

Dedicated to Becoming an Even More Trustworthy Group

CONTENTS

1. Japan Post Group Corporate Governance

- 1. Fundamental Policy for Corporate Governance 78
- 2. Corporate Governance Systems of Group Companies 79

2. Japan Post Group Compliance Framework

- 1. Japan Post Group Compliance Framework 80
- 2. Group Company Compliance Framework 81

3. Japan Post Group Internal Audit System

- 1. Japan Post Group Internal Audit System Framework 82
- 2. Internal Audit System at Group Companies 82

4. Japan Post Group Risk and Crisis Management

- 1. Group Risk Management Framework 84
- 2. Japan Post Group Risk Management System 85
- 3. Crisis Management for Disasters 85

5. Japan Post Group Customer Satisfaction

- 1. Listening to Customers 86
- 2. Customer Service Consulting Center 86

6. Japan Post Group CSR

- 1. Japan Post Group CSR Activities 88
- 2. 100 Local Community Activities by the Japan Post Group 88
- 3. Japan Post Group CSR Organization 97

1. Japan Post Group Corporate Governance

1. Fundamental Policy for Corporate Governance

At the Japan Post Group, all Group companies establish their own corporate governance systems, and Japan Post Holdings, as the holding company, uses the following system to oversee management of the Group. The objective is to establish an appropriate corporate governance system for the entire Japan Post Group.

1. Group Management

Japan Post Holdings has management control agreements between its four major subsidiaries. In addition, the holding company establishes basic Group policies concerning important management items and asks all Group companies to follow these policies. Group companies must receive approval by the holding company or

submit reports to the holding company with regard to items that have a significant effect on the entire Group and items required to maintain management transparency. Through these activities, Japan Post Holdings oversees management of the Japan Post Group.

2. Internal Controls

Japan Post Holdings, in accordance with management policies for the Japan Post Group, has established the Fundamental Policy for Establishment of Internal Control Systems for Japan Post Holdings Co., Ltd. for the purpose of establishing programs that ensure sound and proper business operations. In addition, the holding company has established basic Group policies for matters concerning such areas as compliance, internal audits, risk management, information

security and other items. Group companies are asked to establish their own systems based on these policies.

Furthermore, Japan Post Holdings constantly monitors Group companies to ensure proper business operations by asking Group companies to submit reports. This enables the holding company to assist Group companies in making improvements as needed.

3. Separation of Business Execution and Supervision

Japan Post Holdings is a company with committees, in which responsibilities for execution of business activities and oversight of management are separated for the purpose of strengthening corporate governance for the entire Japan Post Group. The president and CEO quickly makes decisions concerning business activities. The Board of Directors, comprising 19 directors among which 13 are outside directors, provides appropriate supervision of business activities.

In addition, there is a Nomination Committee, Audit Committee and Compensation Committee, each with a majority of outside directors. The Nomination Committee decides on proposals regarding candidates for director while the Audit Committee monitors the business execution functions of executive officers and other relevant individuals, and the Compensation Committee determines compensation for executive officers and other relevant individuals.

4. Management Meeting and Special Committees

Japan Post Holdings has a Management Meeting made up of executive officers that serves as an advisory body to the president and CEO. This meeting discusses important matters involving business activities and submits reports.

In addition, there are two special committees, the Compliance

Committee and Corporate Social Responsibility (CSR) Committee, that serve as advisory bodies to the Management Meeting. Having these committees examine specialized matters and submitting the results to the Management Meeting better enables the Japan Post Group to solve problems involving all aspects of management.

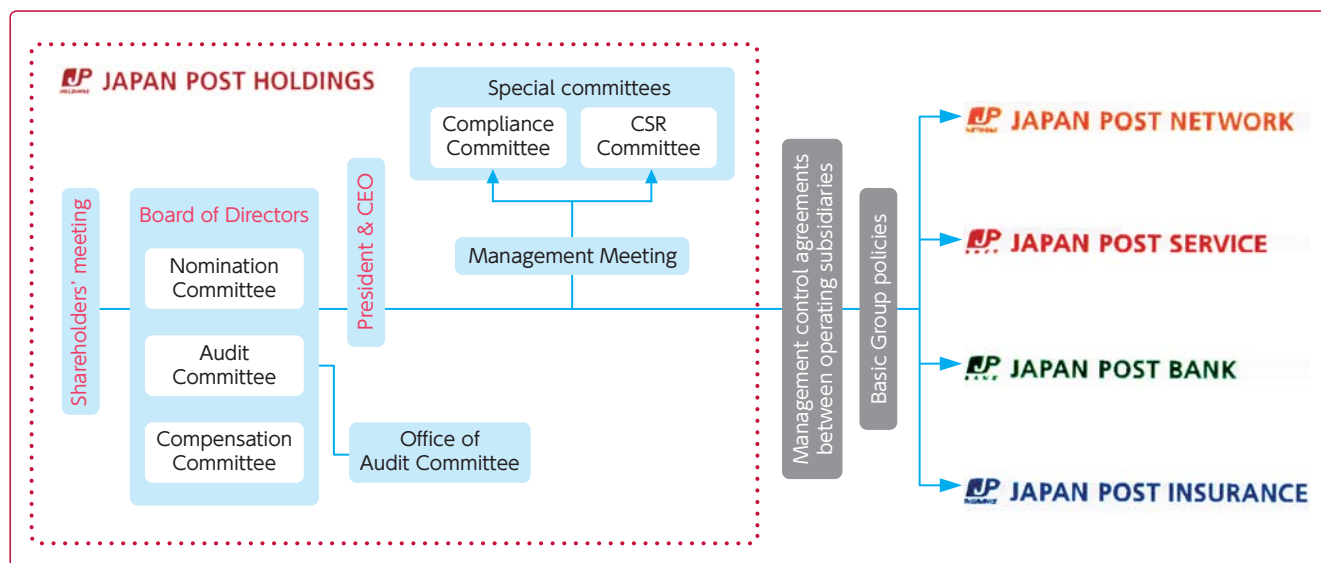
5. Administrative Management

Japan Post Holdings has set forth a basic policy concerning the creation of administrative management systems that requires Group companies in different industries to continually strive to maintain and improve administrative quality by promoting rationalization and streamlining of administrative operations and procedures.

To support the development and improvement of administrative

management systems at each Group company and ensure cooperation between Group companies, Japan Post Holdings requests information necessary to evaluate the administrative management system of each Group company and provides guidance and makes recommendations for improvement as required.

■ Japan Post Group Corporate Governance System



■ Declaration by Top Management regarding the Elimination of Relationships with Antisocial Forces

To eliminate any relationships with antisocial forces and prevent damage to the organization, the Japan Post Group has made the following declaration in line with the Fundamental Policy for Establishment of Internal Control Systems.

1. Organizational response

In firm recognition of its social responsibility and to strengthen management based on compliance, the Japan Post Group, as an organization in its entirety, will ensure that any relationships with antisocial forces are eliminated.

2. Complete elimination of relationships, including transactions

The Japan Post Group will have no relationships whatsoever with antisocial forces, including transactions.

3. Legal measures and prohibition of secret negotiations

The Japan Post Group will strongly refuse any unjustified demands by antisocial forces and will take legal measures, either via a civil court or a criminal court, or both. The Japan

Post Group will never negotiate in secrecy with antisocial forces, even if their unjustified demands are to conceal matters related to any misconduct of the Group's own activities or that of its staff.

4. Cooperation with outside experts

The Japan Post Group will establish close relationships with outside experts in preparation for any unjustified demands by antisocial forces in order to ensure the safety of its staff against such demands.

5. Prohibiting financing for antisocial forces

The Japan Post Group will never engage in financing for antisocial forces.

2. Corporate Governance Systems of Group Companies

Japan Post Network and Japan Post Service have a corporate governance system based on a Board of Corporate Auditors. Three of four corporate auditors of Japan Post Network are outside auditors, and all three corporate auditors of Japan Post Service are outside auditors.

Japan Post Bank and Japan Post Insurance have a corporate governance system based on committees comprised of Board of Directors members and have more than half of their directors as outside directors. These companies maintain a Nomination Committee, Audit Committee and Compensation Committee, each with a majority of outside directors.

Japan Post Network, Japan Post Service, Japan Post Bank and Japan Post Insurance have a Management Meeting made up of executive officers that serves as an advisory body to the chairman and president. This meeting discusses important matters involving business activities and submits reports. In addition, there is a Compliance Committee, a Risk Management Committee and other special committees that serve as advisory bodies to the Management Meeting and deliberate on specialized matters.

2. Japan Post Group Compliance Framework

We conduct rigorous compliance activities as one of the highest management priorities of the Japan Post Group. With the guidance and support of Japan Post Holdings, all Group companies build an effective compliance framework giving due consideration to the public characteristics of the business.

