio of female managers at the head office : 30% (by FY2031/3)	16.2%
Number of personnel applied for open recruitment within the Group (Note): At least the figure in the previous year	-
Right person to the right job score: At least the score in the previous fiscal year	2.70pt
Average number of days of annual paid leave taken: 18 days or more	19.5 days

Note: Implemented among organizations of the head office from FY2023/3. From FY2025/3, we plan to spread the scheme company-wide, including front-line organizations.

# Sustainability

## Basic Concept

We have supported our customers in times of need and protected their lives by providing insurance services through our nationwide network of post offices, etc. Recognizing that our business activity itself is an effort to realize sustainability, we have set a "Sustainability Policy" as follows.

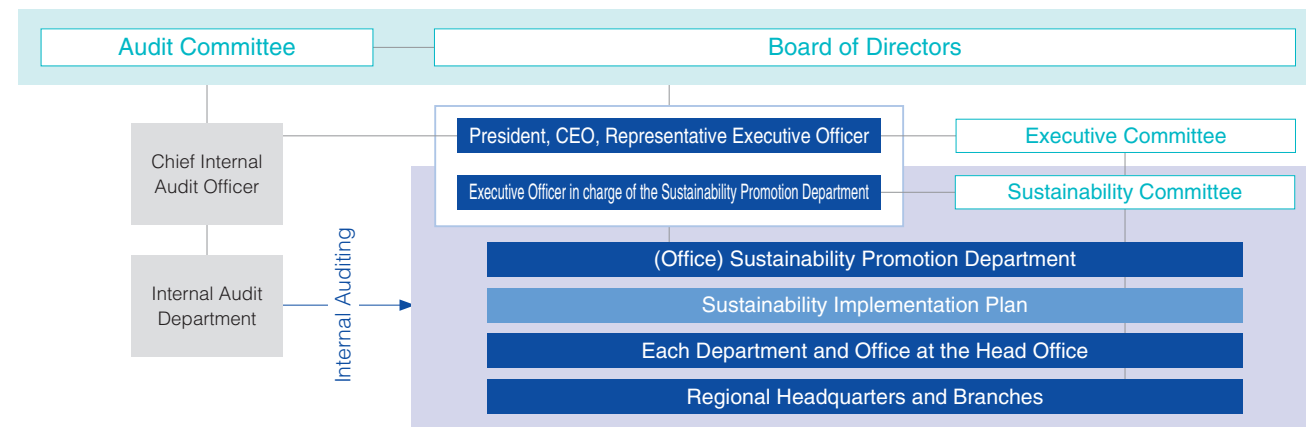
**Sustainability Policy**

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

## Sustainability Promotion System

Japan Post Insurance established the Sustainability Promotion Office in the Public Relations Department in April 2021, and the Sustainability Promotion Department in April 2024 to strengthen the promotion framework.

The Sustainability Committee, chaired by the Executive Officer in charge of the Sustainability Promotion Department, discusses sustainability strategies, formulates and reports on the progress of sustainability implementation plans, and reports the status of deliberations and discussions at the Sustainability Committee to the Executive Committee in a timely manner, with important matters being discussed and decided upon at the Executive Committee before being reported to the Board of Directors.



## Sustainability Committee

The President, CEO, Representative Executive Officer also participates in the Sustainability Committee along with the Executive Officers in charge of related departments. A total of seven meetings were held in the fiscal year ended March 31, 2024.

### Membership composition

**Chairperson:** Executive Officer in charge of the Sustainability Promotion Department

**Members:** Executive Officers in charge of related departments<sup>(Note)</sup>

Note: Corporate Planning Department, Human Resources Strategy Department, General Affairs Department, Business Process Services Department, Retail Sales Headquarters, Whole Sales Promotion Department, Investment Planning Department, Risk Management Department, Compliance Control Department

### Meetings held in FY2024/3

#### Main agenda items

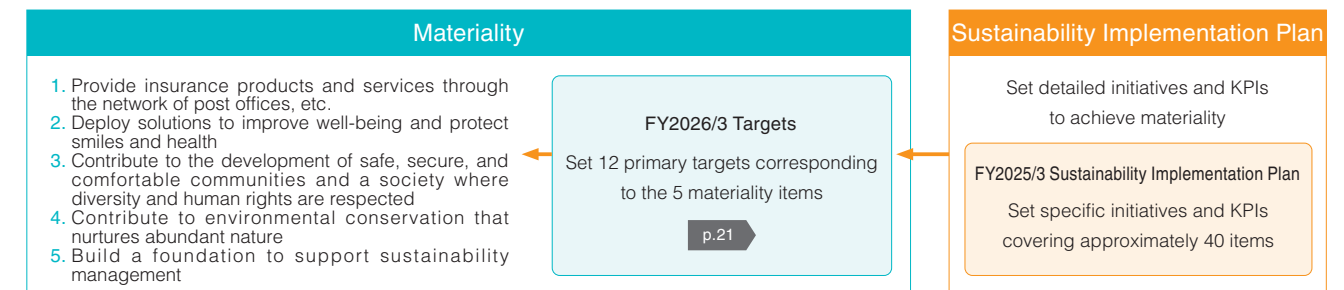
- Review of materiality
- Formulation and quarterly evaluation of sustainability implementation plans
- Initiatives related to TCFD and TNFD
- Human rights due diligence initiatives
- Disclosure of sustainability-related information
- Results of ESG ratings by ESG rating organizations and the status of response, etc.

Held seven times in total

## Sustainability Promotion System

### Sustainability Implementation Plan

To fulfill our social mission and address sustainability-related issues, Japan Post Insurance identified five materiality items (important issues), which were reviewed in March 2024 in light of changes in the external environment. In order to promote initiatives in line with materiality, we have formulated a Sustainability Implementation Plan related to each materiality, and we confirm and evaluate the status of implementation. The progress is reported as appropriate to the Sustainability Committee, Executive Committee, and Board of Directors.



### Internal Penetration Measures

We set sustainability-related themes and hold small meetings at each base to exchange opinions among small groups, thereby promoting employee understanding and autonomous behavior change. In the fiscal year ended March 31, 2024, themes included human rights and a base that embodies our management philosophy.

We also regularly hold sustainability training for executives with external lecturers, and in the fiscal year ended March 31, 2024, we held two sessions on the latest trends in sustainability and purpose-driven leadership.



## External Evaluation

We have received the following recognition by advancing sustainability efforts and information disclosure. Please visit our website for information on other external evaluations we have received and initiatives we endorse.

### External Evaluation and Support for Initiatives

<https://www.jp-life.japanpost.jp/english/aboutus/sustainability/initiative/index.html>



#### FTSE4Good Index Series (2022-)

One of the leading ESG indexes, and approximately 260 Japanese companies are selected as its constituents.



#### FTSE Blossom Japan Index (2022-)

ESG index adopted by GPIF (Japanese Government Pension Investment Fund)



#### ISS ESG<sup>(Note)</sup> Prime Status (first time selected)

Recognized with the Prime Status designation by ISS ESG in its ESG Corporate Rating and achieved evaluations placing it in the top 10% globally in the insurance industry (as of June 2024)



#### S&P Global Sustainability Yearbook Member (first time selected)

Recognized in the top 15% of the global insurance industry and selected as a Sustainability Yearbook Member

Note: ISS ESG is the responsible investment division of Institutional Shareholder Services (ISS), a voting advisory firm that provides sustainability rating assessments. (<https://www.issgovernance.com/esg/ratings/>)



## Climate Change Initiatives (Initiatives for the TCFD Recommendations)

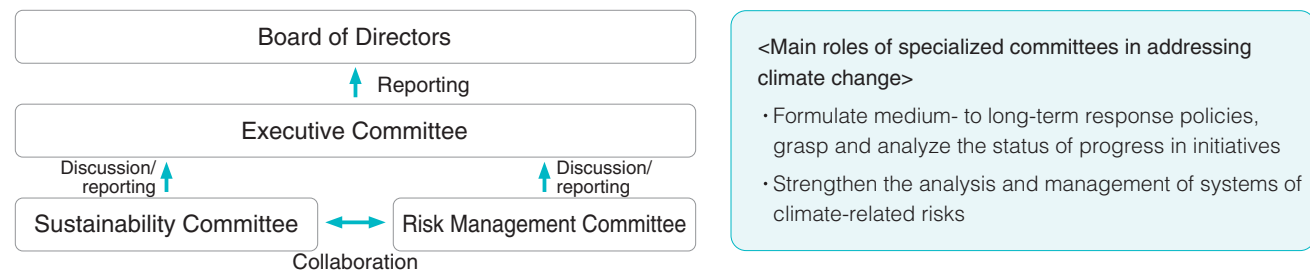
In April 2019, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and have followed up with ongoing initiatives based on the appreciation of our response to climate change as a management critical issue.

### Governance

At the Company, the Sustainability Committee, chaired by the Executive Officer in charge of the Sustainability Promotion Department, and the Risk Management Committee, chaired by the Chief Risk Officer (CRO), review and discuss various issues related to climate change.

The status of examinations and discussions is reported to the Executive Committee, and particularly important issues are discussed at the Executive Committee and decided by the President, CEO, Representative Executive Officer. In addition, reports are made to the Board of Directors on a quarterly basis, and a framework has been established in which the Board of Directors appropriately monitors the status of climate change response and, as necessary, supervises related policies, targets, strategies, and plans.

Notably, for performance-linked stock compensation for executives, we have set promotion of ESG management as a metric since the fiscal year ended March 31, 2024 and will give consideration to progress with achieving targets, including contributions to environmental conservation.



### Risk Management

The Company has established a system to identify and assess climate change risks on a company-wide basis, with the Sustainability Promotion Department in charge of risk assessment and the Risk Management Department in charge of overall risk management, and reports the results to the Risk Management Committee. The Company will continue to identify and assess climate change risks at least once a year, and further establish a climate change risk management system. The results are also reported to the Sustainability Committee as part of our initiatives in response to climate change.

### Strategy

#### Risks and Opportunities that Climate Change Poses to Our Business

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

#### Life Insurance Company

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

#### Asset Owner

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

Notes:  
1. In identifying the risks and opportunities mentioned above, we disclose risks and opportunities with a high degree of impact based on their importance to the Company's business after identifying large and small potential risks.  
2. We assume that the timeline of impact will be as follows: short term: 5 years, medium term: 15 years, long term: 30 years.

### Analysis of the Impact of Climate Change on Our Business

We conduct scenario analysis to gain an understanding of the impact of climate change on our business. The major scenario analysis performed is as follows. Please refer to our website for details.

Initiatives for Climate Change (Analysis of the impact of climate change on our business)  
<https://www.jp-life.japanpost.jp/english/aboutus/sustainability/environment/tcfd.html>

#### Major scenario analysis performed<sup>1</sup>

Item	Analysis	Results of analysis
Analysis of the impact of climate change on the Company's Life Insurance Business	Quantitatively analyzed the increase in the amount of claim payment attributable to an increase in the number of heat-stroke deaths and to the expanding damage of tropical infectious diseases.	Confirmed that an increase in claim payment is likely on both, but that will have a limited impact on our financial soundness.
Analysis of the impact of climate change on the Company as an asset owner (1)	Analyzed the impact of changes in the economic environment associated with the transition to a decarbonized society on our interest gains and assets owned by the Company, under the scenario published by NGFS <sup>2</sup> (the scenario in which long-term interest rates increase moderately in Japan and abroad).	<ul style="list-style-type: none"> <li>• Expect an increase in interest gains from our holdings of yen-denominated interest bearing assets such as Japanese government bonds.</li> <li>• Expected a certain decline in value in assets owned by the Company, especially for bonds with a maturity of over 10 years. In practice, however, we concluded that the impact on our financial soundness should be limited, given the fact that the deterioration in the earnings of investee companies and the decline in their market value will surface gradually and that the assets we own can be sold during the course of our investment.</li> </ul>
Analysis of the impact of climate change on the Company as an asset owner (2)	Quantitatively analyzed the impact of the increased carbon costs including the introduction of carbon taxes by national governments on our investee companies' finance (covering our domestic and foreign equity and corporate bond portfolios).	<p>Confirmed that there is a major impact of carbon costs on corporate finance in three sectors of energy, materials, and utilities.</p> <p><b>&lt;Our countermeasure&gt;</b> Mitigate climate change risks in our portfolio by implementing stewardship activities and promoting investments that contribute to the decarbonization of society, as outlined in the following "Decarbonization Initiatives."</p>

Notes:  
1. We believe that there are many challenges regarding the accuracy and reliability of our analysis of the impact of climate change on the Company's life insurance business and asset management, as there are no generally established measurement models and climate change itself has a high degree of uncertainty, such as its occurrence over a long period of time. We will continue our efforts to understand its impact through research and analysis, etc.  
2. Network for Greening the Financial System, or NGFS, is an international network of central banks and financial supervisors to examine financial supervisory responses to climate change risks.

### Decarbonization Initiatives

We will implement initiatives related to the transition to a low-carbon society to achieve carbon neutrality and enhance the resilience of our business.

Initiatives as an operating company	<ul style="list-style-type: none"> <li>• Efforts to reduce energy usage through improvements in the operation of lighting and air conditioning equipment, and the installation of energy-saving equipment</li> <li>• Use of electricity generated from renewable energy sources in multiple offices occupied by the Company</li> <li>• Switching company vehicles to hybrid vehicles, etc.</li> </ul>
Initiatives as an institutional investor	<ul style="list-style-type: none"> <li>• Incorporation of climate change factors into investment decisions</li> <li>• Implementation of stewardship activities that focus on climate change measures</li> <li>• Measurement and management of GHG emissions from the investment portfolio</li> <li>• Promoting investments conducive to the decarbonization of society</li> </ul>

In addition, we support forestation activities and other environmental conservation efforts through donations to environmental conservation organizations and conduct environmental conservation volunteer activities by employees in an effort to realize a sustainable global environment.



## Metrics and Targets

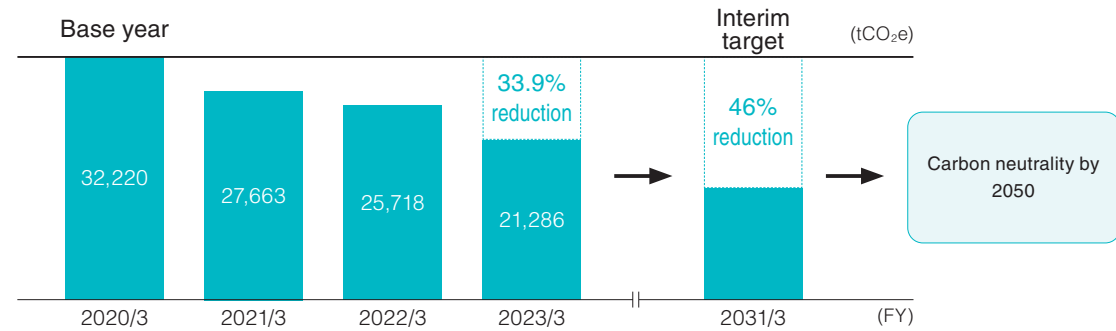
The Company aims to achieve carbon neutrality by 2050 and has set the following greenhouse gas (GHG) emission reduction targets as both an operating company and an institutional investor:

### Metrics and Targets as an Operating Company

We have set an interim target to reduce Scope 1 (direct emissions from the company) and Scope 2 (emissions from the use of electricity, etc. supplied by other companies) emissions by 46% by the fiscal year ending March 31, 2031 compared to the level in the fiscal year ended March 31, 2020, excluding increases due to new businesses.

