

Japan Post Group CSR Basic Policy

Japan Post Group will achieve sustainable growth as a company and contribute to the creation of a sustainable society and future with the aim of being a “Total Lifestyle Support Group” that is of service to customers and local communities.

We will contribute to realizing a safe, secure and prosperous society by maintaining fair, transparent and sound management, while also faithfully fulfilling our role as a key infrastructure of local communities through our post office network and employees.

We will work as a group to address each of the following issues through all of our business activities, beginning with universal services in our postal, banking and insurance businesses.

1 Together with Local Communities

We shall strive for sustainable coexistence with local communities by understanding their issues and demands and communicating with stakeholders to provide the best services.

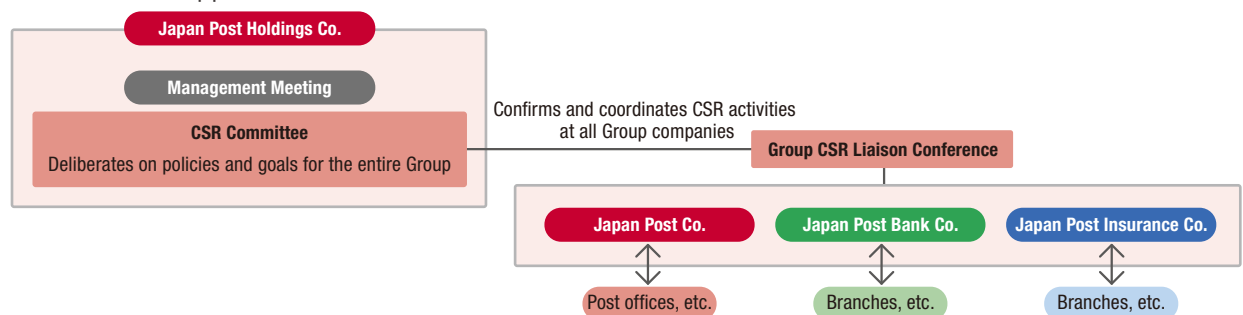
2 Together with the Earth

We shall strive to undertake business operations adapted to the impact of climate change and actively promote business and environmental conservation activities with consideration toward reducing our burden on the environment.

3 Together with People

We shall respect the human rights of all people involved in the business activities of the Group and aim to ensure a safe and friendly working environment and build a fulfilling workplace where individual employees can exercise independence and creativity.

● Promotional Approach to CSR



● Response to ESG challenges

Japan Post Group, recognizing the importance of management that takes into account environmental, social and governance (ESG) issues from a long-term perspective in order to ensure sustainable growth and create corporate value over the medium and long term, established the ESG Office within the Corporate Planning Department at Japan Post Holdings Co. in April 2019.

Together with Local Communities

We shall strive for sustainable coexistence with local communities by understanding their issues and demands and communicating with stakeholders to provide the best services.

Participating in Regional Vitalization Funds



Japan Post Bank Co. has actively encouraged participation in regional vitalization funds since fiscal 2016 to cycle important customer capital throughout all of Japan by way of alliances with local financial institutions. (For details, please refer to page 44.)

➔ Impact on society

Vitalization of local economy and alliances with local financial institutions

Supporting Healthy and Fulfilling Lifestyles



Popularization and promotion of Radio Exercise

To benefit the health of people throughout Japan, Japan Post Insurance Co. is working to popularize and promote Radio Exercise together with NHK (Japan Broadcasting Corporation) and the NPO Japan Radio-taiso Federation.

● Radio Exercise and *Minna no Taiso* Tour

Japan Post Insurance Co. holds the Radio Exercise and *Minna no Taiso* Summer Tour in 43 venues over 43 days across Japan from July 20th to August 31st every year (including the Festival of 10 Million People's Radio Exercise and *Minna no Taiso*).

Additionally, we hold the Radio Exercise and *Minna no Taiso* Special Tour primarily on Sundays and holidays at 10 venues throughout Japan from April to the end of October every year (excluding the period for the Radio Exercise and *Minna no Taiso* Summer Tour).