1. Japan Post Group Compliance Framework

The Japan Post Group employs a common compliance framework. Each Group company establishes a Compliance Department to unify the management of compliance-related matters.

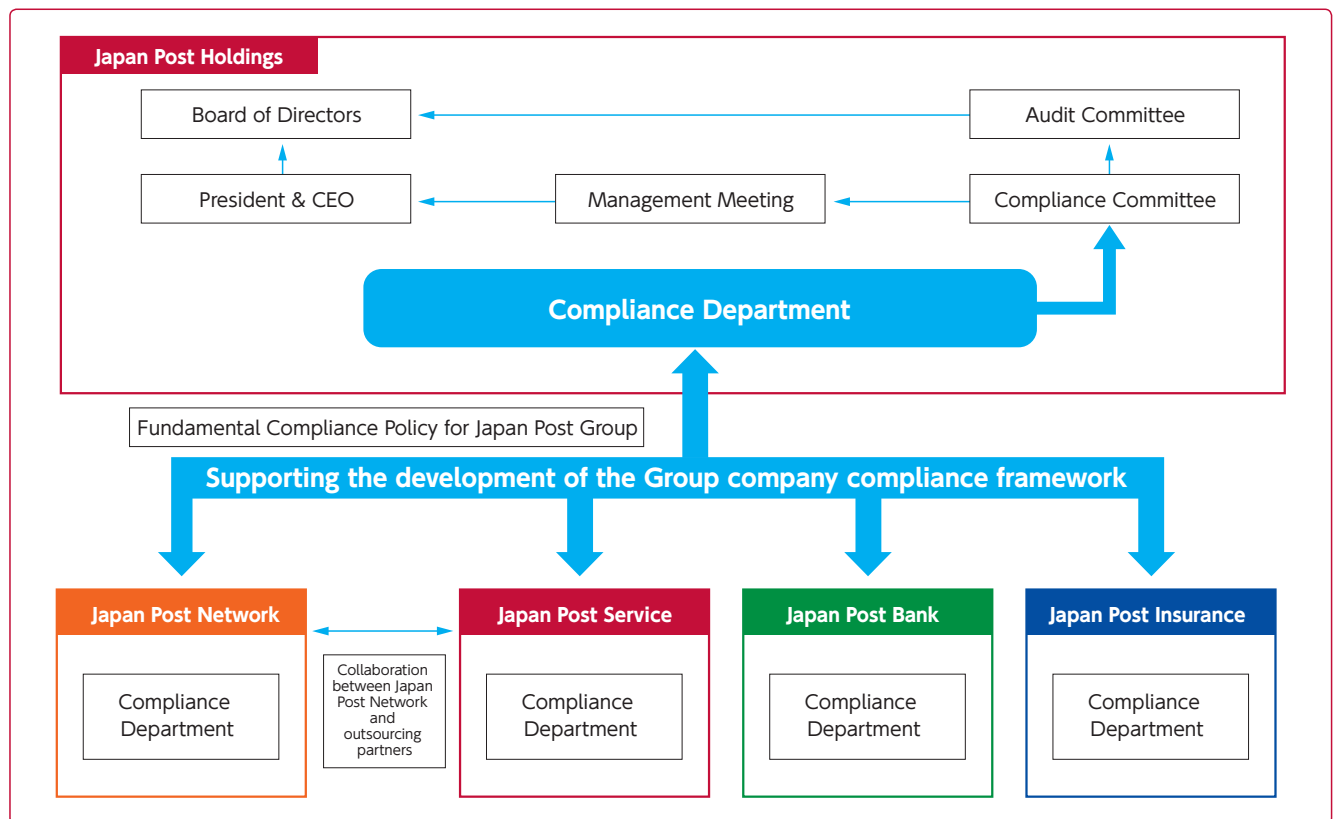
In addition, each Group company has a Compliance Committee that reports to its Management Meeting to review the compliance policy, framework, specific activities and associated issues.

A Compliance Department has been set up to propose and manage measures to promote compliance through a director in

charge of compliance.

The Compliance Department of Japan Post Holdings establishes the Fundamental Compliance Policy for Japan Post Group. This department also provides Group companies with guidance and support to make improvements as required. These activities make it possible to maintain and improve compliance functions for the Group as a whole.

■ Japan Post Group Compliance Framework



2. Group Company Compliance Framework

Japan Post Group companies have built a compliance framework as outlined below and use various measures to promote compliance so that the compliance framework can function effectively.

1. Compliance Framework

(a) Line of responsibility for compliance activities

Each Group company has a Compliance Department that is independent from departments related to business execution in order to promote compliance activities throughout the company. This department and other departments have a compliance officer who is responsible for executing specific compliance activities. In addition, compliance managers have been appointed at all head office departments, regional offices, branch offices and post offices in order to establish a line of report for compliance activities.

(b) Internal reporting system

In each Group company, the Compliance Department has a compliance hotline that can be used by employees and others. In addition, reports of compliance infringement at any Group company can be submitted at a designated law firm, which provides an external reporting channel. This reporting system makes it possible to quickly deal with compliance violations and prevent such violations from spreading while maintaining a structure to resolve issues at the earliest stage.

2. Promotion of Compliance

(a) Establishment of compliance program

Each fiscal year, a compliance program is established to provide a plan for specific actions involving compliance. Progress is then checked on a regular basis.

(b) Activities related to compliance items

At Group companies, specific compliance items have been selected and departments have been assigned to take responsibility for individual compliance items in order to promote compliance in a focused manner. The Compliance Department oversees the compliance promotion activities undertaken by these units and conducts integrated management of compliance-related issues across the board.

(c) Preparation and distribution of compliance manual

A compliance manual is prepared to serve as a practical guide to promote compliance. The manual explains the compliance framework, matters concerning areas of compliance and other subjects. All employees also receive a compliance handbook that summarizes the manual and is used in training programs and other activities to raise awareness among employees of the importance of compliance.

(d) Implementation of compliance-related training

Each Group company conducts a variety of training activities to promote a better understanding of legal matters and other areas, and to raise awareness of compliance.

3. Japan Post Group Internal Audit System

The Japan Post Group has established an effective internal audit system at each Group company in order to ensure sound administration and proper operations aimed at building customer trust.

1. Japan Post Group Internal Audit System Framework

The Japan Post Group has formulated the Basic Policy on Internal Auditing that sets forth the fundamental items necessary to create an internal audit system framework.

Based on this policy, each Group company develops an effective internal audit system framework befitting the nature of the business and the degree of risk.

The Internal Audit Department of Japan Post Holdings monitors the audit regulations, audit plans and progress of audits

of the Internal Audit Departments of Japan Post Network, Japan Post Service, Japan Post Bank and Japan Post Insurance from the perspective of enhancing the internal audit system framework of the entire Group.

This Internal Audit Department also evaluates and examines the internal audit systems of Group companies and provides guidance and advice, as well as makes recommendations for improvements and conducts audits when required.

2. Internal Audit System at Group Companies

1. Overview

Each Group company has an Internal Audit Department independent from business-executing department which conducts internal audits from an independent and objective standpoint.

In addition, the scope of the internal audits extends to all business sites and administrative affairs, so each Group company has set up an Internal Audit Department at its head office. Besides this,

Japan Post Network, which has approximately 24,000 post offices, has established audit offices at 50 locations nationwide, while Japan Post Service, which has around 1,100 branch offices, has established 13 audit offices nationwide. This ensures that internal audits are carried out at a sufficient frequency and in appropriate detail.

2. Implementation of Effective Internal Audits

The Internal Audit Department of each Group company evaluates the branches and departments within the scope of the internal audit, or more precisely, the different types and extent of risks in business operations. Audit frequency and audit items are determined in line with these evaluations, and risk-based internal audits carried out.