As of the fiscal year ended March 31, 2023, we have achieved a 33.9% reduction through efforts such as transitioning the electricity used in large facilities occupied by the Company to renewable energy. In addition to our existing initiatives, we aim to achieve our targets by working with other Group companies to transition the electricity used in post offices occupied by the Company to renewable energy.

#### Scope 1 and Scope 2 emissions



Notes: 1. With the transition to the new Japan Post Insurance sales system from April 2022, we have retrospectively reviewed and updated the measurement scope for emissions before FY2022/3. Because the results for FY2024/3 are still being compiled, the results for FY2023/3 are shown.  
 2. The results for FY2023/3 are shown in the table as the results for FY2024/3 are still being compiled.  
 3. The above targets are based on the current future outlook and may be revised along with changes in social trends and technological innovations.  
 4. Reduction rates and actual emissions may change due to changes in the Company's organizational structure and other factors.

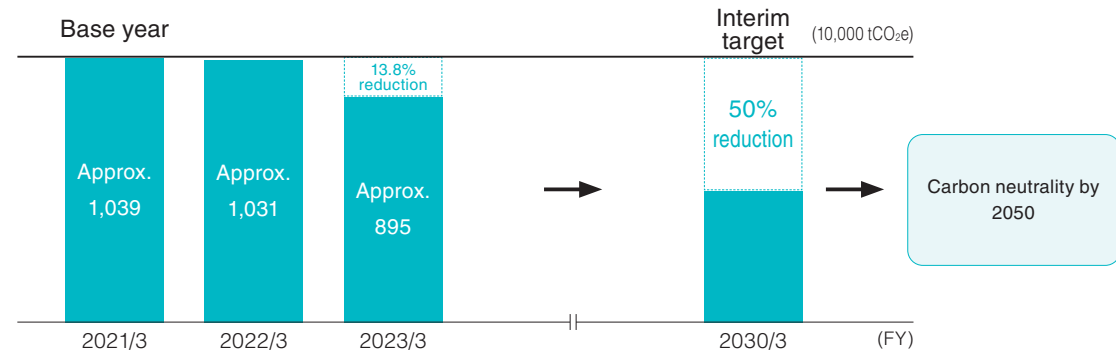
### Metrics and Targets as an Institutional Investor

We have set an interim target to reduce GHG emissions under Category 15 (GHG emissions from the investment portfolio) in Scope 3<sup>1</sup> by 50% by March 31, 2030 compared to the level as of March 31, 2021. We will continue to incorporate various climate change factors in our investment strategy to achieve the target, and aim to realize a carbon-neutral society and improve medium- to long-term investment performance.

#### Scope 3 (Category 15) emissions (please refer to our website for details)

##### Initiatives for Climate Change (Metrics as an Institutional Investor)

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



Notes: 1. Scope 3 refers to indirect emissions other than Scope 1 and Scope 2 in the supply chain. It is classified into 15 categories, and emissions from the investment portfolio fall under Category 15.  
 2. The target for Category 15 of Scope 3 is the total of the Scope 1 and Scope 2 emissions of the portfolio company multiplied by our shareholding ratio. Target assets include domestic and foreign listed equities and domestic and foreign credits (including corporate loans).  
 3. The above targets are based on the current future outlook and may be revised along with changes in social trends and technological innovations.  
 4. As it is difficult to directly measure GHG emissions from the investment portfolio, we calculate emissions based on certain assumptions and premises referring to various available external data. Figures such as reduction rates and actual emissions are subject to retrospective restatements upon changes in target assets and revisions to the measurement methods.

## Biodiversity Initiatives (Initiatives for the TNFD Recommendations)

Together with climate change, the protection of the natural environment and the ecosystems that support it is a critical issue of global importance. We are implementing various initiatives related to biodiversity and natural capital in support of the philosophy of the Taskforce on Nature-related Financial Disclosures (TNFD).

### Support for the Initiatives

The Company joined the TNFD Forum, which supports TNFD activities, in June 2023. In 2024, we signed the initiative Spring as an endorser, aimed at generating a positive impact on nature through stewardship activities by investors.



### Establishment of Risk Management Systems

The Company has established a system to identify and assess risks of the negative impacts of biodiversity, natural capital, and the Company on each other on a company-wide basis, with the Sustainability Promotion Department in charge of risk assessment and the Risk Management Department in charge of overall risk management, and reports the results to the Risk Management Committee. The Company will continue to identify and assess risks related to biodiversity and natural capital at least once a year, and further establish our risk management system. The results are also reported to the Sustainability Committee as part of our initiatives for the TNFD recommendations.

### Initiatives as an Operating Company

In order to protect biodiversity and conserve the global environment, we are making efforts such as reducing the amount of plastic and paper we use and carrying out cleanup activities at the local communities at each of our bases. In addition, we support afforestation and other activities through our donations to environmental conservation organizations.

Based on the results of the above risk assessment, we recognize that the nature-related risks in our insurance business are currently limited. However, we will continue to collect information to identify nature-related risks, and continue to perform corporate activities with consideration for environmental impact as we aim to achieve a sustainable society and the sustained growth of the Company.

### Initiatives as an Institutional Investor

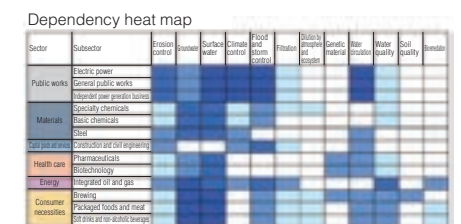
#### Nature-related risks and opportunities in investment activities

The Company makes investments and loans to various companies as an institutional investor. For this reason, we believe that our investment and loan portfolio indirectly have the following nature-related risks and opportunities.

Type	Our Recognition
Physical Risks	Impaired value of invested assets due to increased costs for portfolio companies resulting from the decline, deterioration, and depletion of natural assets and ecosystem services on which portfolio companies depend, such as water resources, and production disruptions
Transition Risks	Impaired value of invested assets due to increased costs for portfolio companies resulting from stricter environmental protection laws and social demands, litigation risk, and increased reputational risk
Opportunities	Increased value of portfolio companies and expansion of investment and financing opportunities due to the need for environmental protection technologies and alternative products and services with a smaller environmental impact

#### Analysis of major nature-related dependencies and impacts of the investment and loan portfolio

We have created a heat map by industry to identify the nature-related dependencies and impacts to be focused on in our investment and loan portfolio, and we have attempted to visualize the nature-related risks to be focused on. (Please refer to our website for details on the content of the analysis.)



Based on the analysis results and social demands, we will incorporate nature-related issues into investment decisions and conduct appropriate nature-related engagements with investee companies, and make investments that contribute to the maintenance and improvement of the natural environment.

##### Initiatives for Biodiversity Conservation

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



# Respect for Human Rights

## Basic Concept

The Company aims to achieve our management philosophy of “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” recognizing that respecting human rights is an important social responsibility. In order to fulfill our responsibilities required as a company, we have formulated the Japan Post Insurance Human Rights Policy (formulated in 2019 and revised in August 2023), which also takes into consideration the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

The Company respects the human rights of all individuals and, through its business and social activities within the Japan Post Group, promotes efforts to respect human rights, thereby contributing to the realization of a safe, secure, and abundant society.

### Japan Post Insurance Human Rights Policy

[https://www.jp-life.japanpost.jp/english/aboutus/sustainability/social/human\\_rights.html](https://www.jp-life.japanpost.jp/english/aboutus/sustainability/social/human_rights.html)

## System for Promoting Respect for Human Rights

We have set up the “Work Style Reform Committee,” chaired by the Executive Officer responsible for the Human Resources Strategy Department, for ways to promote human rights awareness in the Company, etc. as one of its major roles. Moreover, each organization has a “person responsible for management of human rights awareness” and a “person in charge of human rights awareness,” who promote human rights awareness measures and respond to various human rights issues.

In addition, human rights due diligence efforts are reported to the Sustainability Committee, chaired by the Executive Officer in charge of the Sustainability Promotion Department, and important matters are also reported to the Executive Committee and the Board of Directors. Opinions of external experts are also considered in implementing these efforts.

## Human Rights Due Diligence

Human rights due diligence efforts are conducted based on the framework of the United Nations Guiding Principles on Business and Human Rights, as well as various Japanese and international guidelines.

This is an ongoing process to prevent and mitigate negative impacts on human rights in our corporate activities. We will strive to achieve respect for human rights and sustainable business by implementing this process on a regular basis, taking into account the opinions of outside experts.



## Identifying and Assessing Negative Impacts on Human Rights

We are working to identify and assess issues regarding potential negative human rights impacts on our employees, as well as on our customers, suppliers, and investees. As part of our efforts in the fiscal year ended March 31, 2024, we have narrowed down the “human rights risks to be considered” for each stakeholder based on various international norms, guidelines, and the status of issues in the insurance industry. We are continuing to assess each of these risks, with the intention to carry on with these initiatives consistently in the future.

<b>Employees</b>	<ul style="list-style-type: none"> <li>A company-wide survey was conducted using an assessment sheet created with reference to external evaluation standards and verified externally.</li> <li>Based on a dual-axis evaluation of impact severity and likelihood, harassment and occupational health and safety were identified as key human rights risks.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Using keywords related to “human rights risks to be considered,” related information was extracted from customer feedback over the past three years and evaluated.</li> <li>Although there were no cases of immediate and serious human rights violations, risks in areas such as information management were recognized.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>We conducted a survey on the status of human rights initiatives among selected suppliers based on transaction amounts and transaction details.</li> <li>Although no direct issues were identified based on the aggregated survey results, the need to further strengthen measures regarding child labor and supplier management was recognized.</li> </ul>
<b>Investees</b>	<ul style="list-style-type: none"> <li>With reference to various guidelines, we confirmed the status of human rights issues to be considered in our investment and loan portfolio, focusing on industries deemed to have high potential human rights risks.</li> </ul>

## Stopping, Preventing, and Mitigating Negative Impacts

Examples of major initiatives to mitigate negative human rights impacts include the following. We will continue to review and revise these initiatives as needed, based on an evaluation of their effectiveness.

<b>Employees</b>	<ul style="list-style-type: none"> <li><b>Initiatives to eliminate harassment</b> In addition to the “prohibition of harassment” stipulated in the rules of employment, we conduct awareness raising and training to prevent harassment, including various level-specific training programs for officers, executives, managers, and new employees, as well as video training for all employees, e-learning training, study sessions at workplaces, and training for harassment counselors to improve their consultation response skills. We have also established a consultation desk to enable victims to consult us with a sense of security in the event of harassment. If acts in violation of laws, regulations, or internal rules are discovered, violators will be strictly dealt with based on disciplinary rules, etc., including punitive dismissal or other disciplinary actions, while efforts will be made to prevent recurrence.</li> <li><b>Occupational health and safety initiatives</b> Under the Japan Post Group Health and Safety Policies, we strive to ensure the safety of employees and to maintain and improve their health. At offices with 50 or more employees, the Company holds a monthly Health and Safety Committee meeting to discuss themes including the prevention of occupational accidents, the status of overtime work, and various health issues. In addition, we conduct training on health and safety and have established internal and external health consultation desks to maintain and promote employee health. In the event of an occupational accident, in addition to submitting a report in a prescribed format, we analyze the causes and consider and disseminate improvement measures to prevent recurrence. With regard to efforts to reduce working hours, we appropriately manage working hours at each office and implement measures to reduce overtime work through operational efficiency improvements and work style reforms.</li> <li><b>Initiatives to promote diversity (See P58-60 for details)</b></li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li><b>Privacy protection (information management)</b> We have established a fundamental policy for protecting personal information (Japan Post Insurance Privacy Policy), and are committed to the appropriate protection and handling of personal information.</li> <li><b>Handling of policy procedures, etc.</b> To ensure that people with disabilities and others can complete procedures with ease, we provide braille, substitute reading, and written communication services.</li> <li><b>Conducting human rights checks</b> 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.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li><b>Supply chain management</b> We have formulated the “Japan Post Group CSR Procurement Guidelines,” which include contents such as respect for human rights and occupational health and safety, and have informed our suppliers of the specific initiatives we require of them. We are also working to strengthen our supply chain management by including sustainability clauses on human rights, labor conditions, environmental protection, etc. in our contracts with suppliers.</li> <li><b>Questionnaire for suppliers</b> We have conducted a questionnaire survey of our suppliers, etc. asking them to answer questions about the status of their efforts to respect human rights and encouraging them to promote various initiatives. We hold a briefing to explain the evaluation results, where we also provide feedback and communicate our human rights policies and efforts. For some suppliers, we conduct individual dialogues based on their responses.</li> </ul>
<b>Investees</b>	<ul style="list-style-type: none"> <li><b>Investments and loans with respect for human rights</b> As a responsible institutional investor, we take human rights into consideration when making investment decisions and confirm human rights issues in dialogue with portfolio companies. We also endorse Advance, a collaborative stewardship initiative for institutional investors to act on human rights and social issues.</li> </ul> 

## Consultation Desk

We have established a consultation desk on harassment and other human rights issues in the workplace, and in addition to a consultation desk at each workplace, we have also established a consultation desk staffed by external specialists. Consultation desks for other matters are also available, including whistleblowing contact points and other consultation services. The whistleblowing contact points also accept reports from our business partners (suppliers).

Special Feature

## Popularization and Promotion of “Radio-Taiso”

### Japan Post Insurance and “Radio-Taiso”

The well-known “Radio-Taiso” was established in 1928 by Japan Post Insurance predecessor, Postal Life Insurance Bureau of the Ministry of Communications.

Inheriting the wish of “making people healthier, extending their life expectancy, and enabling them to lead happy lives through Radio-Taiso,” which was stated at the time of the establishment of the program, we are making various efforts to promote the spread of “Radio-Taiso.”



### ■ Positioning of “Radio-Taiso” in the Company

We have set “deploy solutions to improve well-being that protect smiles and health” as a materiality (important issue) and promote “Radio-Taiso” as a key initiative to this end. In addition, our Medium-term Management Plan (FY2021-FY2025) aims for a “Radio-Taiso” performance rate<sup>(Note)</sup> of 25% (FY2024/3 result: 24%), and we intend to contribute to health promotion and community revitalization through “Radio-Taiso.”

Note: “Radio-Taiso” performance rate refers to the percentage of respondents saying “I practice “Radio-Taiso” once or more in a year.” of all the respondents saying “I know what “Radio-Taiso” is.” in the periodical online survey (on 2,400 men and women aged between 20 and 69) conducted by the Company.

### Major Initiatives

### ■ Festival of 10 Million People’s “Radio-Taiso” and “Minna no Taiso,” one of the biggest events in the field of “Radio-Taiso” in Japan

We have held this event once a year since 1962 with the aim of encouraging as many as 10 million people to participate in “Radio-Taiso” and “Minna no Taiso” at the same time through the radio and TV. In the fiscal year ended March 31, 2024, it was held in Yokohama City, Kanagawa Prefecture, and broadcast live on NHK General TV and Radio 1.



### ■ “Radio-Taiso” one-point lessons for companies

In response to the growing interest in health management, the “Radio-Taiso” one-point lessons, which explain the correct movements of “Radio-Taiso,” is offered throughout Japan to companies that are actively promoting the health of their employees.

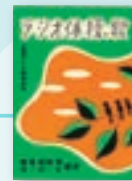
### ■ Collaborative research of “Radio-Taiso”

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

### History of “Radio-Taiso” Attendance Cards

Since 1952, we have created and distributed “Radio-Taiso” Attendance Cards nationwide to encourage children to wake up early and maintain a structured lifestyle.