57th Festival of 10 Million People's Radio Exercise and *Minna no Taiso* (Held in Kurashiki City, Okayama Prefecture, on August 5, 2018)

● Festival of 10 Million People's Radio Exercise and *Minna no Taiso* ("Exercise for Everyone")

As one of our major Radio Exercise events, Japan Post Insurance Co. holds the Festival of 10 Million People's Radio Exercise and *Minna no Taiso* every year at one venue aiming to get 10 million people around the country to participate together in Radio Exercise through TV and radio channels.

Providing the health support app "Sukoyakanpo"

The role expected of the life insurance business is shifting from the provision of conventional services, that is, protection against illness and injury, to the provision of services for prevention of illness and injury and for maintaining and promoting health. To fulfill such a role, Japan Post Insurance Co. intends to vigorously support health and affluent lifestyles.

As a measure for such support, we have launched the "Sukoyakanpo" health support free app that helps people pursue health at ease.

➔ Impact on society

Promotion of health among customers, etc.



Toward a Society in Which the Elderly Can Live with Peace of Mind

JP JAPAN POST JP JAPAN POST INSURANCE

The Post Office Watch Over Service

Japan Post Co. values the connection between local communities and post offices, and with the aim of growing together, provides the Watch Over Service at 20,000 post offices nationwide.

Kampo Platinum Life Service

Japan Post Insurance Co. is conducting a company-wide initiative called “Kampo Platinum Life Service” to win the favor of the growing number of elderly customers by offering age-friendly services based on a sense of security and trust that has been enabled by improving contacts with all customers from the perspective of our elderly customers.

➔ Impact on society

Provision of services that the elderly can use with peace of mind

➔ Impact on society

Creation of a society in which the elderly can live with peace of mind



Publication of an information magazine for elderly customers



Encouraging employees to acquire qualifications
E.g.: Carefitter training

Initiatives to Increase Logistics Efficiency Using Next-generation Mobility

JP JAPAN POST

In light of a labor shortage, Japan Post Co. is undertaking initiatives that use new technology such as drones, delivery robots and automated driving to provide stable and sustainable postal and logistics services.

There are still many challenges to overcome, including technical issues and the development of a legal system, but we plan to continue with these initiatives.

➔ Impact on society

Vitalization of the local economy, contribution to innovation and alleviation of labor shortage

November 2018	<p>Started transports between post offices using small unmanned drones</p> <p>Japan Post Co. started parcel transports using a small unmanned drone without an operator watching the airborne device or an assistant who monitors its movements for the first time in Japan from a post office in the city of Minamisoma in Fukushima Prefecture to the town of Namie (about 9km).</p>
January 2019	<p>Demonstration test to realize application of delivery robots to the logistics field</p> <p>A demonstration test using a delivery robot was conducted in the city of Minamisoma and the town of Namie to test the possibility of delivery robots for the last one mile of logistics. An automobile school and public housing for disaster victims were used for the test as they closely resemble the actual road environment and delivery environment.</p>
March 2019	<p>Demonstration test for self-driving transport cars</p> <p>Japan Post Co. has conducted a test for a self-driving transport car assuming the transport of mail between the Tokyo International Post Office and Shin Tokyo Post Office. A further test was conducted that was unmanned on the premises of the Shin Tokyo Post Office.</p>



Drone



Experiment using a self-driving car

Together with the Earth

We shall strive to undertake business operations adapted to the impact of climate change and actively promote business and environmental conservation activities with consideration toward reducing our burden on the environment.

Initiatives to Address Climate Change

Declaration of support for TCFD

Japan Post Holdings Co., Japan Post Bank Co. and Japan Post Insurance Co. have declared their support to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) which were established by the Financial Stability Board (FSB).