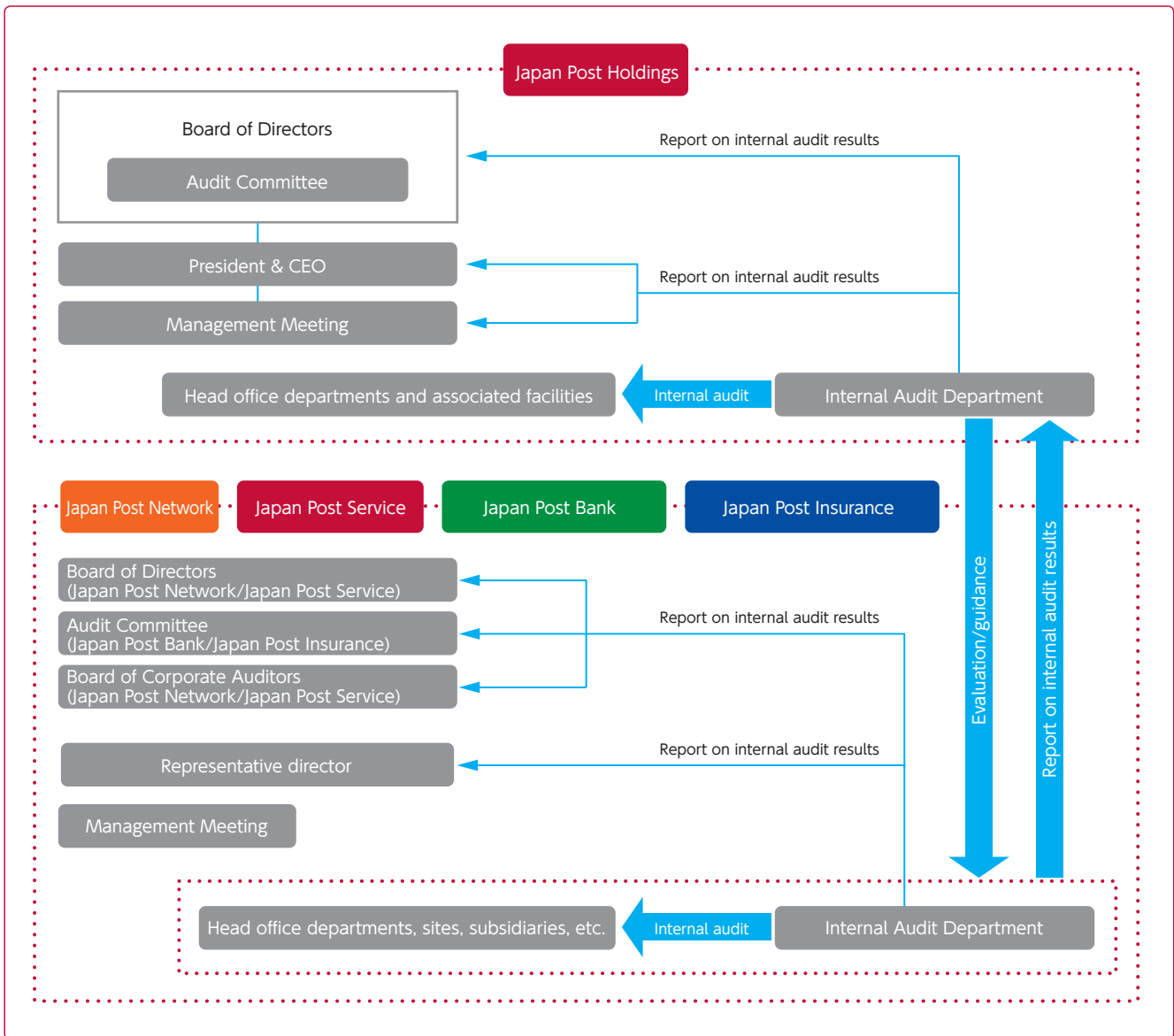
In addition, efforts are made to ensure efficient and effective internal audits through attendance at daily meetings and off-site monitoring that includes gathering materials related to internal management.

3. Reporting on Results of Internal Audits and Making Improvements

The Internal Audit Department of each Group company reports on internal audit results, which includes recommendations for improvement, to the business-executing department followed by the representative director and the Audit Committee or Board of Corporate Auditors.

Moreover, each Internal Audit Department works to improve operations in respective companies. To this end, progress reports of improvement-requested items indicated in audit reports are periodically made to the representative director.

■ Japan Post Group Internal Audit Framework



4. Japan Post Group Risk and Crisis Management

Japan Post Holdings, as the holding company of the Japan Post Group, recognizes that properly managing risk within the Group is one of management's highest priorities. Basic items concerning Group risk management are set forth in the Basic Policy for Japan Post Group Risk Management. Japan Post Holdings utilizes this policy as the basis for establishing risk management systems for the Group.

Japan Post Holdings is committed to preventing the transfer of risk from one Group company to another. Japan Post Holdings is also committed to assuring that Japan Post Bank and Japan Post Insurance, the Group's financial companies, continue to strengthen their risk management systems as autonomous financial institutions and develop systems that make them self-reliant.

To deal with a crisis to ensure appropriate response to earthquakes and other natural disasters as well as other crises, the Japan Post Group has established the Basic Policy for Japan Post Group Crisis Management and utilizes this policy as the basis for establishing crisis management systems for each Group company.

1. Group Risk Management Framework

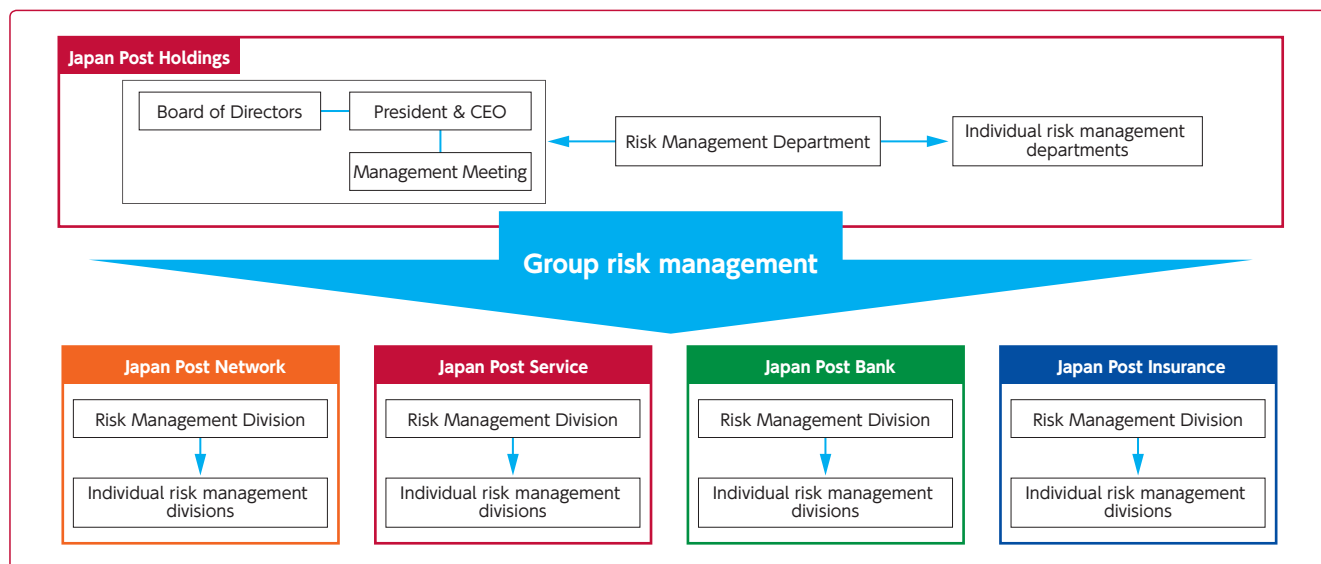
The Basic Policy for Japan Post Group Risk Management classifies and defines risk categories managed by Group companies and prescribes basic policy that must be followed by Group companies.

In addition, Japan Post Holdings has a Risk Management Department, which has authority that is independent of other departments, for the purpose of monitoring risk for the entire Japan Post Group. The Risk Management Department makes use of reports on risk management at Group companies and discussions to establish systems that properly monitor risk for the Group as a whole.

The Risk Management Department periodically submits Group company risk management reports to the Management Meeting in which the Group's risk management policies and risk management systems are discussed.

We take care to prevent any conflicts of interest between the risk management organization and executives or employees concerning their authority and responsibility, and provide a system of checks and balances by maintaining independence from other businesses.

■ Risk Management Framework for Japan Post Group



Japan Post Bank and Japan Post Insurance are exposed to market risk, credit risk and other types of risk that are unique to the provision of financial services. Each Group company identifies risks that can be quantified and then uses VaR (value at risk, a measure of the maximum expected loss that could occur due to events with a certain probability) and other methods to measure these risks.

Japan Post Holdings manages risk by confirming that the amount of risk measured at each of these two companies is suitable in relation to each Group company's equity capital.

Operational risk is managed for the work performed under consignment by Japan Post Network, mainly at post offices, and for the business activities of Japan Post Service, Japan Post Bank and Japan Post Insurance. Operational risk management is monitored on a regular basis to properly supervise this risk. In addition, actions are taken to enable Group companies to work more closely together in order to prevent the recurrence of problems and strengthen risk management.

2. Japan Post Group Risk Management System

Managing risk at Japan Post Group companies is recognized as one of management's highest priorities. After specifying risks associated with each business activity, each Group company has established a management system in accordance with the characteristics of each risk based on the Basic Policy for Japan Post Group Risk

Management and manages those risks autonomously.

A department responsible for managing risk has been set up at each Group company and a system for checks and warnings has been created together with the individual risk management departments.