1952



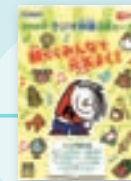
1962



1996



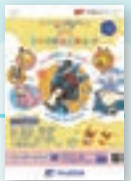
2006



2019



2024



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

With the aim of supporting children’s physical fitness, we have held the All-Japan Elementary School “Radio-Taiso” Competition since the fiscal year ended March 31, 2015. The competition welcomes video submissions of schoolchildren performing “Radio-Taiso” energetically and correctly, and in the fiscal year ended March 31, 2024, which marks the 10th anniversary of the competition, we saw about 400 entries from elementary schools nationwide.



### MASUDA Smile ☆ Breath team Masuda Elementary School in Nakatane Town, Kagoshima Prefecture



### “Radio-Taiso” Support Pokémon “Lucario”

We have appointed Lucario as the “Radio-Taiso” support Pokémon with the hopes that people will perform “Radio-Taiso” every day without fail with the “Steadfast” and “Inner Focus” of Lucario. Lucario supports everyone’s health by participating in the award ceremony of the “Radio-Taiso” Competition.



©2024 Pokémon.©1995-2024 Nintendo/Creatures Inc./GAME FREAK inc.

### Voice



### “Radio-Taiso” helps children grow and look better for both their minds and bodies.

By participating in the “Radio-Taiso” Competition, we were able to see the children grow not only in terms of their skills but also emotionally. In the beginning, the atmosphere in the team was sometimes awkward due to differing opinions, but gradually a sense of trust and unity developed, and when they found out they won gold, they all burst into tears of joy.

SHIRAMIZU Rie, Assistant Principal (as of March 2024), Masuda Elementary School in Nakatane Town, Kagoshima Prefecture

### I want to contribute to the growth of children through the “Radio-Taiso” Competition

I could see the earnest efforts of children in doing “Radio-Taiso” daily as I watched the videos sent from elementary schools throughout Japan. Through this competition, we aim to not only promote the health of children, but also foster their independence, enhance communication at school and home, and strengthen interactions with the local community.



TANISUGI Sayo, in charge of “Radio-Taiso,” Sustainability Promotion Department



Please visit the “Radio-Taiso” portal site and the official “Radio-Taiso” X and Instagram accounts for more information about “Radio-Taiso.”



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



Official X  
(in Japanese)



Official Instagram  
(in Japanese)



## Health Promotion and Development of Local Communities and Society

### Providing Services through a Health Support App

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

#### Main functions of the Sukoyakanpo health support app

**Standard menu** Free

**1 Enjoy "walking"**

**Walk** Step count management/ Radio Taiso

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

Standard menu Premium menu

**2 "Learn" your body**

**Learn** 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

**Premium menu** Free

**3 Know the "rhythm of your body"**

**Rhythm of your body** Body rhythm advice

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

Premium menu

**4 Support "eating"**

**Eat** 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

For more detailed information on Sukoyakanpo app functions, please visit our website.

Sukoyakanpo Search



\*In the "Health improvement advice" function, "Disease risk check" and "My column" are available only via the Premium menu.

### Social Contribution Activities at Each Base

Toward the realization of a sustainable society, we conduct community-based social contribution activities at our head office, branches, regional headquarters, and service centers throughout Japan.

Specifically, we sponsor local events, participate in cleanup activities, donate to food drives, engage in greening activities such as tree planting, collect used stamps, volunteer for book donation campaigns, and distribute flyers to prevent special fraud.



Kanazawa Branch: Sponsorship of the Kanazawa Hyakumangoku Festival



Hokuriku Regional Headquarters: Beach cleanup at Matto Seaside Park, Ishikawa Prefecture



Kashiwa Branch: Donations to food drive organizations



Aomori Branch: Volunteer activities for planting flowerbeds to promote greening

### Support for Wheelchair Tennis and Boccia

Based on our management philosophy of "Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being," the Company supports parasports such as wheelchair tennis and boccia with an aim to create a society where all people can play an active part in their own ways.

#### Wheelchair Tennis Support Activities

As a top partner of the Japan Wheelchair Tennis Association (JWTA) since the fiscal year ended March 31, 2019, we support the employment of players, the promotion of the sport, and the development of the next generation.

##### Hiring of the athlete employee, OHTANI Momoko

We welcomed OHTANI Momoko, who is a wheelchair tennis player active on the global stage, as our employee and provide support for her activities. OHTANI competed in the Tokyo 2020 Paralympic Games, winning a bronze medal in the women's doubles competition, and in the fiscal year ended March 31, 2024, she competed in four major tournaments, demonstrating her high level of performance. (women's wheelchair tennis global ranking: 5th, as of June 3, 2024)



OHTANI Momoko

##### Supporting the spread of the sport—Sponsorship of wheelchair tennis trial sessions

We support wheelchair tennis competitions and trial sessions held nationwide. These sessions are open to both regular wheelchair users and able-bodied participants, and offer everyone a chance to experience wheelchair tennis. Our employees also participate to deepen their understanding of the sport.



JWTA wheelchair tennis trial session supported by Japan Post Insurance

#### Next Generation Special Reinforcement Support Project for bringing junior athletes to the world stage

While the Company has supported junior players through support for competitions in Japan up until now, it was very challenging for junior players to participate in international competitions on their own despite the fact that many players aim to compete globally. To provide an opportunity for these junior players to take their first step onto the world stage, we launched the Next Generation Special Reinforcement Support Project with the JWTA in the fiscal year ended March 31, 2024. In addition to establishing a new competition for juniors, we selected two players based on the result of the competition and sent them to a competition held overseas. Going forward, we will continue to support the sustainable development of wheelchair tennis through the training and support of next-generation players.



Players dispatched under the Next Generation Special Reinforcement Support Project

#### Boccia Support Activities

Since the fiscal year ended March 31, 2023, we have been a gold top partner of the Japan Boccia Association, and provided support for competitions and other activities. We are promoting the widespread practice of "Radio-Taiso" as an exercise that is easily accessible "anytime, anywhere, for anyone," and also support boccia as a sport that can be enjoyed together by all people, regardless of age, gender, and disabilities. Boccia is also used as a means of revitalizing internal communication.



Boccia Tokyo Cup 2024 supported by Japan Post Insurance



In-house boccia tournament

# Corporate Governance

## Basic Concept of Corporate Governance

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

### Basic Policy Regarding Corporate Governance

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

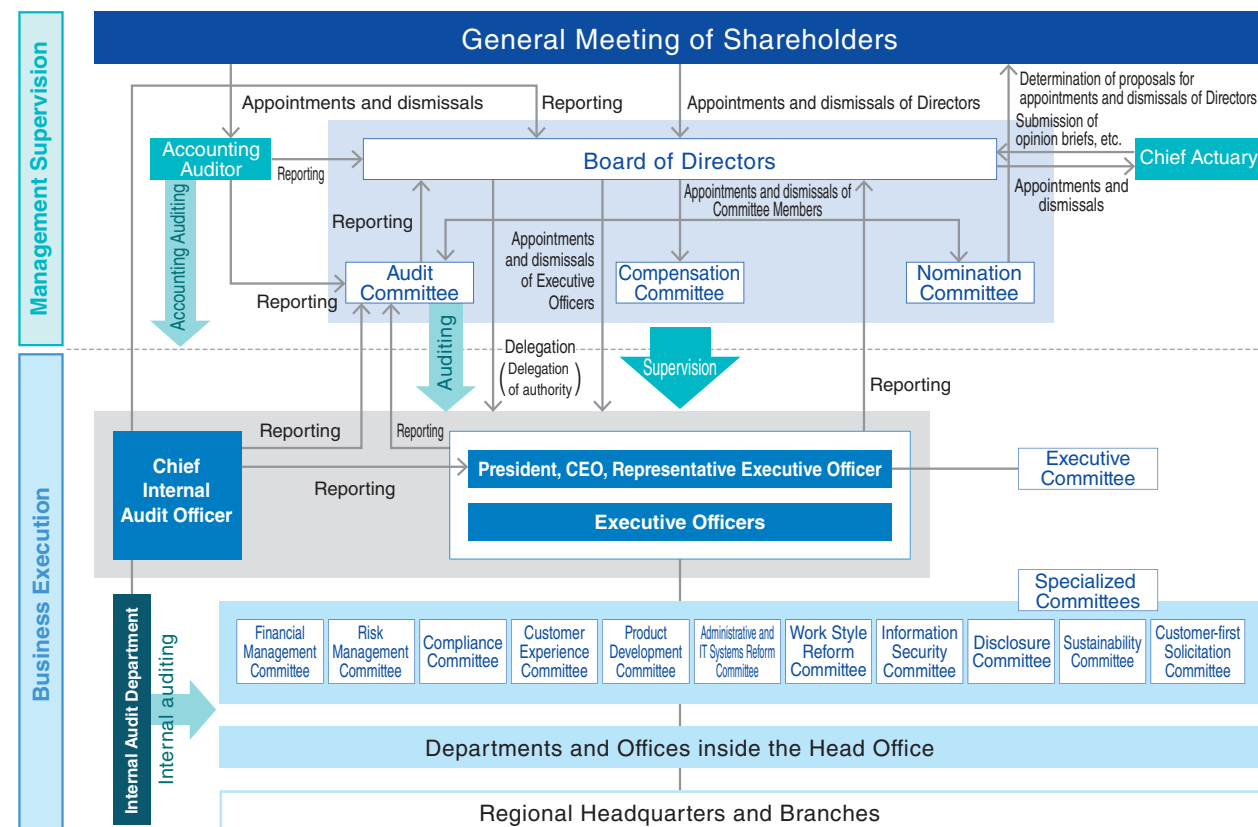
#### (Basic Concept of Corporate Governance)

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

## Outline of the Corporate Governance Structure

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

### Corporate Governance Structure

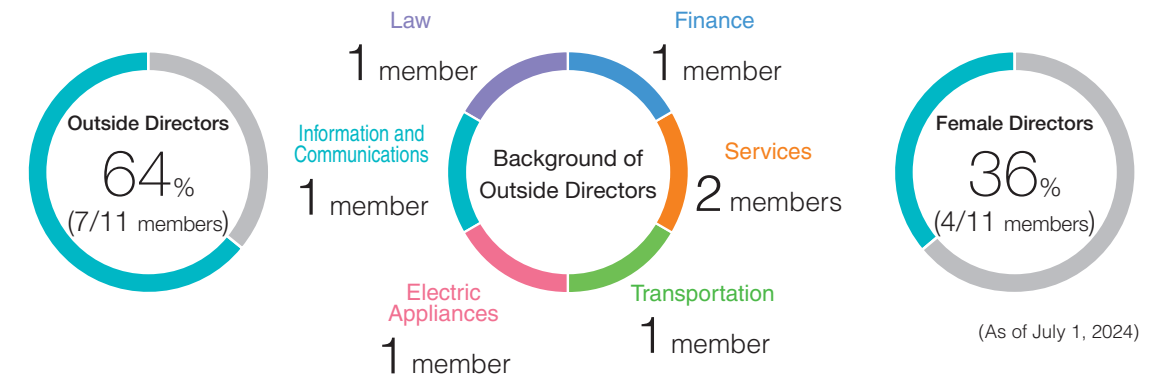


## Composition and Operations of the Board of Directors, etc. (Supervision of Management)

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.

### Composition of the Board of Directors

The Company’s Board of Directors has a high level of independence and diversity, with a majority (seven out of 11 members) of Outside Directors from a wide range of backgrounds and including four female Directors.



### Skills Matrix for Directors

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

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

Skill item	Name	TANIGAKI Kunio	ONISHI Toru	NARA Tomoaki	MASUDA Hiroya	SUZUKI Masako	HARADA Kazuyuki	TONOSU Kaori	TOMII Satoshi	SHINGU Yuki	OMACHI Reiko	YAMANA Shoei
Corporate management		●	●	●	●	●	●	●	●	●		●
Financial affairs/ Accounting		●	●	●					●			
Legal/ Risk management/ Compliance		●	●	●	●	●	●	●	●	●	●	●
Human resources/Human resources development		●	●	●	●	●	●	●		●		●
Sales/Marketing		●	●			●	●			●		●
ICT/DX <sup>2</sup>			●	●		●		●		●		●
Community/Society		●	●	●	●	●	●	●	●	●	●	●
Finance/Insurance		●	●	●	●			●	●		●	
Asset management				●					●		●	

Notes:  
 1. ICT is an acronym for Information and Communication Technology and collectively refers to technology relating to information and communications.  
 2. DX, or Digital Transformation, refers to transforming a company’s products, services, and business models based on the needs of customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its operations, organizations, processes, and corporate culture and climate to establish a competitive advantage.



### Status of Operations of the Board of Directors

In order to discuss management issues in advance, Japan Post Insurance has established the “deliberation” process that will leverage the expertise of Outside Directors from the resolution drafting stage as well as the resolution and report. Moreover, through the Directors’ discussion sessions held as a venue for reporting in advance on the status of consideration by the executive side, meetings of Outside Directors and other meetings, Japan Post Insurance has established opportunities to enhance the exchange of opinions among 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.

#### Operations of the Board of Directors in the fiscal year ended March 31, 2024

Number of meetings held:	14
Attendance rate:	100%
Average length of meeting:	1 hour and 39 minutes

#### Main topics discussed at the Board of Directors’ meetings.<sup>(Note)</sup> in the fiscal year ended March 31, 2024

- Review of the Medium-term Management Plan
- Strategic partnership and capital and business alliances with other companies
- Decision on the Management Plan for the fiscal year ending March 31, 2025
- Efforts aimed at implementation of management that is conscious of the cost of capital and stock price.
- Efforts for sustainability promotion.

Note: “the Board of Directors’ meetings” includes the meetings of the Board of Directors and the Directors’ discussion sessions. (The same applies below.)

#### Points discussed at Board of Directors meetings, etc.

##### ◆ Review of the Medium-term Management Plan

- In reviewing the Medium-term Management Plan, the overall direction of the review was put forward at the Board of Directors meeting in October 2023, and since then, discussions have been held a total of seven occasions before a resolution was reached. In particular, Outside Directors shared extensive input from the perspective of our growth strategy of “retaining and expanding our customer base through connections across life stages and generations” and “human capital management and corporate culture reform.” After further discussions between the Outside Directors and management including President and Deputy President, covering topics including marketing strategies to expand our customers among the younger generations, partnership with Japan Post Co., and approaches to the strategic recruitment and development of talent, we resolved to review the Medium-term Management Plan in the fiscal year ending March 31, 2025 after confirming our medium- to long-term strategies and issues.

##### ◆ Strategic partnership and capital and business alliances with other companies

- As the collaboration with KKR and its subsidiary life insurance company, Global Atlantic Financial Group, was our first alliance with a foreign company, we held multiple discussions between Outside Directors and management, including preliminary briefings. During these discussions, we received input from various perspectives, such as the appropriateness of the details, the policy for response to the negotiations, and communication with the other party after signing. After confirming the appropriateness of the proposal, we resolved to enter into a strategic partnership with the companies.
- Regarding the capital and business alliance with Daiwa Securities Group in the asset management field, we set up opportunities for discussions with Outside Directors and management from the fiscal year ended March 31, 2024 in preparation for a resolution in the fiscal year ending March 31, 2025. In particular, we received extensive input on the topic of human resource development through this alliance, and discussed the form that the personnel system should take after the partnership.

##### ◆ Efforts aimed at implementation of management that is conscious of the cost of capital and stock price.

- In light of the request by the Tokyo Stock Exchange that companies implement management that is conscious of the cost of capital and stock price, we set up several opportunities for discussion at the Board of Directors meetings, etc. Following discussions with Outside Directors and management on our strengths, growth strategies, and solvency policy, we conducted a review of our solvency policy (the contract of retrocession, etc.) and shareholder return measures (the introduction of adjusted profit, etc.).

