Japan Post Group’s Sustainability Management

The trend of prioritizing the correlation between economic activities and sustainability is growing in prominence around the world and continues to gather momentum, evidenced in particular by adoption of the United Nations Sustainable Development Goals (SDGs) in September 2015, adoption of the Paris Agreement at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) and establishment of the Task Force on Climate-related Financial Disclosures (TCFD) by the Financial Stability Board (FSB) in December 2015.

Based on this trend in the global community, Japan Post Group will further promote management from the social perspective that we have taken since our foundation in 1871.

Through our nationwide network of 24,000 post offices, we will steadily fulfill our role in social infrastructure through the stable provision of postal, banking and insurance services that support the foundations of our lives to all regions without exception. We will also face up to the changing challenges and needs of the times and create and share value through products and services that resolve these issues. This is the philosophy of Japan Post Group’s sustainability management.

Realization of the SDGs

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation, and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice, and Strong Institutions
17. Partnerships for the Goals
Realization of the SDGs

The SDGs are a collection of global goals adopted at the United Nations in September 2015 to bring an end to poverty and give the world a sustainable future. The 17 goals are defined in a list of 169 targets aimed at resolving global challenges by 2030.

Japan Post Group has selected CSR Priority Issues (Materiality) in the three fields of local communities, the earth and people and the key themes of the Japan Post Group CSR Basic Policy, and is undertaking activities that are linked to each of the SDGs. In order to ensure harmony between our management strategy and our SDG-related activities, we implement the “provision of universal services” and “fair business practices” as part of our Medium-term Management Plan 2020 announced in May 2018. We also incorporate the SDGs into the framework of our management strategy and through our Group-wide business activities aim to contribute to the achievement of the SDGs and become a company trusted by society.

<table>
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<tr>
<th>Priority Issue</th>
<th>Future vision</th>
<th>Measures</th>
<th>Fiscal year ending March 31, 2021 Targets</th>
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<td>① Provision of Universal Services</td>
<td>Provide products and services necessary for every stage of life based on a post office network that is essential to the infrastructure of society and prioritizes the livelihood of customers</td>
<td>Maintenance of post office network and provision of universal services</td>
<td>Provision of universal services through a seamless post office network</td>
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| (Together with Local Communities) ② Promoting Healthy Living ③ Nurturing the Next Generations ④ Development with Local Communities | Create a secure and prosperous society where everyone can live a safe and healthy life, and a sustainable society that will lead us into the future | ▪ Expansion of Watch Over Service  
▪ Promotion of Radio Exercise  
▪ Promotion of Kampo Platinum Life Service  
▪ Promotion of letter-writing  
▪ Financial education (on-site lessons at elementary and other schools, and Japan Post Bank Piggy Bank Design Contest for Children)  
▪ Partnerships with local municipal organizations | Continued promotion of Watch Over Service and other services |
| (Together with the Earth) ⑤ Reducing Greenhouse Gas Emissions ⑥ Effective Use of Resources and Reduction of Waste | Actively contribute to society through corporate activities that take into consideration climate change and global warming | ▪ Regeneration of regional communities through the development of green areas  
▪ Support for environmental conservation activities through expanded use of non-passbook general accounts  
▪ Implementation of donations based on online provision of contract guidelines and policy conditions | Reduction of CO₂ emissions by 47,000 tons (4.4%) compared with the fiscal year ended March 31, 2017 |
| (Together with People) ⑦ Development of Human Resources ⑧ Workstyle Reform | Create an environment where each and every employee is motivated to actively demonstrate their full capabilities | ▪ Training in accordance with career paths (training by level, frontline leader training, etc.)  
▪ Group joint training (for transferees, newly appointed executives, etc.)  
▪ Promotion of active participation of female employees (promotion to higher positions including management, etc.)  
▪ Promotion of employment of people with disabilities  
▪ Acceleration of understanding of gender diversity (LGBT)  
▪ Promotion of child and family care leave  
▪ Workstyle reform (reduction of working hours, etc.)  
▪ Promotion of employee physical and mental health maintenance and improvement | ▪ Target percentage of women in management  
▪ Japan Post Co.: 10% or more  
▪ Japan Post Bank Co.: 14% or more  
▪ Japan Post Insurance Co.: 14% or more  
▪ Japan Post Holdings Co.: 11% or more  
▪ Employment rate of persons with disabilities: achieve and maintain 2.5% of the Group target |
| ⑨ Fair Business Practices | Require transparent management, comply with regulations, and contribute to the development of society and the local community | ▪ Thorough Group-wide compliance  
▪ Elimination of relationships with antisocial forces | ▪ Zero internal criminal activity  
▪ Continued elimination of relationships with antisocial forces |