■ Risk Categories and Definitions

Risk category	Definition	Risk category	Definition		
Insurance underwriting risk	Risk of incurring losses due to the deviation of economic conditions and incident rates of accidents from forecasts established at the time insurance premiums were set	Liquidity risk	(1) Cash flow risk: Risk of incurring losses due to cash flow problems caused by the inability to procure sufficient funds, the need to procure funds at an interest rate that is extremely higher than normal because of a worsening financial condition (Japan Post Bank), risk of incurring losses due to a decrease in insurance premiums due to a decrease in new policies, or an increase in payments of termination refund following a large quantity of policy cancellations because of a worsening financial condition, or to the need to sell assets at prices far below normal in order to procure funds in response to deteriorating cash flows caused by cash outflows resulting from a significant natural disaster (Japan Post Insurance)		
Credit risk	Risk of incurring losses caused when assets (including off-balance-sheet assets) decline in value or become worthless due to deterioration in the financial position of the obligor		(2) Market liquidity risk: Risk of incurring losses due to the inability to conduct transactions or to the need to conduct transactions at prices that are much less favorable than normal because of market turmoil		
Market risk	Risk of incurring losses due to changes in the value of assets (including off-balance-sheet assets) due to changes in risk factors involving interest rates, securities prices and foreign exchange and other markets. Market risk is divided into the following three categories:		Operational risk	Risk of incurring losses due to improper business processing, inappropriate actions by executives and employees, improper computer system operation, or external events There are three categories of operational risk that apply to the entire Group: (1) processing risk, (2) computer system risk and (3) information assets risk. The subsidiaries also define other risk categories of their own that are added to the list of operational risks after consultation with the holding company:	
1) Interest rate risk	Risk of incurring losses due to fluctuation in interest rates; the risk of a decline in earnings or losses caused by interest rate volatility when there are mismatches of interest rates and interest rate periods between assets and liabilities			1) Processing risk	Risk of incurring losses due to executives, employees and others neglecting to perform their clerical process properly resulting in errors or other incidents, or engaging in unlawful activities
2) Price volatility risk	Risk of declines in value of assets due to fluctuation in value of securities and other financial instruments			2) Computer system risk	Risk of incurring losses due to system failures, including disruptions, errors or other problems; risk of incurring losses due to the unlawful use of computers
3) Foreign exchange risk	Risk of incurring losses due to differences in foreign exchange rates from initial assumed rates in cases where there is a net surplus of assets or liabilities for assets or liabilities denominated in foreign currencies	3) Information assets risk	Risk of incurring losses due to a computer system malfunction, improper clerical processing or another problem that results in a loss, alteration, unlawful use, leak to external parties or other problem associated with information		
Asset management risk	This risk has the following three components:				
1) Credit risk	Same as credit risk above				
2) Market risk	Same as market risk above				
3) Real estate investment risk	Risk of incurring losses due to a decline in profitability of real estate caused by changes in real estate leases and other items or by declines in the value of real estate itself due to changes in market conditions				

3. Crisis Management for Disasters

The Japan Post Group has established the Basic Policy for Japan Post Group Crisis Management and each Group company also has its own system for dealing with a crisis. Crisis management is needed to ensure the stability and soundness of the business activities of Group companies. Group companies are prepared to respond appropriately to earthquakes and other natural disasters, suspensions in the operation of data management systems and other crises.

Group companies prepare manuals and establish plans that facilitate the required initial response and rescue measures immediately after a crisis occurs. In the event of a major crisis, we will quickly establish a joint task force on-scene that is made up of representatives of Group companies. This unit will be responsible mainly for considering and establishing methods to enhance the smooth provision of services to customers.

5. Japan Post Group Customer Satisfaction

The Japan Post Group duly considers its customers' point of view and provides a selection of products and services that customers truly appreciate. To achieve this, all directors and employees listen closely to customers' opinions as a means to raise customer satisfaction.

1. Listening to Customers

Each Group company's customer satisfaction department* analyzes customer feedback collected from post offices, branches, call centers and its own website with the aim of making required improvements and providing products and services that bring customer satisfaction.

- *Group companies' customer satisfaction departments:
- Japan Post Network: CS Promotion Division
 - Japan Post Service: Risk and Business Processing Management Division, Customer Service Promotion Office

The Customer Satisfaction Promotion Department at Japan Post Holdings devises ways to utilize customer opinions gathered from Group companies in its management operations.

- Japan Post Bank: Compliance Management Department, Customer Service Promotion Office
- Japan Post Insurance: Customer Service Department

2. Customer Service Consulting Center

Customer opinions are gathered at all post offices, branches and call centers nationwide, as well as from respective websites. Please refer to pages 186-189 for business hours at post offices and

branches, and for telephone numbers and business hours of Group company call centers.

■ Japan Post Group Customer Satisfaction Flowchart



The Customer Satisfaction Promotion Department at Japan Post Holdings examines these initiatives.

■ Example of improvements based on customer feedback

Please divide up nighttime delivery time slots in more detail.



We changed to six different delivery time slots for Yu-Pack. This has made it possible to designate a more-detailed delivery time slot (service launched in July 2010).

1	Morning
2	From about 12:00 to about 14:00
3	From about 14:00 to about 16:00
4	From about 16:00 to about 18:00
5	From about 18:00 to about 20:00
6	From about 20:00 to about 21:00

Please allow persons to apply for mail pickup online.



Customers are now able to apply for mail pickup online (service launched in July 2010).



Screenshot of "Online Application for Mail Pickup"

Report on the results of post office monitor activities

Japan Post Holdings commissioned around 10,000 customers to serve as post office monitors and solicited feedback from them concerning products and services offered by Japan Post Group companies as well as the Group's relationship with local communities (commission period: December 2009-June 2011).

Specifically, post office monitors complete questionnaires (all monitors) and participate in monitor meetings (those selected at random). The valuable opinions gathered from the monitors through these means are utilized in future post office operations.

■ Post office monitor questionnaire

Questionnaires (total of three times) were conducted to garner feedback on products and services. Answers were received from around 90% of the post office monitors.

■ Post office monitor meetings

Top management and executive officers of each Group company, including Jiro Saito, President and CEO of Japan Post Holdings, attended the monitor meetings at 20 different venues nationwide to hear the opinions of approximately 250 post office monitors directly.



President Saito responds to a customer's opinion



A monitor meeting in progress

Results of the third Japan Post Group customer satisfaction survey

Japan Post Holdings conducts a survey on customer satisfaction levels and intention of use at key Group companies and collates the results in order to accurately ascertain customer opinions on products and services and respond to new needs.

The Japan Post Group will continue to conduct necessary surveys as a means to further raise customer satisfaction and the results of analysis of issues and other aspects obtained via such research will be actively reflected in management operations.

Outline of survey

■ Respondents

- (1) Individuals who use the post office (including ATMs) more than once a month
 - (2) Individual males or females over 20 years old nationwide
 - (3) Individuals that fit one of the following criteria
 - Used mail such as Yu-Pack or letter in the past year
 - Have an account at Japan Post Bank
 - Family subscribes to Japan Post Insurance
- *Excludes mass media, sector peer companies, those affiliated with the post office, etc.

■ Survey method: Internet

■ Period: September 22-27, 2010

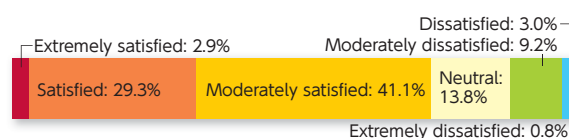
■ Valid responses: 4,207 people (68.6% of 6,137 solicited)

■ Level of satisfaction in the post office exceeded the level of dissatisfaction.

(Satisfied: 73.3%, Dissatisfied: 13.0%)

How satisfied are you overall with the post office network and response at counters?

[Overall level of satisfaction (post office/counter)] Respondents: 4,207



■ Level of dissatisfaction concerning specific areas of the post office and counter service exceeded the level of satisfaction.

Top 3 most satisfied

- Welcome greeting (Satisfied: 75.3%, Dissatisfied: 6.3%)
- No procedural errors (Satisfied: 74.3%, Dissatisfied: 7.0%)
- Convenience of post office location (Satisfied: 71.8%, Dissatisfied: 10.6%)

Top 3 least satisfied

- Number of ATMs (Dissatisfied: 46.2%, Satisfied: 29.5%)
- Size of parking area (Dissatisfied: 42.1%, Satisfied: 22.4%)
- Length of business hours (Dissatisfied: 31.4%, Satisfied: 35.6%)

6. Japan Post Group CSR

1. Japan Post Group CSR Activities

Following privatization, the Japan Post Group clarified its position towards corporate social responsibility (CSR) that it adopted as a public enterprise, which stipulates issues to be systematically addressed in fields that include environmental protection, social contribution, creating a people-friendly business environment, increasing customer satisfaction, compliance, information disclosure and boosting productivity.

At the Japan Post Group, CSR is a means of doing business in line with the high standards that the Group has established for itself. Operating in this manner contributes to achieving the Group's management philosophy and ensuring sustainable growth.