### Composition and Operations of the Nomination Committee, Audit Committee, and Compensation Committee

The Company has established three committees: the Nomination Committee, the Audit Committee, and the Compensation Committee. These committees fully utilize external views on the management of the Company and ensure the transparency and fairness of decision-making of the management.

	Roles and membership composition (as of July 1, 2024)	Main topics (FY2024/3)	Number of meetings held (FY2024/3)	Attendance rate (FY2024/3)
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: TANIGAKI Kunio, MASUDA Hiroya, SUZUKI Masako (Outside Director), YAMANA Shohei (Outside Director)	<ul style="list-style-type: none"> <li>● Proposal for Election of Directors for submission to the 17th Ordinary General Meeting of Shareholders</li> <li>● Succession planning for President, CEO, Representative Executive Officer</li> </ul>	7	100%
Audit Committee	The committee audits the execution of duties by Directors and Executive Officers, prepares audit reports, determines the content of proposals regarding the election and dismissal of the accounting auditor to be submitted to general meetings of shareholders and approves the compensation for the accounting auditor.  Committee Chair: SUZUKI Masako (Outside Director) Members: NARA Tomoaki, TONOSU Kaori (Outside Director), TOMII Satoshi (Outside Director), OMACHI Reiko (Outside Director)	<ul style="list-style-type: none"> <li>● FY2024/3 Management Plan initiatives (reconstruction/reinforcing business foundation, improving CX, corporate culture reform)</li> <li>● Strengthening governance and compliance systems</li> <li>● Building and operating internal control systems</li> </ul>	16	100%
Compensation Committee	The committee formulates compensation policies for Directors and Executive Officers and determines detailed compensation for each individual.  Committee Chair: TOMII Satoshi (Outside Director) Members: MASUDA Hiroya, HARADA Kazuyuki (Outside Director), SHINGU Yuki (Outside Director)	<ul style="list-style-type: none"> <li>● Revision of the Stock Benefit Rules for Executives</li> <li>● Revision of the Compensation Standards for Executives, etc.</li> <li>● Determination of individual compensation for Directors and Executive Officers</li> </ul>	6	100%

#### Nomination Criteria for Candidates for Directors/Designation Criteria for Independent Officers

The Nomination Committee has formulated the “Nomination Criteria for Candidates for Directors” that stipulates our philosophy regarding the balance of knowledge, experience and skills, as well as the diversity and scale of the Board of Directors as a whole, along with qualifications the Company requires of Directors. Based on these standards, the Nomination Committee selects candidates for Directors. The Nomination Committee also formulates the “Designation Criteria for Independent Officers” stipulating the Company’s requirements for Outside Directors with no concerns of risk of conflict of interest with shareholders, and designates Independent Officers from among the Outside Directors.

##### 📄 Nomination Criteria for Candidates for Directors

[https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria\\_directors.pdf](https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/criteria_directors.pdf)

##### 📄 Designation Criteria for Independent Officers

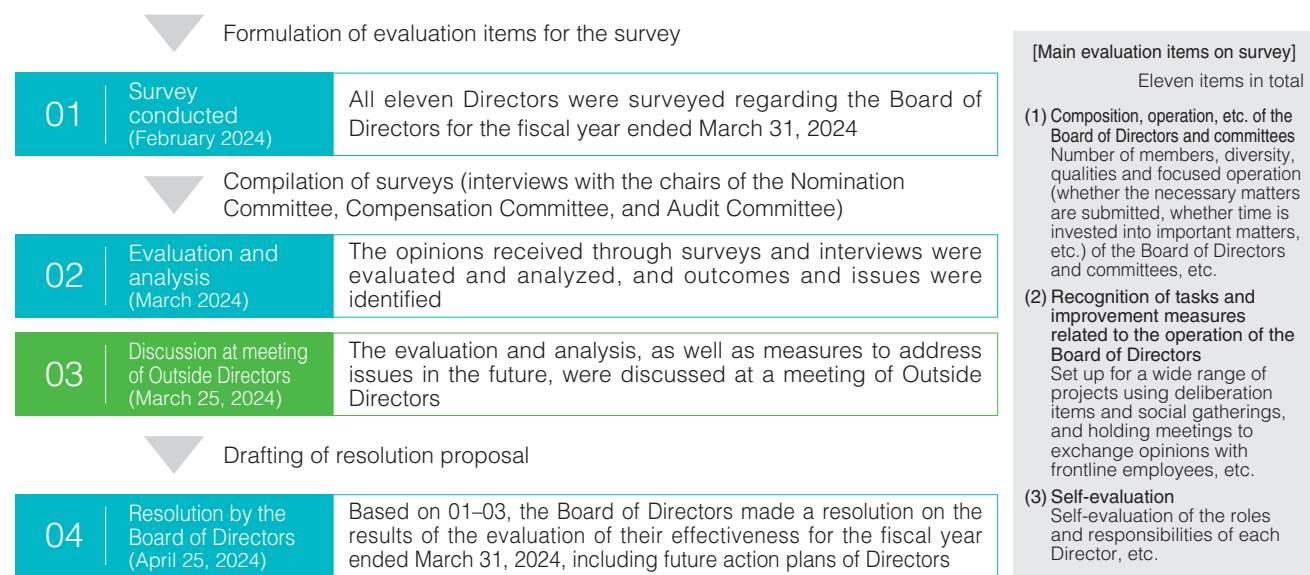
[https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent\\_officers.pdf](https://www.jp-life.japanpost.jp/english/aboutus/company/assets/pdf/independent_officers.pdf)

## Evaluation of the Effectiveness of the Board of Directors

The Board of Directors analyzes and evaluates the effectiveness, etc. of the Board of Directors as a whole every year through specific actions, such as confirming the opinions of every Director regarding the Board of Directors' effectiveness and uses the results to improve operations. A summary of the evaluation results is posted on the Company's website.

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

### Process for evaluating effectiveness of the Board of Directors for the fiscal year ended March 31, 2024

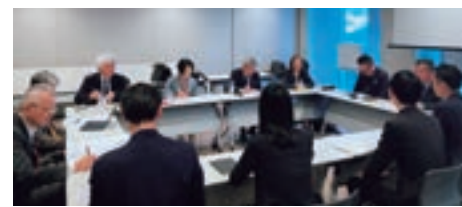


Note: We are advised by a third-party lawyer regarding the formulation of evaluation items for the survey and the results of the evaluation of the effectiveness of the Board of Directors.

### FY2024/3 Evaluation Results and Future Initiatives

In the fiscal year ended March 31, 2024, the Company has evaluated that the effectiveness of the Board of Directors has been ensured and improved by implementing initiatives in the table below.

Through channels such as the above-mentioned survey, we received meaningful suggestions for further improving effectiveness. We will reflect these into our efforts in the fiscal year ending March 31, 2025.



Meeting for exchange of opinions between Outside Directors and front-line employees (February 2024)

	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Enriching discussions	Discussion on medium- to long-term management direction, etc.	Systematically providing opportunities for discussion through the use of Directors' Meetings, etc.	Systematically providing opportunities for discussing business strategies	Systematically setting up projects for discussing medium- to long-term management direction such as Medium-term Management Plan reviews and outlook for changes in the business environment
	Providing opportunities for discussion		Setting up (expanding) opportunities for exchanging opinions among Outside Directors and with Executive Officers	
Strengthening understanding of the Company	Site visits	Setting up opportunities to exchange opinions with front-line employees	(Continue) setting up opportunities to exchange opinions with front-line employees	Expanding opportunities to exchange opinions with front-line employees, including Services Center staff
	Knowledge transfer		(Continue) setting up study sessions to promote a better understanding of the insurance industry and the Company's characteristics	Provide opportunities to explain relevant information of board matters in advance at the request of the Directors.
Efficient operation of the Board of Directors		Further enhancing discussions by sharing materials earlier and reviewing the structure of materials	Reviewing the structure of meeting materials to bring greater clarity to discussion points such as matters that have been thoroughly explored at the Executive Committee, etc.	Making thorough efforts to improve materials, such as structuring materials that focus on key points

## Executive Compensation

### Compensation Policies for Directors and Executive Officers

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

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

Compensation for Executive Officers shall comprise basic compensation (fixed monetary compensation) of a certain level commensurate with their duties in light of the differences in responsibilities depending on position, as well as performance-linked stock compensation that reflects factors such as the degree of achievement of management plans. (The compensation system for Executive Officers has been revised in the fiscal year ending March 31, 2025. (See next page for details.))

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

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

### Amount of Compensation for Directors and Executive Officers for the Fiscal Year Ended March 31, 2024

#### Total compensation, etc., total compensation, etc. by type, and number of eligible Directors/Executive Officers by officer category

Category	Total compensation, etc. (Millions of yen)	Total compensation, etc. by type (Millions of yen)			Number of eligible Directors/Executive Officers (Persons)
		Fixed compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (excluding Outside Directors)	29	29	—	—	1
Outside Directors	80	80	—	—	8
Executive Officers	804	569	234	—	29

Notes:

- 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 five officers who concurrently serve as an Executive Officer of the Company or the parent company, etc.
- The amount recorded as performance-linked compensation, etc. is the amount recorded in the fiscal year ended March 31, 2024. 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.
- No bonuses are paid.

#### Targets and results for indicators related to performance-linked compensation in the fiscal year ended March 31, 2024

Indicators	Targets	Results
Income target for the fiscal year: Consolidated net income	¥72.0 billion	¥87.0 billion
Degree of achievement in matters related to sales/solicitation quality: Net increase in life insurance policies	¥5.22 billion	¥3.99 billion
Degree of achievement in establishment of administrative and IT system framework, etc.	Addressing urgent issues (continued initiatives to support our customers in an emergency), strengthening an appropriate solicitation quality control scheme, improving customer experience value, transformation of business model, asset management, ERM, measures for preventing crime and money laundering, etc.	Progress of measures generally in line with the plan
Progress in promotion of ESG management	Contribution to local community development and environmental protection, extension of healthy life expectancy and improvement of well-being, and establishment of an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself, etc.	Progress of measures generally in line with the plan

#### Ratio of actual value of basic compensation (fixed) and performance-linked stock compensation for all Executive Officers

Basic compensation (fixed)	Performance-linked stock compensation
73%	27%

Notes:

- Basic compensation (fixed) is calculated based on the actual payment in the fiscal year ended March 31, 2024.
- Performance-linked stock compensation is calculated by multiplying the points granted based on the actual performance in the fiscal year ended March 31, 2024 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.



## Revision of Compensation System for Executive Officers

To further enhance the awareness of Executive Officers toward steadily achieving the Company's performance targets and toward enhancing the Company's corporate value over the medium to long term, the Company resolved at the Compensation Committee held in June 2024 to revise the "Compensation Policies for Directors and Executive Officers by Individual," which includes the introduction of performance-linked monetary compensation, performance-linked stock compensation, and non-performance-linked stock compensation, and are applied from the fiscal year ending March 31, 2025.

With this, the compensation of the Company's Executive Officers will consist of a "base compensation" as fixed compensation, and "performance-linked monetary compensation," "performance-linked stock compensation," and "non-performance-linked stock compensation" as variable compensation.

### Overview of performance-linked monetary compensation

Performance-linked monetary compensation (hereinafter, the "bonus") is granted in a form of monetary compensation that is linked to short-term performance so that it functions as an incentive for achieving solid annual performance targets.

The amount of bonus is calculated by adding the amount obtained by multiplying the standard amount for each position related to individual performance by the payout rate based on individual performance evaluation, and the amount obtained by multiplying the standard amount for each position related to the Company's performance by the variable payout rate based on the degree of achievement of management plans and other factors.

Evaluation for each Executive Officer is determined by individually evaluating the results, statuses, and other factors of operations of which such Executive Officers are in charge.

Regarding indicators related to the Company's performance, in order to enable the Company to comprehensively evaluate the degree of achievement of management, the indicators are selected from multiple different categories.

The indicators are "Adjusted profit," "Numbers of policies in force" and "EV growth (RoEV)," all of which are financial indicators, and "the progress of the Medium-Term Management Plan" and "the occurrence of misconducts and incidents and the status of operation of compliance systems," which are non-financial indicators, since they are suitable for the Company's business structure and business operations.

The Company has in place a system requiring the return of all or part of bonuses paid to an eligible Executive Officer (clawback) in the event of any material misconducts or violations, etc. committed by such Executive Officer.

### Overview of stock compensation

With regard to the Company's Executive Officer stock compensation to provide an incentive that is linked to the Company's share value, the stock compensation system comprises performance-linked stock compensation that reflects medium- to long-term performance and non-performance-linked stock compensation.

The stock compensation system adopts a Board Benefit Trust structure.

Executive Officers will be granted points that form the basis of calculating the amount equivalent in value to the number of shares of the Company given, or a specified proportion thereof, converted to money (hereinafter, "the Company's shares, etc."), in accordance with items (i) and (ii) below.

#### (i) Performance-linked stock compensation

After the end of the last fiscal year of the Medium-Term Management Plan, Executive Officers will be awarded points based on basic points for their corresponding responsibilities, multiplied by a variable payout rate arrived at based on the degree to which they have met the performance targets in the Medium-Term Management Plan.

The Company adopts medium- to long-term targets and indicators defined in management plans as performance targets that serve as a basis for determining the payout rate, so that they function as sound incentives for enhancing the medium- to long-term corporate value and the sustainable growth of the Company. Such indicators consist of "Adjusted ROE," which is one of the key financial indicators in the current Medium-Term Management Plan, and "ESG indicators (the implementation status of GHG emissions reduction initiatives, the ratio of female managers at the head offices, and the progress of improvements in evaluations by ESG assessors)," which are non-financial indicators.

The Company has in place a system enabling the reduction or forfeit of points that serve as a basis for calculating the number of shares to be granted to an eligible Executive Officer (malus) in the event of any material misconducts or violations, etc. committed by such Executive Officer.

#### (ii) Non-performance-linked stock compensation

After the end of each fiscal year, Executive Officers will be awarded basic points based on their corresponding responsibilities.

Eligible Executive Officers who retire from the Company may, after retirement, and where they fulfil the requirements for grant set forth in the Board Benefit Trust regulations, receive from the Trust the Company's shares, etc. corresponding to the cumulative number of points awarded based on items (i) and (2) above.

## Internal Control Systems (Business Execution)

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

### Outline of Organization and Systems

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

- |                                   |   |
|-----------------------------------|---|
| 1. Financial Management Committee | 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 for improving solicitation quality under the leadership of management, we have established a Customer-first Solicitation Committee and hold discussions.

### Initiatives for Internal Control

We have resolved the "Fundamental Policy for Establishment of Internal Control Systems" at a meeting of the Board of Directors as a fundamental policy related to the establishment of a system for ensuring proper operations (revised on March 25, 2020).

Pursuant to the aforementioned policy, the Company is striving to establish appropriate internal control systems, including the development of the following systems:

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

### Internal Audit System

We have established the Internal Audit Department, which is independent from other 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, subsidiaries, and agencies to review the execution status of management activities and the design and operation of each Internal Control System including compliance, and risk management in accordance with the "International Standards for the Professional Practice of Internal Auditing" developed by the Institute of Internal Auditors (IIA). The Internal Audit Department directly reports the results of internal audits to the President, CEO, Representative Executive Officer, the Audit Committee, and the Board of Directors, thereby ensuring the effectiveness of internal audits.

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

# Directors and Executive Officers (As of July 1, 2024)

## Directors



**TANIGAKI Kunio**

Director and President, CEO, Representative Executive Officer

Number of shares of the Company held 1,500 shares  
Number of years and months in office as a Director 1 year

**Significant concurrent positions:**

Director of Japan Post Holdings Co., Ltd.