2. 100 Local Community Activities by the Japan Post Group

The following lists 100 of the main initiatives of the Japan Post Group in local activities, social contribution and environmental conservation.

1. Local Activities

1 Nationwide

01 Network of 24,000 post offices

Japan Post Network has approximately 24,000 post offices in all of the 1,750 cities, districts, towns and villages nationwide, including the underpopulated area, encompassing all of Japan. These serve as locations offering one-stop service centers for mail, savings deposits, insurance and other basic everyday services, and are intricately connected with the local community.

We will offer our local customers new, convenient services through our post offices while continuing to use them as locations for these services in the future as well.

Reference: Number of Japan Post Group Facilities

Post Offices (including contracted post offices):	24,529
Japan Post Service Branches:	1,110
Japan Post Bank Branches:	234
Japan Post Insurance Branches:	80
Teishin Hospitals:	14
Kanpo no Yado inns, etc.:	71
Museums, Document Archives:	6
Total:	26,044

*Includes 137 directly operated post offices and 255 contracted post offices that are temporarily closed.

02 Post Office Dispatch Services

We have dispatched employees from directly operated post offices to local public facilities and other places to provide services as an emergency measure for contracted post offices that are temporarily closed in areas where reopening cannot be expected soon (65 locations).

03 Mobile Post Offices (*Posukuru*)

We are providing services by making rounds through multiple areas with special ATM-equipped vehicles as an emergency measure for contracted post offices in areas where reopening these facilities cannot be expected soon (from February 2008).

There are two mobile post offices in Japan and these provide

service to Toyota City in Aichi Prefecture and Naruto City in Tokushima Prefecture and their immediate environs. Service in these areas was temporarily halted after the Great East Japan Earthquake and mobilized to the disaster area.

04 Universal Postal Services

Article 1 of the Postal Act stipulates, "The purpose of this law is to enhance public welfare by providing universal postal services at the lowest possible rates." We deliver approximately 64 million pieces of mail per day to around 31 million homes and businesses throughout Japan.

2 Hometown Support (Support for Local Industry)

05 *Furusato* (Hometown) Parcel

We display catalogs with products for which each locale nationwide is known and circulars with products closely related to the community at approximately 24,000 post office counters nationwide for customers to order from. We then ship these by Yu-Pack directly from the producing regions. Revenues from the sale of goods through catalogs and other means were ¥88.7 billion in fiscal 2011 (up 5.2% year-on-year).

06 *Furusato* Stamps

We have been issuing stamp series with the hometown as a theme since 1989. Sales were limited to a few regions up to 2007, but we began selling them nationwide from 2008.

07 Original Frame Stamps

We are providing a service offering the production and sale of our customers' own original frame stamps in response to calls for "a stamp with my own photo on it."

We are also offering limited-period Japan Post original frame stamps and will continue to sell various newly planned frame stamps in the future as well.

08 Specialty Postage Stamps

We have issued a series of National Parks stamps and other stamps

featuring sights, scenery and local specialties in addition to those with national events.

09 Local Versions of New Year's Postcards

We have issued one nationwide New Year's postcard with an illustration, as well as 29 local versions of New Year's postcards with respective regional illustrations (New Year's postcards for 2011).

10 Sales of *Gotochi* Form Cards at Post Offices

The post offices in each prefecture sell *Gotochi* Form Cards depicting illustrations of famous locations and products representative of each prefecture where *Gotochi* Form Cards are sold at the post office (since September 2009). This card may be sent as nonstandard-size mail.

11 Local Government Tourism PR at Post Offices

A tourism public relations campaign for Toyama Prefecture was staged at around 450 post offices in the Kanto, Kansai and Chubu/Kyoto regions (June 2009).

12 Promotional Fair at Post Offices for Miyazaki Prefecture

We sold famous goods from Miyazaki Prefecture from a product catalog at all of our post offices nationwide and donated 5% of the proceeds to Miyazaki Prefecture, which was affected by an outbreak of foot-and-mouth disease (Sales period: August-September 2010; Amount donated: ¥6,431,790).

13 *Yucho* Fund and *Kanpo* Fund Offered Locally

Japan Post Bank and Japan Post Insurance are investing money in Japanese local government bonds. The balance of funds as of the end of March 2011 was ¥5,658.8 billion for Japan Post Bank and ¥6,255.7 billion for Japan Post Insurance, representing increases of ¥369.6 billion and ¥1,127.6 billion, respectively.

3 Local Connections

14 Offering Postal Lobbies to Local Customers

We have established space in one corner of the customer room at our post offices to display the photos, paintings, calligraphy and ink paintings of local citizens.

15 Employee Participation in Local Festivals

Employees participate in the Awaodori (Tokushima), Hanagasa Festival (Yamagata) and other local festivals and events on a volunteer basis.

16 Local Sports Competition Held

We have been sponsoring the Yusei Road Race for junior high schools in Nagoya City since 1951. This event celebrated its 60th anniversary in 2010.

17 FIFA Official Competition Balls Given to Elementary Schools

Japan Post Bank co-sponsored the 2010 International Federation of Association Football (FIFA) World Cup in South Africa and gave replicas of the official World Cup match ball displayed at the counters of post offices and Japan Post Bank branches nationwide to local elementary schools.

18 Co-sponsorship of the JAPAN U-12 FOOTBALL CHAMPIONSHIP

We began co-sponsoring the JAPAN U-12 FOOTBALL CHAMPIONSHIP in fiscal 2012 (35th Championship). This is Japan's largest official championship for elementary school-aged children and is designed to develop healthy minds and bodies for the children who will assume responsibility for the next generation.

19 Support Social Studies Field Trips by Elementary and Junior High School Students

We host tours of post offices and Japan Post Service's branches for local elementary and junior high school students.

20 Community Cleanup Activities by Employees

Employees and their families from each of the companies in the Japan Post Group participate in picking up trash and other cleanup activities, mainly for public places such as around post offices, city streets, public parks and riverways. In Hokkaido, the Japan Post Group as a whole conducts the "All Hokkaido Blanket Cleanup Campaign" throughout the prefecture.

21 Employees Provide Enjoyment at Local Welfare Facilities

Postmasters and employees provide enjoyment at nursing homes, welfare facilities and other places through musical bands, magic shows and other forms of entertainment.

4 Support for Public Administration and Security

22 One-stop Government Services

Designated post office counters provide administrative services, such as distribution of official family register transcripts, certificates of residency and other public certificates, and sell public bus discounted tickets on consignment from local governmental agencies.

23 Himawari Service

Mail delivery personnel provides words of encouragement to elderly people living alone (who are 70 years old or older) and elderly couples in the underpopulated area (for 100 local governments as of the end of fiscal 2010).

24 Pension Delivery Service

We deliver pension payments and government pensions to the homes of seniors and customers with disabilities who find it difficult to come to the post office counter. As of the end of fiscal 2011, 644 people were using this service.

25 Pension Advisory Seminars by Japan Post Network and Japan Post Bank

Japan Post Network and Japan Post Bank offer pension advisory seminars.

26 Pension Registrations Issued at Post Offices

Japan Pension Service has consigned the initial pension registration for customers using the *Nenkin* Net service of the organization at certain post offices (204 post offices).

27 Equipping Post Offices with AED

We intend to equip the main post offices in cities nationwide with AED (Automated External Defibrillators) units so that anyone can use them. AEDs have already been introduced at 10 post offices on a trial basis.

28 Senior Welfare Services at *Kanpo no Yado* Inns

Introduction of senior welfare services at some facilities is under consideration.

29 Teishin Hospitals

Teishin Hospitals in 14 locations nationwide provide medical services to everyone in the area, not only for employees of the Japan Post Group and their families but also to anyone who wishes to use them.

5 Disaster Preparedness and Theft Prevention Assistance

30 Disaster Prevention Agreements with Local Governmental Agencies

We have concluded disaster prevention agreements at the request of local governmental agencies.

31 Provision of Information on Road Damage to Municipalities

When a mail delivery personnel finds any road damage, they report the fact to municipalities.

32 Cooperation to Prevent Landslides and Damage in Mountainous Areas

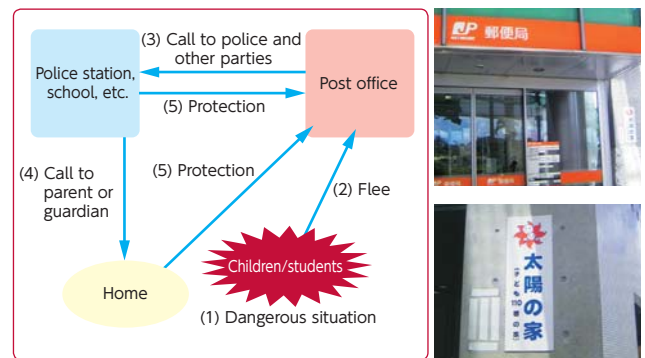
Post offices have installed rain gauges and rain gauge displays in addition to providing pamphlets and posters on soil and water conservation at post offices to help prevent damage from landslides and damage in mountainous areas.

33 Cooperation on Preventing Bank Transfer Scams

We work together with the police to inform the public when bank transfer scam is suspected at a counter or an ATM. We also hand out cautionary fliers and are recommending the maximum withdrawal limit for ATMs be lowered. We refuse to open accounts for fraudulent users and take steps such as promptly freezing the accounts of fraudulent users.

34 Emergency Assistance for Children

Approximately 8,000 of our post offices serve as a dispatch center for Dial 110 and a safe refuge for temporary care with the goal of preventing incidents involving children before they happen. Postal mail delivery personnel also cooperate on this initiative.



6 Assistance for Disaster Victims

35 Emergency Handling of Deposits

We are paying back up to ¥200,000 per person into ordinary deposits, *TEIGAKU* deposits and time deposits to disaster victims who have lost their passbooks, deposit certificates and seals.

36 Immediate Payment of Insurance Benefits to Disaster Victims in Case of an Emergency

In case of an emergency, we are immediately paying out insurance benefits by omitting part of the requisite documentation, even if someone does not have his or her insurance policy.

37 Postponement of Insurance Premium Payments for Disaster Victims

The period of postponement of insurance premium payments for victims of the Great East Japan Earthquake disaster has been extended by nine months (as of June 1, 2011).

38 Free Postcards to Disaster Victims

Five postcards are given to each family at evacuation shelters in disaster-affected areas.

39 Disaster Victims Exempted from Postal Fees

Mail (postcards, letters, Braille mail, etc.) sent by disaster victims are accepted and delivered free of charge as "disaster mail".

40 Disaster Victim Assistance at *Kanpo no Yado* Inns

We have been accepting victims of the Great East Japan Earthquake at *Kanpo no Yado* inns. For voluntary evacuees, we offered a special accommodation plan at 13 *Kanpo no Yado* inns. Under the plan, an accumulated total of 1,085 persons stayed at these inns during the period from March 11 to May 31, 2011.

We are also taking in groups providing disaster recovery support in addition to providing everyday goods such as towels, free baths and readying soup kitchens for meals.

41 Free-of-charge Money Transfers for Natural Disaster Relief Donations

We are exempting fees on amounts paid into transfer accounts as disaster donations to local governments and others in disaster-affected areas.

42 No Registered Mail Fees on Sending Monetary Donations

We are exempting registered mail fees for sending monetary donations to municipalities in disaster-affected areas.

43 Funds Donated by the Japan Post Group

The Japan Post Group donated a total of ¥300 million to assist victims of the Great East Japan Earthquake disaster, with ¥100 million each contributed by Japan Postal Holdings, Japan Post Bank and Japan Post Insurance.

44 "Yellow Post Box" Fundraising Campaign

Employee volunteers from the five companies in the Japan Post Group established the Japan Post Fundraising Association to raise funds for the victims of the Great East Japan Earthquake. Donation boxes have been placed at approximately 24,000 post office counters nationwide to help raising funds (March through May 2011).

2. Community Activities**1 General Aid****45 New Year's Postcards with Donation**

Donations of ¥400.46 million collected through the New Year's postcards donation-added (a donation of ¥3 per card) were

distributed to 236 welfare and social activity organizations (fiscal 2011). A total of 10 areas were eligible for aid: social welfare, disaster aid, medical treatment, aid for atomic bomb victims, traffic accident prevention, preservation of cultural treasures, youth development, promotion of sports, support for foreign exchange students and global environmental conservation.

**46 Specialty Postage Stamps with a Donation Added**

"The 60th Anniversary Animal Protection Week" postage stamp was issued with a ¥5 donation for each stamp (September 2009 through March 2010). A total donation of ¥41.67 million was distributed among 24 groups engaged in animal protection activities.

47 Exemption of Fees on Deposits Made as Donations

We exempt fees on deposits made to transfer accounts as donations for aid for the promotion of social welfare through the deposit of funds to improve social welfare, academic research of special diseases and businesses involved in environmental conservation.

2 Enhancement of Social Welfare**48 Postage Free of Charge for Braille and Recorded Material**

The postage for mailing Braille or recorded articles is free for those groups meeting the designated criteria (a designated of fourth-class mail).

49 Reduced Yu-Pack Shipping Fees for Braille Books

Lower shipping fees are applied for Yu-Pack and Yu-Mail for materials meeting the designated criteria for (1) sending a Braille book, (2) sending recorded materials between welfare facilities and hearing-impaired persons, and (3) sending books between libraries and persons with disabilities.

50 Discounted Money Transfer Fees for the Visually Impaired

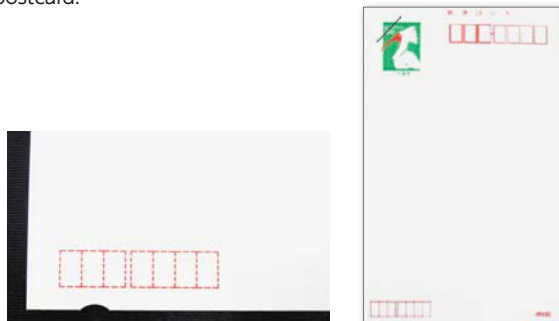
Since January 2011, we have offered discounts on money transfer fees for visually impaired customers transferring money from the counters at the ATM rate.

51 Blue Bird Postcards

We provide 20 postcards in envelopes with a blue bird picture at no cost to severely physically or mentally challenged individuals upon request.

52 Postcards with Indentations (Dimpled Postcards)

We issue postcards with a semi-circular indentation in the lower left corner on the front side of the postcard to enable visually impaired individuals to tell which is the front or back and the top or bottom of the postcard.



53 New Welfare Time Deposits

The new welfare time deposit is a one-year fixed time deposit with a preferential interest rate for persons with disabilities or surviving relatives who are receiving a basic disability pension. An additional 0.25% will be added to the interest rate for the normal one-year term deposits and up to ¥3 million will be deposited per person. For example, the general one-year fixed term deposit with an interest rate of 0.04% on June 13, 2011 would bear an interest rate of 0.29% for a new welfare fixed time deposit.

54 Encouraging Employment of Persons with Disabilities

The percentage of persons with disabilities employed by the entire Japan Post Group during fiscal 2011 was 2.1%, achieving the legal employment rate of 1.8% as we did last fiscal year. We will further promote the employment of persons with disabilities in the future.

55 Establishment of Yusei Challenged Co., Ltd.

We established Yusei Challenged Co., Ltd. (in November 2007) as a special subsidiary of Japan Post Holdings to promote the employment of persons with disabilities in the Japan Post Group. This company performs services such as cleaning, copying and book binding for group companies.

Based on requests from schools and others providing special assistance, we are working to provide a safe work environment by conducting seminars and training for challenged* individuals by coaches and senior coaches and determining the appropriateness of work before hiring them.

* "Challenged" means "people who take on the issue or task with which they are faced without giving in to their disability".

56 Transitioning to Barrier-free Facilities

We are engaged in renovation based on a view of universal design, for example, by installing ramps and handrails at the entrances of post offices and laying Braille blocks for visually impaired customers. We have made 8,340 post offices barrier-free as of March 31, 2011.



Braille blocks

Parking for physically challenged customers

57 Making Services Barrier-free

We are providing pension delivery services, Braille signs and Braille notifications as barrier-free services. We are also striving to respond appropriately to customers in general at post offices, including seniors and persons with disabilities.

58 Displaying Mail Pickup Times in Braille

We display mail pickup times in Braille on the postbox.

59 Delivery Notices in Braille

We issue delivery notices in Braille to visually impaired persons to notify an attempt to deliver a letter or Yu-Pack during their absence.

60 Equipping ATMs with Braille Keyboards

We have equipped all of our approximately 26,300 ATMs nationwide with Braille instructions and Braille keyboards for the amount of funds (small bumps rise up to display the amount of funds). The ATMs are also equipped with a built-in telephone receiver and customer earphones can be attached to receive instructions by voice and get information of how to operate the ATM, the amount of funds at issue and the account balance.

61 Braille ATM Card

The customer's name is printed in Braille on the ATM card. We are also sending a separate Braille explanation of how *Yucho IC Cash Cards* can be used.

62 Braille Notices of the Content of Ordinary Deposits

We provide Braille notices of the details of transactions and the current account balance each month for ordinary deposit accounts (one or two times a month). For deposit passbooks, we can attach a Braille sticker showing the type of deposit (and a sticker with the individual's name and the type of deposit for passbook storage envelopes).