**Past experience, positions and responsibilities**

Apr. 1984 Joined the Ministry of Posts and Telecommunications Jan. 2006 Senior General Manager of Japan Post Holdings Co., Ltd. Oct. 2007 Senior General Manager of General Affairs/Human Resources Department of Japan Post Holdings Co., Ltd. Jun. 2008 Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd. Jun. 2009 Managing Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd. Jan. 2013 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd. Jun. 2016 Deputy President, Executive Officer of the Company Jan. 2017 Deputy President, Executive Officer of Japan Post Co., Ltd. Apr. 2019 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd. Nov. 2021 Deputy President, Executive Officer of Japan Post Bank Co., Ltd. Jun. 2023 Director and President, CEO, Representative Executive Officer of the Company (current position) Jun. 2023 Director of Japan Post Holdings Co., Ltd. (current position)



**ONISHI Toru**

Director and Deputy President, Representative Executive Officer

Number of shares of the Company held 1,600 shares  
Number of years and months in office as a Director 1 year

**Significant concurrent positions**

Managing Executive Officer of Japan Post Holdings Co., Ltd.

**Past experience, positions and responsibilities**

Apr. 1990 Joined the Ministry of Posts and Telecommunications Apr. 2008 Senior General Manager of Corporate Planning Department Public Relations and Research Office of the Company Apr. 2009 General Manager of Corporate Planning Department of the Company Jul. 2009 Senior General Manager of Legal Affairs Department of the Company Jan. 2010 General Manager of Human Resources Department of the Company Jun. 2012 General Manager of Corporate Planning Department of the Company Jul. 2013 Senior General Manager of Corporate Planning Department of the Company Jun. 2015 Executive Officer, Senior General Manager of Corporate Planning Department and Senior General Manager of AI-affiliated Business Office of the Company Apr. 2018 Executive Officer, Senior General Manager of Kinki Regional Headquarters of the Company Jul. 2019 Executive Officer of the Company Apr. 2020 Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd. Jun. 2020 Managing Executive Officer of the Company Jun. 2023 Director and Deputy President, Representative Executive Officer of the Company (current position) Jun. 2023 Managing Executive Officer of Japan Post Holdings Co., Ltd. (current position)



**NARA Tomoaki**

Director

Number of shares of the Company held 5,200 shares  
Number of years and months in office as a Director 3 years

**Significant concurrent positions**

None

**Past experience, positions and responsibilities**

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



**MASUDA Hiroya**

Director

Number of shares of the Company held – shares  
Number of years and months in office as a Director 4 years

**Significant concurrent positions**

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

**Past experience, positions and responsibilities**

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



**SUZUKI Masako**

Outside Director

Number of shares of the Company held 4,200 shares  
Number of years and months in office as a Director 8 years

**Significant concurrent positions**

Outside Audit & Supervisory Board Member of Unite and Grow Inc. Outside Director of NIPPON SIGNAL CO., LTD.

**Past experience, positions and responsibilities**

Jul. 1983 Joined Temporary Center Inc. Apr. 1999 Executive Officer of Pasona Inc. Sept. 2004 Senior Managing Director of Pasona Inc. Dec. 2007 Senior Managing Director of Pasona Group Inc. Jun. 2010 Director, Vice President of Benefit One Inc. Aug. 2010 Director of Pasona Group Inc. May 2012 Auditor of Benefit one Health care Inc. Jan. 2016 President and Representative Director of Benefit one Health care Inc. Jun. 2016 Director of the Company (current position) Jun. 2018 Director, Executive Vice President of Benefit One Inc. Jul. 2019 Executive Advisor of Pasona Group Inc. Dec. 2019 President and Representative Director of Pasona Force Inc. Mar. 2023 Outside Audit & Supervisory Board Member of Unite and Grow Inc. (current position) Jun. 2023 Outside Director of NIPPON SIGNAL CO., LTD. (current position)



**HARADA Kazuyuki**

Outside Director

Number of shares of the Company held – shares  
Number of years and months in office as a Director 6 years

**Significant concurrent positions**

Chairman of the Board, Representative Director of Keiiky Corporation President and Representative Director of Yokohama Shintosh Center Corporation

**Past experience, positions and responsibilities**

Apr. 1976 Joined Keiiky Corporation Jun. 2007 Director of Keiiky Corporation Jun. 2010 Executive Director of Keiiky Corporation Jun. 2011 Senior Executive Director of Keiiky Corporation Jun. 2013 President and Representative Director of Keiiky Corporation Jun. 2015 Outside Director of Japan Airport Terminal Co., Ltd. Jun. 2018 Director of the Company (current position) Jun. 2019 President and Executive Officer of Keiiky Corporation Apr. 2022 Chairman of the Board, Representative Director of Keiiky Corporation (current position) Jun. 2022 President and Representative Director of Yokohama Shintosh Center Corporation (current position)



**TONOSU Kaori**

Outside Director

Number of shares of the Company held 100 shares  
Number of years and months in office as a Director 2 years

**Significant concurrent positions**

Outside Director of Internet Initiative Japan Inc.

**Past experience, positions and responsibilities**

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



**TOMII Satoshi**

Outside Director

Number of shares of the Company held 600 shares  
Number of years and months in office as a Director 2 years

**Significant concurrent positions**

Chairman of DBJ Investment Advisory Co., Ltd. Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd.

**Past experience, positions and responsibilities**

Apr. 1985 Joined The Japan Development Bank May 2010 Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Jun. 2011 Managing Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Apr. 2012 Managing Executive Officer, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Jun. 2012 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Mar. 2014 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Department of Development Bank of Japan Inc. Oct. 2014 Managing Executive Officer, General Manager of Investment Division of Development Bank of Japan Inc. Jun. 2015 Director, Managing Executive Officer, Chief Investment Officer of Development Bank of Japan Inc. Jun. 2016 Outside Member of the Board of World Co., Ltd. Apr. 2019 Director of Japanese Association of Turn-around Professionals (current position) Jun. 2020 Chairman of DBJ Investment Advisory Co., Ltd. (current position) Jun. 2022 Director of the Company (current position) Jun. 2023 Outside Audit & Supervisory Board Member of Fuji Oil Company, Ltd. (current position)



**SHINGU Yuki**

Outside Director

Number of shares of the Company held – shares  
Number of years and months in office as a Director 1 year

**Significant concurrent positions**

Director of Future Corporation

**Past experience, positions and responsibilities**

Apr. 1994 Joined City Ascom Co., LTD. Feb. 1998 Joined Established Future System Consulting Corp. Oct. 2014 Joined Microsoft Japan Co., Ltd. Apr. 2017 Joined Future Corporation Apr. 2017 Executive Officer of Future Architect, Inc. Mar. 2019 Director of Future Corporation (current position) Mar. 2019 President and Chief Executive Officer of Future Architect, Inc. Jun. 2023 Director of the Company (current position)



**OMACHI Reiko**

Outside Director

Number of shares of the Company held – shares  
Number of years and months in office as a Director 1 year

**Significant concurrent positions**

Attorney-at-law

**Past experience, positions and responsibilities**

Apr. 2000 Registered as attorney-at-law (current position) Apr. 2000 Joined Mitsui, Yasuda, Wani & Maeda (later reorganized into Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters) Jun. 2003 Seconded to the Counselor's Office of the Ministry of Justice's Civil Affairs Bureau of Japan (as a government official with a fixed term contract) Jul. 2006 Returned to Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters May 2014 Joined Ito & Mitomi (currently Morrison & Foerster LLP), Of Counsel (current position) Jun. 2023 Director of the Company (current position)



**YAMANA Shoei**

Outside Director

Number of shares of the Company held – shares  
Number of years and months in office as a Director – years

**Significant concurrent positions**

Outside Director of TDK Corporation  
Outside Director of Zensho Holdings Co., Ltd.  
Outside Director of SCSK Corporation

**Past experience, positions and responsibilities**

Apr. 1977 Joined Minolta Camera Co., Ltd. Jan. 2001 CEO of MINOLTA-QMS, Inc. Jul. 2002 Executive Officer, General Manager of Management Planning Division, and Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of Minolta Co., Ltd. Aug. 2003 Senior Executive Officer of Konica Minolta Holdings, Inc. (currently KONICA MINOLTA, INC.) Oct. 2003 Senior Executive Officer of Konica Minolta Holdings, Inc., and Managing Director of Konica Minolta Business Technologies, Inc. Jun. 2006 Director, Senior Executive Officer of Konica Minolta Holdings, Inc. Apr. 2011 Director, Senior Executive Officer of Konica Minolta Holdings, Inc., and Representative Director, President of Konica Minolta Business Technologies, Inc. Apr. 2013 Director, Senior Executive Vice President and Executive Officer of KONICA MINOLTA, INC. Apr. 2014 Director, President & CEO, Representative Executive Officer of KONICA MINOLTA, INC. Apr. 2022 Director, Executive Chairman and Executive Officer of KONICA MINOLTA, INC. Jun. 2022 Outside Director of TDK Corporation (current position) Jun. 2023 Outside Director of Zensho Holdings Co., Ltd. (current position) Jun. 2024 Director of the Company (current position) Jun. 2024 Outside Director of SCSK Corporation (current position)

## Executive Officers

President, CEO, Representative Executive Officer <b>TANIGAKI Kunio</b>	Deputy President, Representative Executive Officer <b>ONISHI Toru</b>	Deputy President, Representative Executive Officer <b>SHIMA Toshitaka</b>	Senior Managing Executive Officer <b>HIRONAKA Yasuaki</b>	Senior Managing Executive Officer <b>TACHIBANA Atsushi</b>
Senior Managing Executive Officer <b>SAKAMOTO Hidekazu</b>	Senior Managing Executive Officer <b>HARUNA Takayuki</b>	Managing Executive Officer <b>KOIE Junko</b>	Managing Executive Officer <b>MIYAZAWA Hitoshi</b>	Managing Executive Officer <b>IMAIZUMI Michinori</b>
Executive Officer <b>MURO Takashi</b>	Executive Officer <b>TAGUCHI Yoshihiro</b>	Executive Officer <b>SHIGEMATSU Jun</b>	Executive Officer <b>KIMURA Yoshihisa</b>	Executive Officer <b>HAMASAKI Rika</b>
Executive Officer <b>HANDA Shuji</b>	Executive Officer <b>IZUMI Mamiko</b>	Executive Officer <b>ADACHI Tamami</b>	Executive Officer <b>IWATA Kazuhiko</b>	Executive Officer <b>SHISHIDO Tsuyoshi</b>
Executive Officer <b>NOTO Kazumi</b>	Executive Officer <b>TANABE Mikio</b>	Executive Officer <b>YANAGISAWA Kenichi</b>		

Gender composition of Directors and Executive Officers: 24 male and 8 female (25% of Directors and Executive Officers are female)



# Engagement with Shareholders and Investors

We strive for high transparency in the information we disclose so that our shareholders and investors can deepen their understanding of our business and growth strategies.

We also value constructive dialogue with shareholders and investors. We take in their insights gained through the dialogue and feed them back internally, including management. In this way, we link the input of our shareholders and investors to the sustainable growth of the Company and the enhancement of corporate value.

## IR and SR<sup>(Note)</sup> Activities

After the announcement of quarterly financial results, we hold conference calls and financial results briefings for institutional investors in Japan and overseas, and our management team explains management strategies and financial conditions. To respond to the interests of institutional investors, we also conduct dialogues through individual interviews. In the fiscal year ended March 31, 2024, we also held discussions between shareholders and Outside Directors on topics such as sustainability management and the agenda for the general meeting of shareholders.

We held a total of four online company information sessions for individual investors in the fiscal year ended March 31, 2024, and received opinions from many individual investors through queries and responses to questionnaires.

To ensure fairness in our information disclosure, we have established a page for shareholders and investors (IR website), where we post corporate information for investors such as timely disclosure information in a timely manner in both Japanese and English. We also implement an IR Mailing Service to communicate information related to investor relations.

Note: SR stands for "Shareholder Relations." It is carried out for the purpose of building good relationships with existing shareholders.


### Investor Relations

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

### IR Mailing Service

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

## Dialogues with Shareholders and Investors in FY2024/3

IR interviews		Total: 120	SR interviews		Total: 10
Breakdown of institutional investors and analysts	Domestic institutional investors and analysts	56	Breakdown of institutional investors, etc.	Domestic institutional investors	9
	Overseas institutional investors	64		Proxy-advisory firms	1
Breakdown of Company personnel handling interviews	Management	41	Breakdown of Company personnel handling interviews	Outside Directors	2
	IR-related departments	79		SR-related departments	8
Financial results conference calls (quarterly)		4	 <p>Company information session for individual investors held on October 20, 2023</p>		
Financial results & corporate strategy meetings (interim and year-end)		2			
Other IR meetings (briefings on sales strategies)		1			
Small meetings between domestic and overseas institutional investors and our president		1 (Number of participating companies: 16)			
Briefings for individual investors		4 (Total number of participants: 2,925)			

## Themes of Dialogues (Major concerns of Shareholders and Investors)

Management Strategies, etc.	<ul style="list-style-type: none"> <li>Strategies for improving corporate value and further growth</li> </ul>	Capital Policy	<ul style="list-style-type: none"> <li>Efforts to improve capital efficiency, market valuation, etc.</li> <li>Evaluation of ESR levels and use of reinsurance</li> </ul>
Sales and Products	<ul style="list-style-type: none"> <li>Recovery of sales, development and evaluation of sales personnel</li> <li>Sales of new products and future product strategy</li> </ul>	ESG and Sustainability	<ul style="list-style-type: none"> <li>Initiatives to enhance the effectiveness of the Board of Directors</li> <li>Initiatives to improve employee engagement</li> <li>Expansion of disclosure in line with TCFD/TNFD recommendations</li> <li>Monitoring of cyber risks in the Board of Directors</li> </ul>
Asset Management	<ul style="list-style-type: none"> <li>Status and policies for responding to changes in the market environment (such as increases in domestic and overseas interest rates)</li> </ul>		
Shareholder Returns	<ul style="list-style-type: none"> <li>Shareholder return policy and approach to treasury stock acquisition</li> </ul>		

## Feedbacks to our Business Management

We recognize the opinions and questions received from shareholders and investors as valuable input to our management strategy. They are widely shared not only with the Board of Directors and management, but also with related departments within the Company.

### Examples of opinions reflected to our business

Capital Policy	<ul style="list-style-type: none"> <li>Added adjusted profit, an indicator that partially adjusts for the effect unique to life insurance companies, and adjusted ROE based on this to our financial targets. Clarified implementation of shareholder returns based on these indicators, and realization of growth that exceeds the cost of shareholders' equity [Medium-term Management Plan]</li> <li>Established and disclosed appropriate ESR standards (target range) [Financial results &amp; corporate strategy meeting material for the fiscal year ended March 31, 2023]</li> </ul>
Expansion of Disclosure Items	<ul style="list-style-type: none"> <li>Disclosed personnel scheduled to be appointed to each committee after the conclusion of the general meeting of shareholders [Convocation notice]</li> <li>Disclosed ES Survey results as indicators related to employee engagement [Annual Report]</li> <li>Disclosed the governance structure diagram for cyber risk [Annual Report]</li> </ul>
Executive Compensation	<ul style="list-style-type: none"> <li>Added "progress in promotion of ESG management" to indicators for performance-linked compensation</li> </ul>
Other	<ul style="list-style-type: none"> <li>Held interviews between institutional investors and Outside Directors</li> <li>Held small meetings between institutional investors and the President</li> </ul>

## Details of the General Meeting of Shareholders Held This Year

Date	June 17, 2024
Meeting duration	48 minutes
Number of attending shareholders	99
Mailing date of Convocation Notice	May 31, 2024
Start date of measures for electronic provision	May 21, 2024

Every year, we hold the General Meeting of Shareholders, giving top priority to enhancing communication with shareholders and improving their convenience.

Regarding the provision of materials for the General Meeting of Shareholders prior to the holding of the 18th Ordinary General Meeting of Shareholders, as in the past, we endeavored to disclose and send the materials as early as possible so that shareholders would have enough time to carefully review the proposals and we accepted questions in advance on our website. In addition, we have taken advantage of a system for electronic provision of materials to enhance content related to sustainability and other topics.

As for exercise of voting rights, we participate in the virtual platform recommended by the Tokyo Stock Exchange, which allows institutional investors to exercise voting rights electronically, and we have adopted a system that allows shareholders to easily exercise voting rights by scanning a 2D code with a smartphone, etc.

On the day of the General Meeting of Shareholders, we provide an environment where shareholders who have difficulty coming to the meeting can watch the proceedings streamed live on the Internet. In our business reports, we use video materials to provide easy-to-understand explanations, striving to ensure that shareholders can understand our management and businesses. We also enhance mutual understanding by answering questions received in advance and by holding a Q&A session with shareholders.

After the meeting, we swiftly disclose the results of the exercised voting rights, the slides used on the day of the meeting and other relevant information on the Company's website as part of our efforts to improve the way we provide corporate information to shareholders.

# 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.

Additionally, 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 (hereinafter, “risk management sections”).

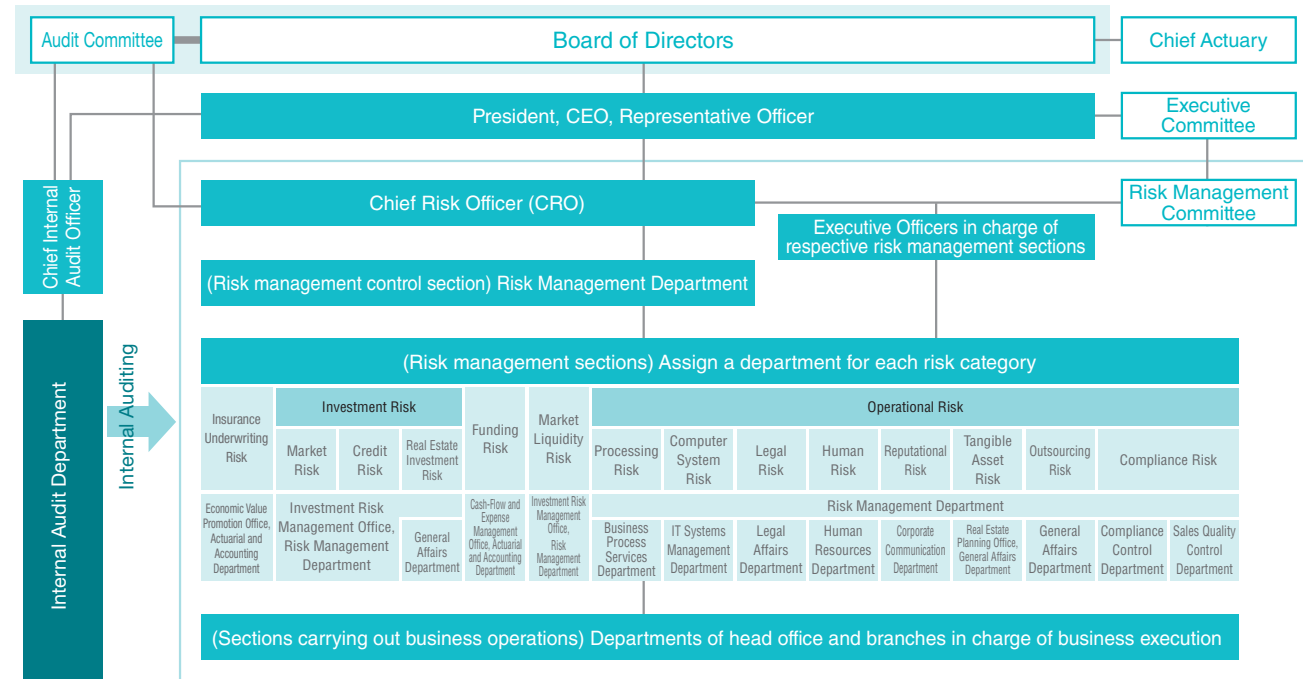
Each of the Executive Officers in charge of risk management sections operates and upgrades the systems for managing their respective assigned risks by ascertaining the presence, types and profile of risk, as well as the risk management techniques and systems as prescribed by the Basic Risk Management 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 operational risk have multiple subcategories, we have established a department for handling comprehensive risk management in conjunction with the risk management sections for respective subcategories.

The Internal Audit Department conducts internal audits on the risk management systems and verifies the status of its design and operation.

We are working to strengthen our risk management systems through these efforts.

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



## Principal Risk Categories and Definitions

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

<b>Insurance Underwriting Risk</b>	The risk of losses due to changes in economic conditions, incidence rates of insured events or other factors contrary to the projections made at the time when premiums were set.	<b>Operational Risk</b>	The risk of losses due to improper business processing, inappropriate behavior by executives and employees, improper computer system operations or external events.
<b>Investment Risk</b>	The risk of losses resulting from fluctuation in the value of assets and liabilities held that include off-balance-sheet assets and liabilities.	<b>Processing Risk</b>	The risk of losses due to executives, employees and others neglecting to conduct proper operations, resulting in accidents or engagement in unlawful activities.
<b>Market Risk</b>	The risk of losses resulting from fluctuation in the value of assets and liabilities as well as the risk of losses resulting from fluctuations in profits generated by assets and liabilities due to fluctuations in various market risk factors such as interest rates, foreign exchange rates and stock prices.	<b>Computer System Risk</b>	The following types of risk are included: a) the risk of losses due to system failures or malfunctions, system defects or any other causes. b) the risk of losses due to unauthorized use of computers. c) the risk of losses due to delayed computer system development.
<b>Credit Risk</b>	The risk of losses resulting from a decline or elimination in the value of assets including off-balance-sheet assets due to deterioration in financial conditions of borrowers or a counterparty.	<b>Legal Risk</b>	The risk of losses resulting from any legal conflicts associated with our business activities or due to our improper response to the establishment of or revisions to any relevant laws and regulations.
<b>Real Estate Investment Risk</b>	The risk of losses due to a decline in profitability of real estate caused by factors such as changes in rents or due to a decrease in the value of real estate itself caused by factors such as changes in market conditions.	<b>Human Risk</b>	The risk of losses due to unequal, unfair or discriminatory actions, in terms of personnel management.
<b>Funding Risk</b>	The risk of losses due to overdue payment of insurance claims and others, or being forced to carry out transactions at a price extremely lower than normal as a result of a deterioration in cash management caused by factors such as a decrease in premium income following the decline of new policies caused by factors such as worsening financial conditions, an increase in payments of termination refunds following a large amount of policy surrenders and lapses and cash outflows following a significant natural disaster.	<b>Reputational Risk</b>	a) The risk of losses due to the spread of vague information such as rumors, speculations or reputation with regard to the Company, and the spread of misunderstandings, misperceptions or exaggerated interpretations associated with an accident or unlawful acts among policyholders or the mass media. b) The risk of losses due to negative evaluations. For example, there is a great gap between the business activities of the Company and the expectations/trust of stakeholders.
<b>Market Liquidity Risk</b>	The risk of losses due to being forced to conduct transactions at extremely unfavorable prices compared to normal or being unable to conduct market transactions due to factors including market turmoil.	<b>Tangible Asset Risk</b>	The risk of losses due to damage to tangible assets caused by disasters or other events.
		<b>Outsourcing Risk</b>	The risk of losses due to default of an outsourcing agreement and/or unlawful acts, etc., committed or conducted by an outsourcee (including any re-outsourced party) with regard to an operation outsourced externally.
		<b>Compliance Risk</b>	The risk of loss of corporate value due to the loss of trust of stakeholders including customers caused by violations of laws and regulations, rules, and in-house regulations, acts deviating from social norms, acts violating commercial practices and market practices, and acts against social expectations such as acts that do not consider the customer’s perspective.

## Implementation of Stress Tests

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

In establishing stress scenarios, we undertake the following:

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

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

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



## Compliance

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

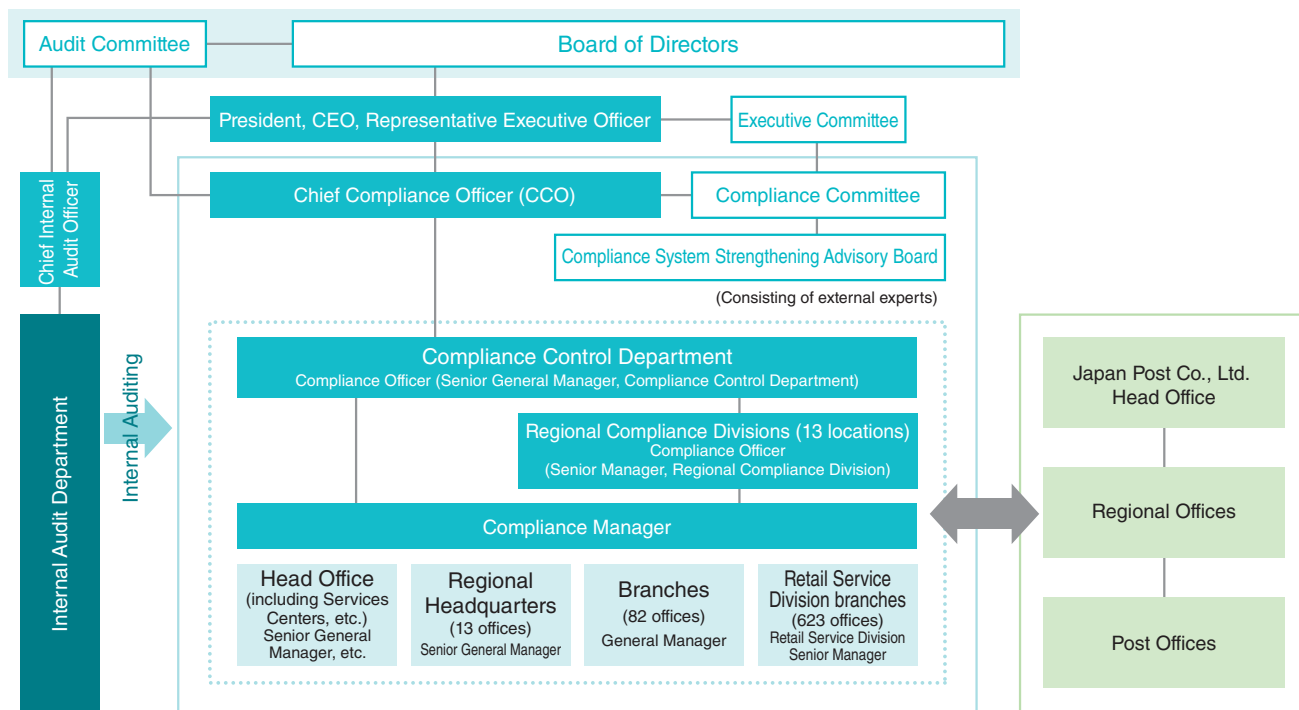
To realize our goal of becoming the “No.1 Japanese insurance company selected by customers,” Company-wide efforts are undertaken to achieve thorough implementation of compliance.

### Compliance Policies

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

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

### Compliance Promotion System



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

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

### Implementing Compliance Education

Through our Compliance Program, we conduct training courses for Compliance Managers at our head office, branches and other locations. The program covers explanations and instructions regarding the role of Compliance Managers, as well as important points to note and other details regarding compliance in our business activities. In order to provide and instill the knowledge of compliance, we also hold e-learning training courses for all executives and employees.

### Whistleblowing System

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

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

### Measures related to Anti-Money Laundering, Combating the Financing of Terrorism, and Countering Proliferation Financing

We have formulated the Policy on Anti-Money Laundering, Combating the Financing of Terrorism and Counter-Proliferation Financing 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, the financing of terrorism, and proliferation financing (hereinafter, “Money Laundering”).

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

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

### Initiatives for Protecting Personal Information

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

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

[Japan Post Insurance Privacy Policy \(in Japanese\)](https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_statement.html)  
https://www.jp-life.japanpost.jp/policy/privacy/pcy\_prv\_statement.html

[Purpose of Use of Personal Information Succeeded from Japan Post \(in Japanese\)](https://www.jp-life.japanpost.jp/policy/privacy/pcy_prv_object.html)  
https://www.jp-life.japanpost.jp/policy/privacy/pcy\_prv\_object.html

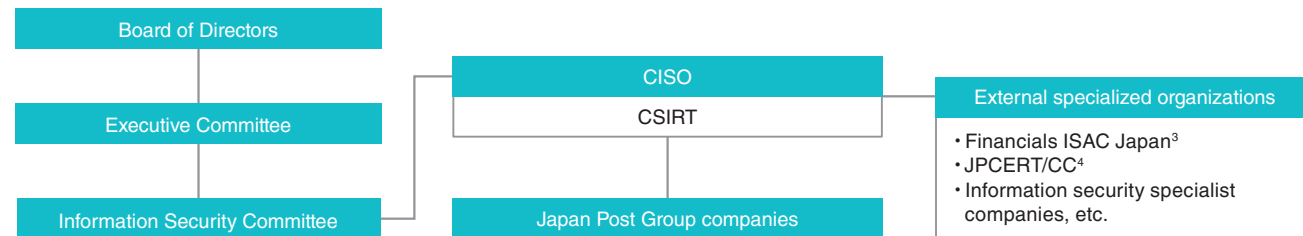
## Response to Cybersecurity

Recognizing the risk of cyberattacks as a material risk, we have designated the Chief Compliance Officer as our CISO<sup>1</sup>, and implement multi-layered risk management that combines defense and detection mechanisms under the leadership of our CISO.

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

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

The status of reviews and discussions at the Information Security Committee is regularly reported to the Executive Committee. Important matters are reported to the Board of Directors after they have been discussed and decided by the Executive Committee.



Notes:  
 1. Chief Information Security Officer  
 2. Computer Security Incident Response Team  
 3. General Incorporated Association Financials ISAC Japan  
 4. Japan Computer Emergency Response Team Coordination Center

## Elimination of Antisocial Forces

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

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

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

## Education for Sales Personnel and Insurance Solicitation Agents

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

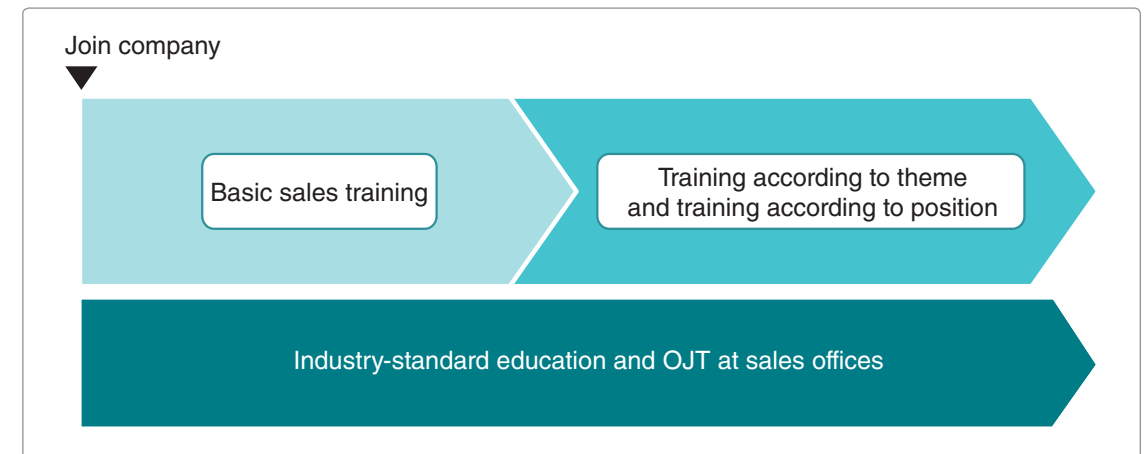
### Sales Personnel

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

#### Overview of Education

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

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



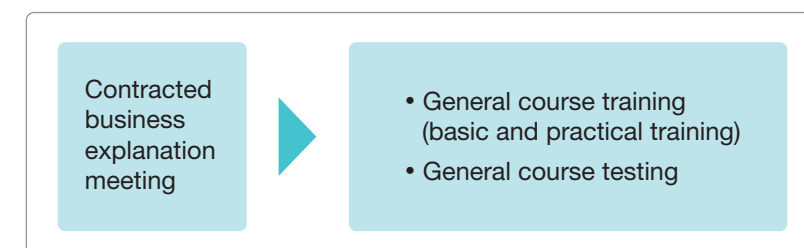
### Insurance Solicitation Agents

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

#### Overview of Training

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

In addition, we provide support for training implemented by Japan Post Co.