63 Braille Notices of the Content of TEIGAKU Deposits and Time Deposits

We provide Braille notices of the contract content, content of collateral loans, maturity date and payment amount for *TEIGAKU* deposits and time deposits. We can attach a Braille seal to the deposit certificate

showing the type of deposit (and a sticker with the individual's name and the type of deposit for certificate storage envelopes).

64 Braille Notices of the Amount of Funds for Transfer Accounts

We provide Braille notices of amounts received and paid for transfer accounts (when received or paid).

65 Product and Service Pamphlets in Braille

Pamphlets in Braille explaining the products and services of Japan Post Bank are available at post offices and Japan Post Bank branches.

66 Braille Notices of the Content of Insurance Agreements

We provide Braille notices of the content of insurance agreements.

67 Braille Notices of Insurance Carried

We provide Braille notices of insurance maturity dates, pension payments, loan content and loan redemption.

3 Cultural and Educational Promotion

68 Reduced Postal Rates for Periodic Publications

We provide reduced postal rates for approved newspapers, weekly magazines and other regular periodicals which are published more than four times each year (third-class mail).

69 Reduced Postal Rates for Correspondence Educational and Academic Publications

Reduced postal rates are applied for mailing academic publications and correspondence educational materials that fulfill certain conditions (a designated of fourth-class mail).

70 Support of a Letter Writing Course at Elementary Schools

Elementary school students have little experience with writing letters so we created educational materials "A Practical Course in Letter Writing" for 22,000 elementary schools in Japan and are distributing these materials free of charge to schools upon request (since June 2010). Approximately one million students in around 5,600 schools participated during fiscal 2011. We also held the "National Presentation Contest for Communication by Postcard," an event where the children could present a series of the practices of writing a postcard and replying to a received postcard (February 2011).

71 Letter Writing Contest

We sponsor a "Letter Writing Contest," which provides children with experience in letter writing and also helps develop well-rounded

children by encouraging communication using written expressions. We solicited entries for "the 43rd Letter Writing Contest" from July through September 2010 and received a total of around 100,000 entries in the three categories of letter writing, postcard writing and illustrated postcard writing. The winners were announced in February 2011.

72 All-Japan New Year's Postcard Contest

We have held the All-Japan New Year's Postcard Contest every year since 2003 to gain recognition of the value of letters through the creation of New Year's postcards by all generations. We held our eighth competition in 2010. We solicited entries from November through December 2010 and received a total of around 110,000 entries in the four categories of woodblock prints, illustrated letters, words and photos. The winners were announced in March 2011.

73 Piggy Bank Design Contest for Children

We held the 35th original piggy bank design contest (for fiscal 2011) to raise awareness of saving among children and enhance their creativity, and received 782,463 entries from 11,905 elementary schools. The 240 works awarded the Minister of Education, Culture, Sports, Science and Technology Incentive Award, the Japan Post Bank Prize and other awards were exhibited in five exhibition halls around the country.

We also donated ¥10 for each work entered to the Japan Committee for UNICEF and the Japan International Cooperation Agency (JICA).

74 Support for Financial Education

We provided materials for the Financial Education Festival (sponsored by the Central Council for Financial Services Information), which enables people to learn about money and develop financial knowledge. We also distributed notebooks for keeping the balance of expenses to children who visited Japan Post Bank branches (during fiscal 2011).

75 Special Support for *Junior Go Grand Master tournament*

We have supported a *Junior Go Grand Master tournament* since fiscal 2010 to foster intergenerational exchange and contribute to local revitalization through the traditional game of *Go*, and to cheer on the children who will represent the future.



Snapshot of the Shikoku competition in fiscal 2011

76 Tei-Park (Communications Museum)

In 1964, the Ministry of Posts and Telecommunications, NTT, KDD (international telephone and telecommunications) and NHK

relocated their four museums to the same building in Otemachi, Chiyoda-ku, and named it Tei-Park (Communications Museum), thereby beginning joint management of some of the services. Two facilities, the Postal Museum of Japan Post Holdings and the NTT Telecommunications Museum of NTT East Corporation, currently manage Tei-Park.

The mission of the Postal Museum is to promote efforts for the dissemination of the culture involving postal services, and the museum is engaged in the collection, retention and display of documents as well as surveys and research for this purpose. It began with the Postal Museum established in the Ministry of Communications in 1902 and just commemorated the 109th anniversary of its opening in June 2011.

77 Studies on the History and Culture of Postal Services

We have been conducting research by university professors and other related parties on the history and culture of postal services utilizing the documents in the possession of the Postal Museum (from October 2008) and announced the results of the research.

4 Promotion of Health and Sports

78 Radio Exercise and *Minna no Taiso* ("Exercise for Everyone")

Radio exercise was created by the Postal Insurance Division of the Ministry of Communications in 1928 to promote the health of citizens. *Minna no Taiso* ("Exercise for Everyone") was added in September 1999 and we are working to promote this effort in cooperation with NHK and Japan Radio-taiso Federation, a non-profit organization.

Once a year, the Festival of 10 Million People's Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") is held in one location to have this many people exercise at once, and is broadcast nationwide by NHK TV and other stations. The event will be held in the city of Hamamatsu on July 31, 2011.



Festival of 10 Million People's Radio Exercise and *Minna no Taiso* ("Exercise for Everyone") (Oita City, August 1, 2010)

79 Health Promotion Living Symposium

We sponsor a symposium on promoting a healthy life to convey relevant information to a broad audience. In February 2011, we held a panel discussion on health in addition to the keynote address by Kenji Ogiwara, the winner of several Olympic medals for Nordic skiing.

80 Co-sponsorship of Interscholastic Athletic Meets

We co-sponsor the athletic meet (National High School Athletic

Meet) held in northern Tohoku (for 23 cities and towns in the four prefectures of Aomori, Iwate, Akita and Miyagi) in fiscal 2012.

81 Co-sponsorship of a High School *Ekiden* Road Relay Race

We plan to co-sponsor a high school road relay race in 2011 (to be held in the Kyoto Prefecture in December).

82 Support of Employee Sports

The women's tennis club of the Japan Post Group took third place in the 25th league playoff (in February 2011) for the Tennis Japan League, the highest corporate tennis league in Japan. The team members are employees who work at post office counters, in sales or other positions. For details, please refer to page 97.

5 Creating a Gender-equal Society

83 Promotion of Women Employees

We are working to create an environment that encourages the promotion of female employees with ambition and ability by providing various kinds of information for their return to work after taking childcare leave as well as other measures to promote the career success of female employees.

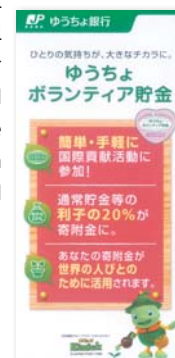
84 Encouraging Support for Raising the Next Generation

We are currently working on measures to support the raising of the next generation at each of the companies in the Japan Post Group. The centerpiece of this will be support for raising children, and we are working actively to produce a guidebook on various kinds of support measures, holding seminars on realizing a work-life balance, creating a program for those returning to the workplace and taking steps to reduce work hours among other measures.

6 International Cooperation and Mutual International Understanding

85 Japan Post Bank Deposits for International Aid

A total of 20% (after-tax) of the interest from ordinary deposits and ordinary savings deposits is donated for international aid program. The donated funds are used for improving the lives of people in developing countries and environmental conservation through the Japan International Cooperation Agency (JICA). Application for the program by *Yucho* Direct was also added in January 2010. As of March 2011, we have received 202,764 applications since we began handling this in October 2008 and have donated a total of approximately ¥2.33 million.



86 Exhibit at 2010 Shanghai Expo

The Japan Post Group had a booth in the Japan Industry Pavilion at the 2010 Shanghai Expo that opened in May. We operated a hands-on theater and showed animation films at the booth under the theme of “Mediator of Communication,” which emphasized the emotional ties forged by mail between friends across the oceans.

87 Participation in the Eco Cap Collection

We have set out collection boxes in each company in the Japan Post Group in Kanagawa Prefecture and Yamanashi Prefecture to collect plastic bottle caps from customers and employees of the Japan Post Group. The collected caps were sent to an NPO (from February 2011). The collected caps are recycled and a portion of the profits is donated for the purchase of vaccines for children in developing countries.

3. Environmental Conservation

1 Cultivation of Forests

88 Japan Post Forests Program

We began tree planting and cultivation activities by employee volunteers in the Japan Post Forest located in Kimitsu City, Chiba Prefecture (from May 2008), and have planted broadleaf trees on 10 hectares over the past three years (Japanese Chestnut Oak, *Konara* Oak, etc.).



Employee volunteers planting trees

89 Children’s Tree-planting Campaign

We co-sponsor an initiative by an NPO engaged in “picking up acorns, planting them in planters and growing a forest,” designed for young children (from fiscal 2009). The purpose of this initiative is to engender environmental awareness in children and help them to be strong and bold in their lives through the experience of forest cultivation. Children in 48 kindergartens and daycare centers nationwide participated.