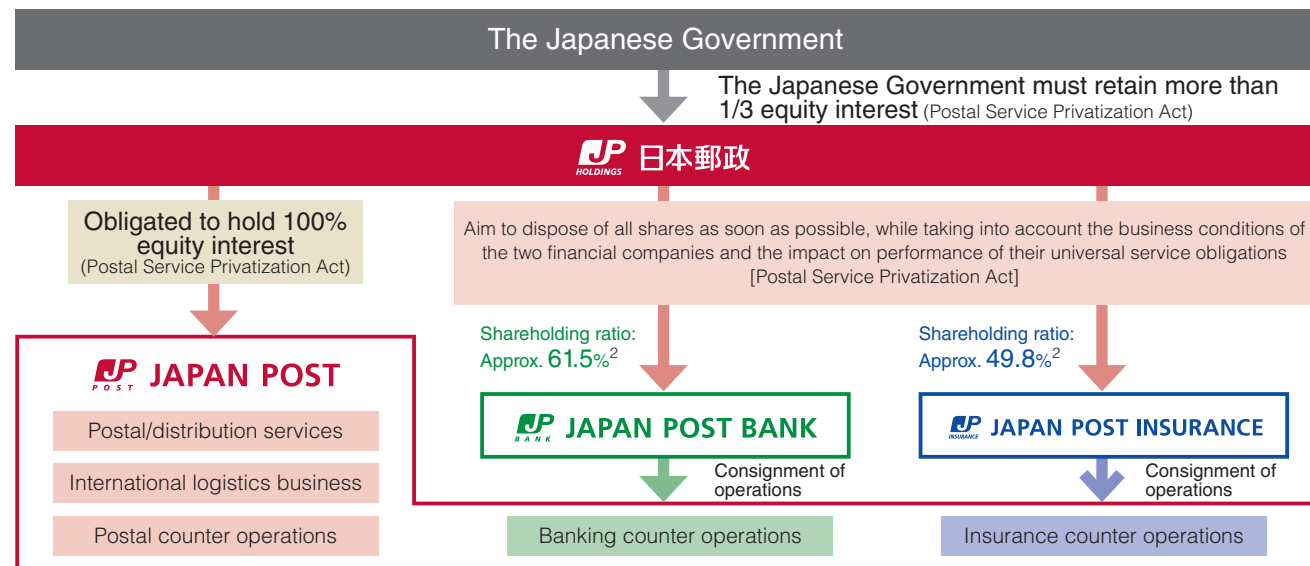


## Our Position within the Japan Post Group

### Structure of the Japan Post Group

The life insurance business, carried out by Japan Post Insurance, is one of the three main businesses of the Japan Post Group.

In view of its universal service obligation, Japan Post Holdings aims to dispose of its entire equity interest in Japan Post Insurance and Japan Post Bank as soon as possible, in accordance with the Postal Service Privatization Act.<sup>1</sup>



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

### Additional Restrictions Under the Postal Service Privatization Act

There are additional restrictions under the Postal Service Privatization Act to ensure fair competition with other life insurance companies.

As the percentage of Japan Post Insurance shares held by Japan Post Holdings fell below 50% in May 2021, a part of additional regulatory restrictions relating to new businesses was relaxed, thereby establishing an environment in which the Company can further provide insurance services to meet our customers' needs.

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

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

### Provision of Services through Post Offices

The Company has entered into an operations consignment agreement with Japan Post Co., which has a nationwide network of post offices, and provides our products and services through post offices across Japan.

The Company pays Japan Post Co. commissions for insurance solicitation, maintenance and claim payment based on the operations consignment agreement.



#### Commissions for insurance solicitation, maintenance and claim payment

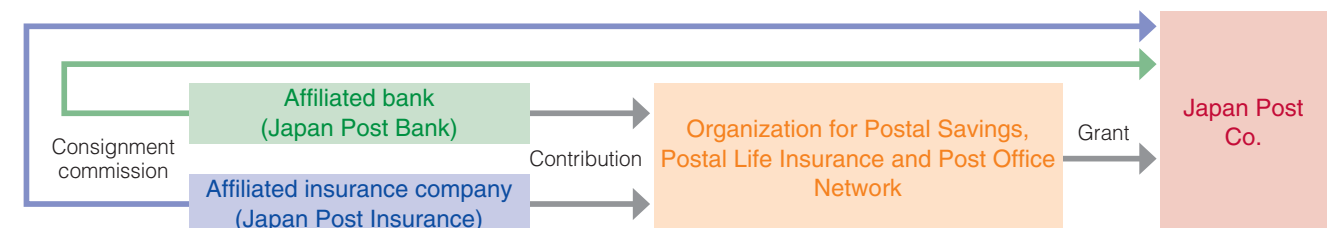
- Commissions for insurance solicitation**  
Payment of commissions for insurance solicitation operations consigned to Japan Post Co. is mainly linked to new policies (solicitation results). Commissions are calculated based on a formula generally used in the life insurance industry and are basically paid in installments over several years.
- Commissions for maintenance and claim payment**  
For maintenance and claim payment services consigned to Japan Post Co., commissions are paid according to a unit price, which is set based on the processing time and other aspects of the services provided at post offices. Commissions include a commission proportional to the number of policies in force, the number of post offices, etc. (basic commission), and a commission for the maintenance of policies in force and others (incentive commission).

### Overview of the Grant and Contribution System

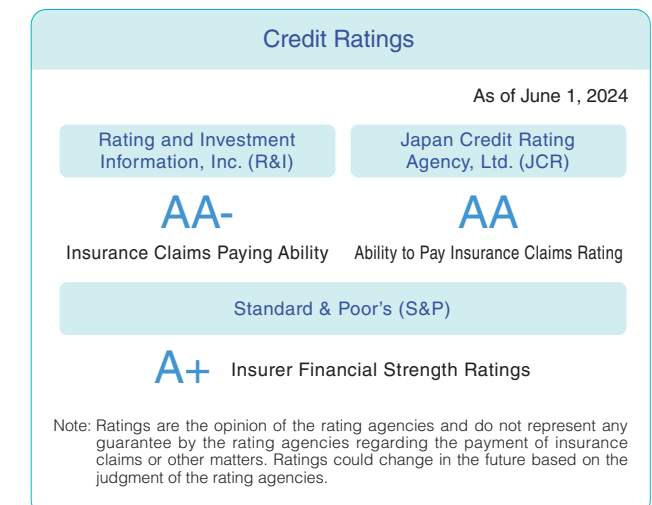
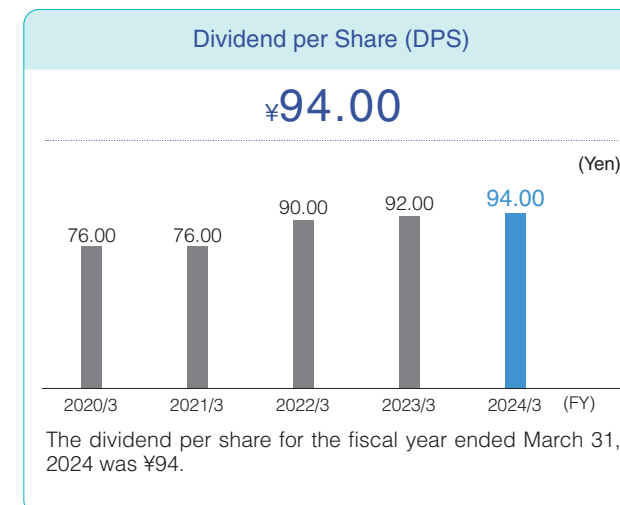
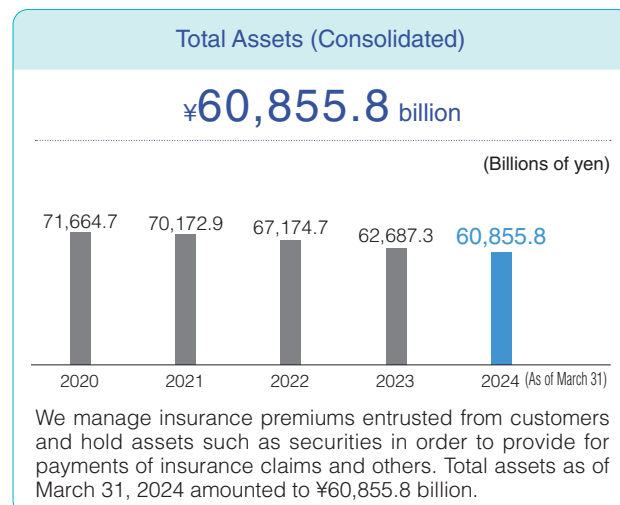
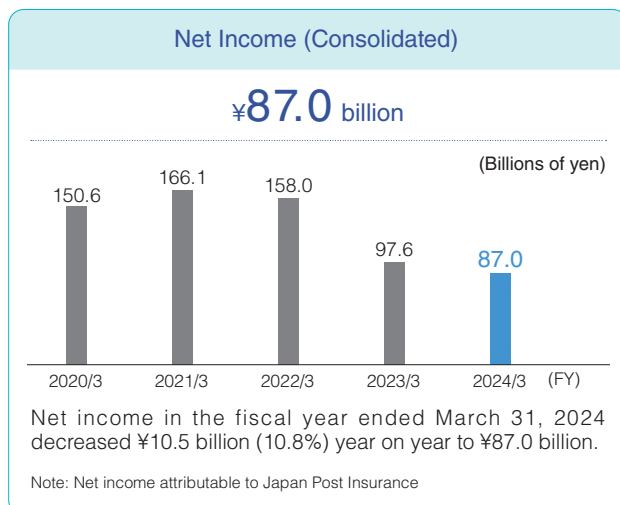
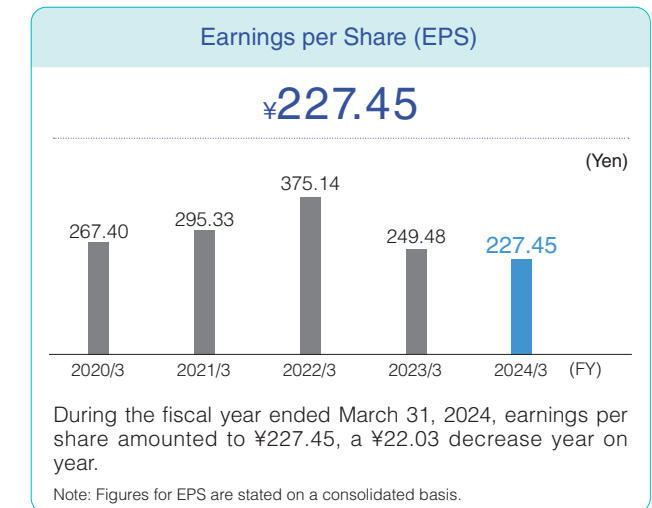
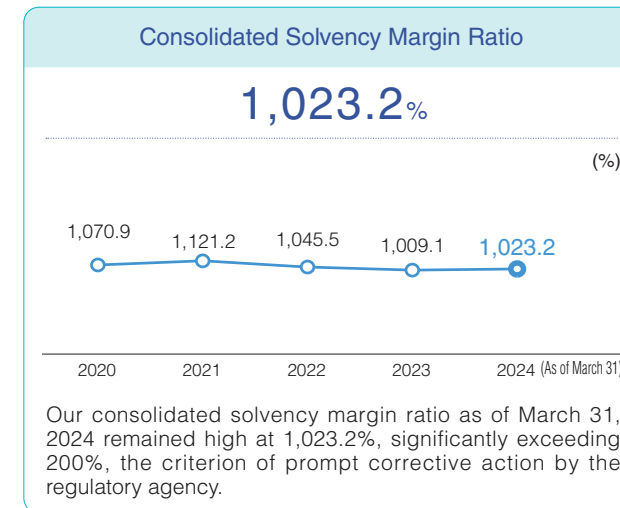
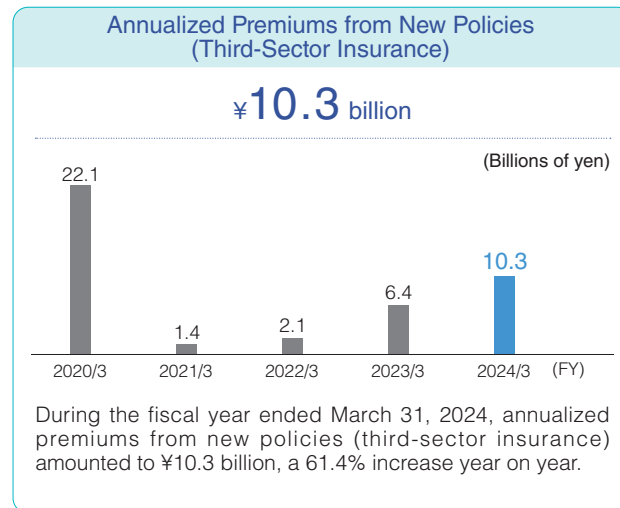
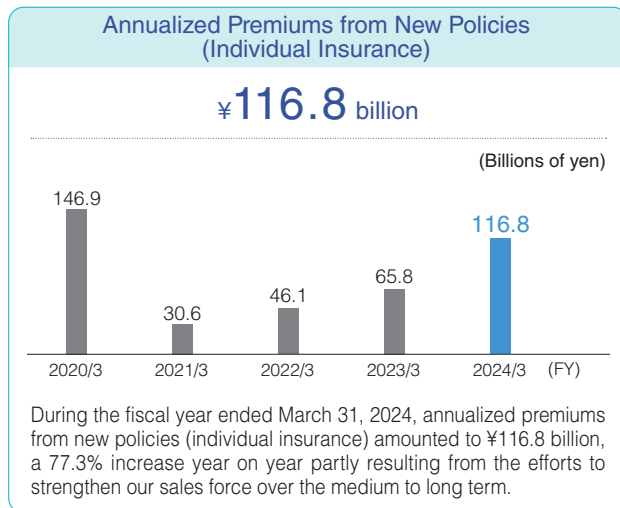
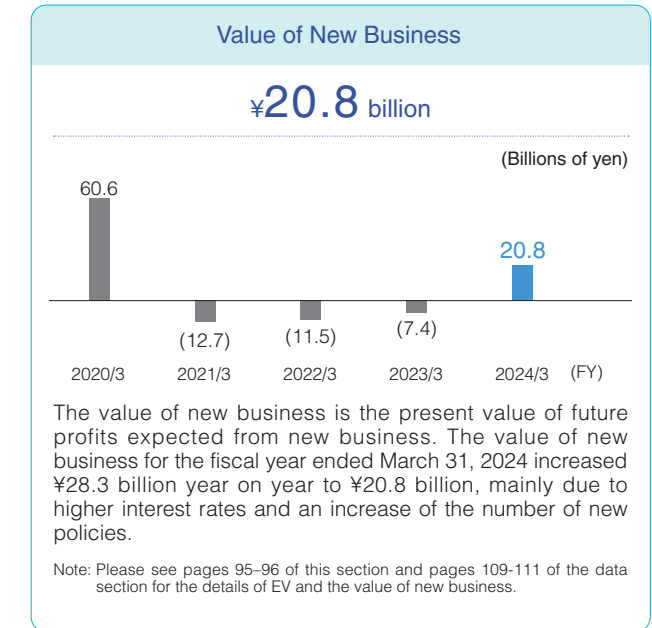
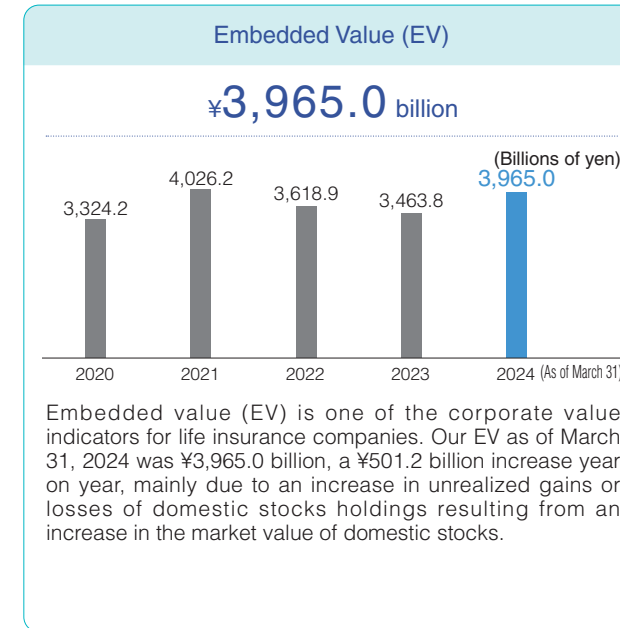
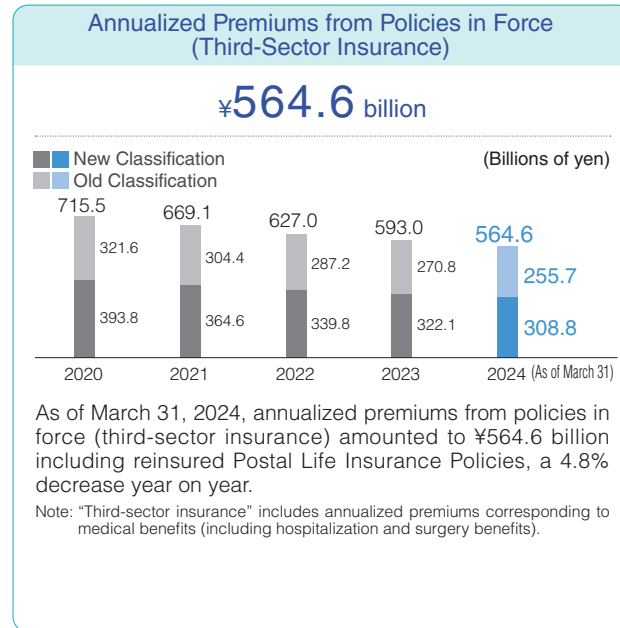
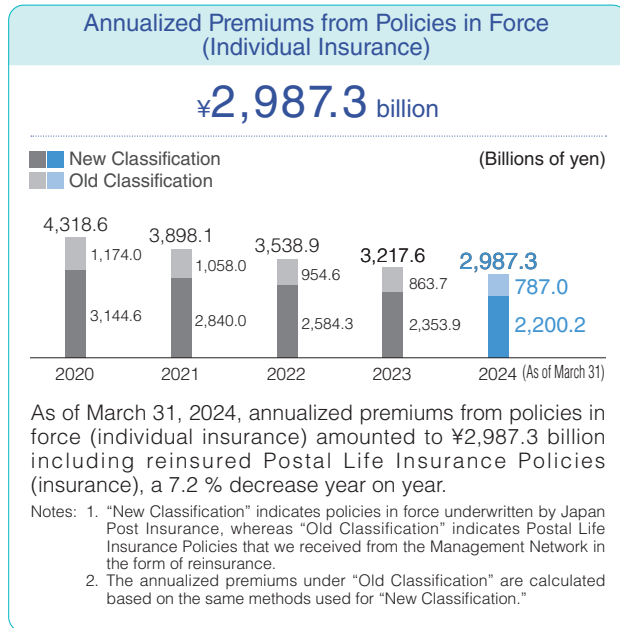
The Act to Partially Revise the Act on the Management Organization for Postal Savings and Postal Life Insurance was enacted on December 1, 2018.

From the fiscal year ended March 31, 2020, the basic expenses required for the maintenance of the post office network will be covered by the funds provided to Japan Post Co. from the Organization for Postal Savings, Postal Life Insurance and Post Office Network using the contributions from Japan Post Insurance and Japan Post Bank.

#### Framework of the grant and contribution system



# Financial Highlights





## Major Financial and Non-Financial Data

(Billions of yen unless specifically indicated)

Financial data	As of/For the years ended March 31	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Results of operations and financial position												
Ordinary income	¥	10,169.2	¥ 9,605.7	¥ 8,659.4	¥ 7,952.9	¥ 7,916.6	¥ 7,211.4	¥ 6,786.2	¥ 6,454.2	¥ 6,379.5	¥ 6,744.1	
Ordinary profit		492.6	411.5	279.7	309.2	264.8	286.6	345.7	356.1	117.5	161.1	
Core profit		515.4	464.2	390.0	386.1	377.1	400.6	421.9	429.7	192.3	224.0	
Spread (positive/negative spread)		66.9	97.4	78.5	65.8	58.4	80.4	76.3	133.3	94.0	91.8	
Core profit attributable to life insurance activities		448.4	366.8	311.4	320.3	318.7	320.1	345.6	296.4	98.2	132.1	
Net income		81.3	84.8	88.5	104.4	120.4	150.6	166.1	158.0	97.6	87.0	
Capital stock		500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	
Number of shares issued (Thousands of shares)		20,000	600,000	600,000	600,000	600,000	562,600	562,600	399,693	399,693	383,192	
Total assets		84,915.0	81,545.1	80,336.7	76,831.2	73,905.0	71,664.7	70,172.9	67,174.7	62,687.3	60,855.8	
Contingency reserve		2,498.7	2,374.8	2,254.0	2,114.3	1,962.7	1,797.3	1,611.3	1,690.9	1,701.8	1,725.3	
Reserve for price fluctuations		712.1	782.2	788.7	916.7	897.4	858.3	904.8	972.6	889.9	873.7	
Securities		66,276.2	63,609.9	63,485.2	60,130.9	58,451.5	55,870.5	55,273.6	53,417.5	49,841.4	47,693.8	
Major financial soundness indicators												
Consolidated solvency margin ratio (%)		1,644.2	1,570.3	1,290.6	1,131.8	1,189.8	1,070.9	1,121.2	1,045.5	1,009.1	1,023.2	
Economic solvency ratio (ESR) (%)		179	167	176	186	225	116	205	169	172	206	
Status of policies												
Annualized premiums from policies in force (individual insurance)		5,182.5	5,031.4	4,979.6	4,859.5	4,677.1	4,318.6	3,898.1	3,538.9	3,217.6	2,987.3	
Annualized premiums from policies in force (third-sector insurance)		748.0	738.7	736.1	750.9	753.1	715.5	669.1	627.0	593.0	564.6	
Annualized premiums from new policies (individual insurance)		457.8	485.3	507.9	376.2	351.3	146.9	30.6	46.1	65.8	116.8	
Annualized premiums from new policies (third-sector insurance)		41.1	49.5	55.7	59.2	61.6	22.1	1.4	2.1	6.4	10.3	
Corporate value												
EV		3,613.7	3,151.0	3,355.6	3,743.3	3,925.7	3,324.2	4,026.2	3,618.9	3,463.8	3,965.0	
Value of new business		154.9	192.7	36.8	226.7	223.8	60.6	(12.7)	(11.5)	(7.4)	20.8	
Per share indicators												
Earnings per share (EPS) (Yen)		4,066.16	135.54	141.50	147.71	174.21	200.86	267.40	295.33	375.14	249.48	227.45
Dividend per share (DPS) (Yen)		1,226.38	56.00	60.00	68.00	72.00	76.00	76.00	90.00	92.00	94.00	
(of which, interim dividend per share)		—	—	—	—	—	[38.00]	—	[45.00]	[46.00]	[47.00]	

Non-financial data	As of/For the years ended March 31	2020	2021	2022	2023	2024
Number of employees (Persons)		7,638	7,645	7,545	19,148	18,427
Male (Persons)		4,270	4,233	4,147	14,759	14,088
Female (Persons)		3,368	3,412	3,398	4,389	4,339
Average age (Age)		39.4	39.9	40.5	43.6	43.9
Male (Age)		42.1	42.7	43.2	45.0	45.3
Female (Age)		35.9	36.5	37.3	38.9	39.5
Average years of service (Years)		15.0	15.4	15.9	18.3	18.5
Male (Years)		17.8	18.3	18.7	19.6	19.7
Female (Years)		11.5	11.8	12.5	13.8	14.3
Number of foreign employees (Persons)		4	4	5	9	8
Monthly average amount of overtime per employee (Hours)		8.9	7.1	8.6	7.1	9.2
Rate of taking paid leave (%)		93.9	90.6	89.8	97.1	96.0
Return-to-work rate of employees who took childcare leave (%)		97.7	96.8	98.0	98.7	98.2
Number of employees who returned to work (Persons)		169	210	243	368	336
Number of employees who took nursing care leave (Persons)		14	10	6	26	15
Status of retention of new employees (after 3 years) (%)		87.2	86.0	86.8	87.3	85.2
Wage difference between men and women (%)		—	—	—	73.0	73.4
Regular workers (%)		—	—	—	71.5	71.8
Non-regular workers (%)		—	—	—	78.2	80.6

- Notes: 1. The financial data represent consolidated figures. However, core profit, number of shares issued, status of policies and dividend per share represent non-consolidated figures. Furthermore, net income represents net income attributable to Japan Post Insurance.
2. In the calculation of core profit, partial amendments (including costs for hedging currency fluctuations and excluding gains on cancellation of mutual funds from the calculation) have been made from the fiscal year ended March 31, 2023, from the perspective of reflecting the economic situation and encouraging consistency in the handling among companies. The figure for core profit for the fiscal year ended March 31, 2022 is calculated by applying such calculation procedures. Therefore, core profit and spread (positive/negative spread) are calculated based on different standards for the fiscal years ended March 31, 2015 through 2021 and the fiscal year ended March 31, 2022 onwards.
3. The total number of shares issued is truncated to the nearest thousand.
4. The Company implemented a 30:1 stock split effective August 1, 2015. The lower rows of the fiscal year ended March 31, 2015 for EPS have been calculated assuming the stock split was implemented on April 1, 2013.
5. The Company cancelled its treasury stock on May 31, 2019, reducing the total number of shares issued by 37,400 thousand shares.
6. The Company cancelled its treasury stock on August 20, 2021, reducing the total number of shares issued by 162,906 thousand shares.
7. The Company cancelled its treasury stock on May 8, 2023, reducing the total number of shares issued by 16,501 thousand shares.
8. The consolidated solvency margin ratios have been calculated in accordance with the provisions set forth in Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act and in the public notification No. 23 issued by the Financial Services Agency in 2011.
9. In the calculation of the consolidated solvency margin ratio from March 31, 2016 onwards, the total amount of solvency margin was partially amended in accordance with the Cabinet Office Ordinance No. 16 of 2016. Accordingly, the consolidated solvency margin ratios on March 31, 2015 and March 31, 2016 onwards were calculated based on different standards.
10. The economic solvency ratio (ESR) is the capital amount based on economic value divided by the integrated risk amount based on economic value and is one of the indicators that represents the financial soundness of life insurance companies (Figures are based on the Company's internal model; 99.5% confidence level). The Company shifted to a new ESR measurement model in the fiscal year ended March 31, 2022.
11. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.
12. Annualized premiums from policies in force include reinsured Postal Life Insurance Policies (for individual insurance, limited to Postal Life Insurance Policies (insurance)).
13. Third-sector insurance includes medical benefits (including hospitalization and surgery benefits), living benefits (including limited illness and nursing care benefits), and premium payment waivers benefits (excluding disability and including specified diseases and nursing benefits).
14. The value of new business for the fiscal year ended March 31, 2016 onwards is calculated as the difference between the EV calculated on the basis of the profit and loss for all in-force covered business including new business issued, and the EV calculated on the basis of the profit and loss for all in-force covered business if no new business had been issued (the value of new business for the fiscal year ended March 31, 2015 is calculated on the basis of the profit and loss for new business on a stand-alone basis).
15. The Company established a Board Benefit Trust (BBT) in the fiscal year ended March 31, 2017. Shares of the Company held in the trust, which was recorded as treasury stock under the category of shareholders' equity, were included in treasury stock to be deducted from the calculation of the average number of shares during the fiscal year, for the purpose of calculating EPS.
16. The number of employees excludes employees assigned to other companies by Japan Post Insurance but includes employees assigned to Japan Post Insurance by other companies. The figures exclude non-regular employees (including indefinite-term employees based on the indefinite-term employment conversion system).
17. Average age and average years of service are based on attained ages and years of service as of March 31 of each fiscal year, and truncated to the first decimal place.
18. Average years of service represents the number of years of continuous service including years at the Ministry of Posts and Telecommunications, the Postal Services Agency (Ministry of Internal Affairs and Communications) and Japan Post.
19. The calculation method for the rate of taking paid leave has been partially changed from the fiscal year ended March 31, 2022 (excluding from the denominator, employees who took zero days of paid leave during the period due to childcare leave, leave of absence, etc.).
20. The calculation method for the return-to-work rate of employees who took childcare leave, the number of employees who returned to work, and the number of employees who took nursing care leave has been changed from the fiscal year ended March 31, 2024. Following the change, the scope excludes employees assigned to Japan Post Insurance by other companies, but includes employees assigned to other companies by Japan Post Insurance.
21. Status of retention of new employees represents the retention rate of new graduates for each year after three years from their employment.
22. The wage difference between men and women is based on employees recorded on the wage ledger, and includes employees seconded from other companies and employees seconded to other companies who are paid by the Company in accordance with the terms of their secondment agreements.
23. The wage difference between men and women is based on the wage ledger and is the ratio of the average wages of female workers recorded to the average wages of male workers recorded (average annual wages = total wages / number of employees). Retirement allowances are excluded from total wages, and employees on leave are excluded from the number of employees. In addition, associate employees who have been converted to indefinite-term employment based on the system for conversion to indefinite-term employment are included in regular (indefinite) workers.
24. The Company does not differentiate between men and women in terms of the wage system, operations such as promotions or pay raises, or hiring standards. The main factor for regular workers in the difference in wages between men and women is that there is a bias in the ratio of men and women based on the age structure, where the percentage of women is low in the older and in management positions, where wages are relatively high. The main reason for the non-regular workers is the high salaries of professional hires, which account for about 40% of the male workers. The Company continues to work on increasing the ratio of female managers through efforts including implementing career development support for female employees who are expected to be active in management positions in the future.

Annual Report 2024 Main Section

Published September 2024

The information in this Annual Report is as of March 31, 2024, unless expressly stated otherwise.

## **JAPAN POST INSURANCE Co.,Ltd.**

Sustainability Promotion Department

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