Children planting oak seedlings

90 Use of Recycled Paper in Regular Postcards

We have been using 40% recycled paper in our regular postcards since fiscal 1993 from the viewpoint of environmental conservation; however, it was found that our suppliers could not comply this requirement. We therefore switched to “20% or more” for the postcards issued during fiscal 2010 and subsequently achieved “40% or more” from the end of February 2011 in line with the policy on improving the environmental quality.

91 Reduction in Copy Paper

We are implementing a system for reducing the quantity of copy paper used in Group companies. Our efforts include promoting double-sided copying, making reduced-size copies, using the backsides of paper and reducing meeting hand-outs materials.

2 Measures to Address Global Warming

The CO₂ emissions reduction target for the entire Japan Post Group is 9% for fiscal 2013 compared with fiscal 2007 based on the Japan Post Group Environmental Vision. We achieved a 6.6% reduction on an actual basis in fiscal 2010 and are continuing to make steady progress.

92 Introduction of Eco-friendly Vehicles

Japan Post Service utilizes 55 electric/plug-in hybrid vehicles for commercial use (fiscal 2010). A total of 20 hybrid trucks for mail pickup and delivery are also utilized (fiscal 2011).

At Japan Post Network, we have deployed seven electric cars and have switched 14 motorcycles to power-assisted bicycles (fiscal 2011).



93 Installation of Charging Equipment

We have installed an electrical outlet in the customer parking lot at the Fukue Branch of Japan Post Service (Goto Islands, Nagasaki Prefecture) to test the charging equipment for corporate and customer use.

94 Eco-friendly Driving

We support a “Safe Eco-Driving” contest for mail delivery personnel and sales personnel nationwide in an effort to reduce CO₂ emissions and traffic accidents through well-mannered driving.

95 Establishment of Environmentally Friendly Facilities

We are introducing environmentally friendly energy-saving measures when building new facilities or conducting large-scale renovations by using high-grade thermal insulation in buildings to lower the burden on air conditioners and striving to improve efficiency by installing energy-saving equipment at each facility. We have also conducted energy conservation evaluations at facilities with a high level of CO₂ emissions and are introducing ESCO businesses* using subsidies at some facilities.

We have upgraded to energy-saving equipment such as LED lights in lighting fixtures and inverter-controlled air conditioners to reduce electric power consumption.

* ESCO businesses refer to projects conducted by Energy Service Companies, which provide comprehensive services that include proposals for energy-saving, provision of equipment, and maintenance and management.

96 Environmental Management

A total of 71 post offices, 79 Japan Post Service branches, and 27 Japan Post Bank branches have attained ISO 14001 certification, the international standard for environmental management systems. In addition, we have also produced a guidebook for energy-saving measures.

97 Carbon Offset* Postcards

We have issued carbon offset New Year's postcards and summer greeting postcards (Kamo-Mail), whereby a ¥5 donation for each postcard plus the same amount matched by Japan Post Service, for a total donation of ¥10, which was distributed to 19 NPOs specialized in global environmental conservation efforts (Amount distributed: ¥156.5 million for fiscal 2011).

We have also contributed to activities for preventing global warming (¥38 million for fiscal 2011).

* "Carbon offset" is the view that one can offset carbon emissions by investing in other reduction activities in addition to making an effort to reduce greenhouse gases.



We also acquired third-party certification of our carbon offset postcards under Ministry of the Environment standards in order to increase the trustworthiness of our carbon offset initiatives. <http://www.4cj.org/>

98 Awarded the 2010 Japan Eco Action Grand Prize

We received an award for our carbon offset postcard in the innovative business examples division for the first Japan Eco Action Grand Prize (sponsored by the Japan Eco Action Association) to commend companies and groups engaged in innovative businesses corresponding to the Eco Action Points Program promoted by the Ministry of the Environment.

99 Collection of Used Ink Cartridges, etc.

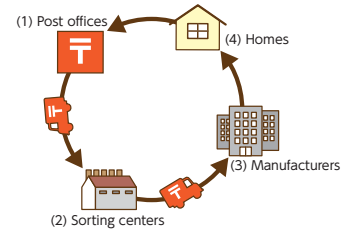
We have set up used ink cartridge collection boxes at 3,639 post offices nationwide (as of March 31, 2011). Used cartridges are sent to sorting centers using our Yu-Pack service and then returned to the respective companies for resource recycling.

We also collect fire extinguishers and personal home computers.

Ink Cartridge Special Collection Box



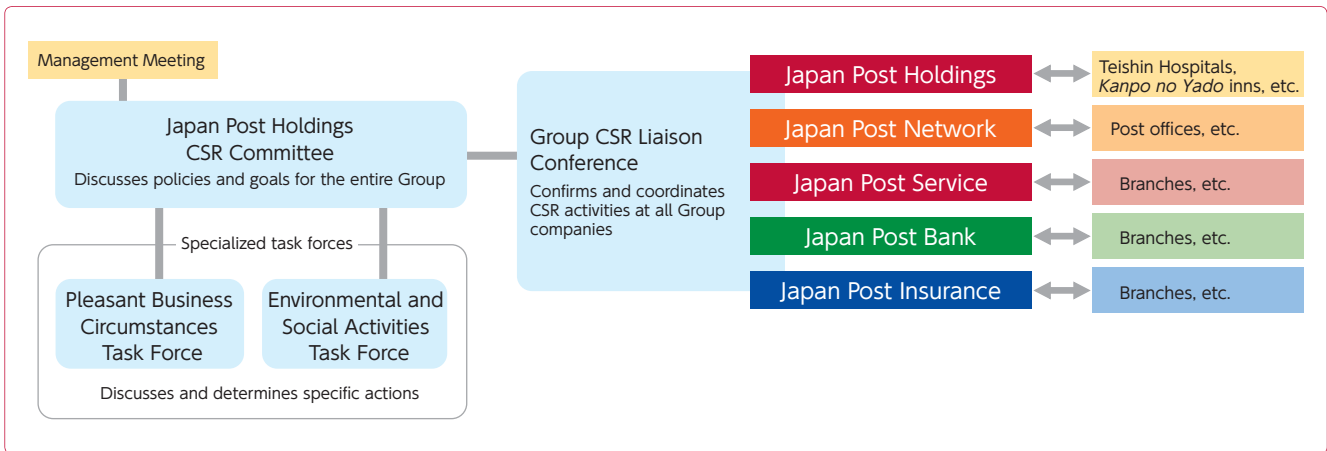
Ink Cartridge Collection Cycle



100 Solar Power Generation Systems Set-up

We began to set-up solar power generation systems as one of the post office referral services in August 2009 in four cities in Saitama Prefecture (Saitama, Kawagoe, Fukaya and Kumagaya) and began implementation at post offices throughout Saitama Prefecture (excluding contracted post offices) from April 2010.

3. Japan Post Group CSR Organization



TOPICS

Japan Post Group Women's Tennis Club Takes 3rd Place Encouraging practice in the course of daily tasks

The women's tennis club of the Japan Post Group debuted in the final tournament (as one of the top 4 teams out of the 10 teams participating in the Japan league) of the 25th Tennis Japan League and took 3rd place only three years after stepping up to the Tennis Japan League, the top corporate tennis league in the nation.

There are six team members. Each of them performs daily tasks at post office counters or in sales or other positions on weekdays, and then practices hard on weekends, thus leading to this result. Players Yuko Tanaka and Kasumi Hattori received awards for being the top rookie players.



Japan Post Group: Team members of the women's tennis club

- [Director] Toshihiro Tsuboi, Managing Executive Officer, Japan Post Network Co., Ltd.
- [Manager] Chiharu Kaneko (formerly of the Research Institute of Electrical Communication)
- [Coach] Naoko Michimoto (Kokubunji Post Office)
- [Player] Yuko Ito (Japan Post Holdings Co., Ltd., General Affairs & Human Resources Department)
- Kaori Matsuyama (Japan Post Service Co., Ltd., Shibuya Branch)
- Naoko Michimoto (Kokubunji Post Office)
- Yuko Tanaka (Itabashi Tokumaru Post Office)
- Kasumi Hattori (Musashino Gotenyama Post Office)
- Rurie Hirose (Japan Post Staff Co., Ltd.)



(Top row from left) Director Toshihiro Tsuboi, player Naoko Michimoto who also serves as coach, Kaori Matsuyama and Rurie Hirose (Bottom row from left) Yuko Ito, Kasumi Hattori (left) and Yuko Tanaka (right)

What is the Tennis Japan League?

The Japan League is the top domestic competition for corporate tennis among tennis matches sponsored by the Japan Tennis Association. A total of 10 teams are divided into two blocks, the red teams and the blue teams, and each block engages in round robin tournaments, with the two top teams from each block proceeding to the final tournament.