Japan Post Group has declared in the Japan Post Group CSR Basic Policy that we will “strive to undertake business operations adapted to the impact of climate change and actively promote business and environmental conservation activities with consideration toward reducing our burden on the environment.” In addition, under the Japan Post Group Medium-term Management Plan 2020, the Group upholds a policy to

reduce greenhouse gas emissions as one of our initiatives targeted at achieving the United Nations Sustainable Development Goals (SDGs), and also works to contribute to the creation of a sustainable society through such means as investment in green bonds.

In addition to the above, Japan Post Group will strive for increased information disclosure by deepening analysis on the impact of climate change on the business of each Japan Post Group company based on the TCFD recommendations.



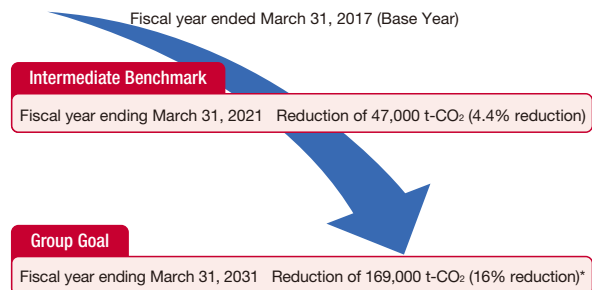
Japan Post Group Environmental Statistics

Japan Post Group is working to reduce greenhouse gases emitted by its businesses* to realize a sustainable society taking climate change and global warming into consideration.

In view of domestic and international trends, Japan Post Group will continuously promote initiatives to reduce greenhouse gas emissions and has set its greenhouse gas reduction goal for the fiscal year ending March 31, 2031 as well as intermediate benchmarks up to the fiscal year ending March 31, 2021 to achieve this goal.

* Greenhouse gasses emitted by Japan Post Group's businesses refer to CO₂.

● Greenhouse gas emission reductions by Japan Post Group



* This corresponds to the greenhouse gas reduction goals in Japan's "Plan for Global Warming Countermeasures" (26% reduction compared with the fiscal year ended March 31, 2014) based on the Paris Agreement.

Initiatives to Reduce Environmental Load in Logistics

Japan Post Co. is working to reduce environmental load in logistics through such efforts as introducing electric vehicles (EVs) and reducing redelivery.

Expanded introduction of EVs

Japan Post Co. has made the decision to replace 1,200 gasoline-powered light vehicles used to deliver parcels and mail over short distances mainly in the Tokyo Metropolitan area with EVs by March 31, 2021.



● EV-related initiatives

FY2008	Japan Post Co. proceeded with preparations toward full-scale introduction of EVs, conducting demonstration tests of electric vehicles to verify benefits and issues in terms of the environment and business from various perspectives and asking automakers for cooperation in development.
FY2013	Japan Post Co. introduced EVs on a trial basis and conducted tests on the effect on the environment as well as practicality and efficiency. A total of 69 EVs (vehicles for collection and delivery) have been deployed as of March 31, 2019.
FY2017	Japan Post Co. started examining collaboration with Honda Motor Co. on demonstration testing for environmentally responsible electric motorcycles for postal deliveries.
FY2019	Plan to replace approximately 400 vehicles from November
FY2020	Plan to replace approximately 800 vehicles from April

Initiatives to reduce redeliveries

Under the “send and receive with greater ease” concept, Japan Post Co. is making efforts to improve Yu-Pack service and reduce CO₂ emissions generated through redeliveries while enhancing customer convenience.

In March 2019, we expanded our email notification service and designated location delivery service for customers using a Yubin ID. We are also working to enhance our channels for receiving mail such as HAKO POST receiving lockers.

→ Impact on society

Alleviation of climate change and global warming

**● Improvement of Yu-Pack service**

Expansion of delivery notice emails	Japan Post Co. expanded its mail notification service to customers who use a Yubin ID. Information on the destination provided to Japan Post Co. by the shipper is matched with the information on record for a customer who has attained a Yubin ID, and an email is sent to the recipient with notification of scheduled delivery or stating that they were not at home when the package was delivered.
Expansion of services where delivery location can be designated	Customers who have received mail with notification of scheduled delivery of a Yu-Pack sent by the shipper or stating that they were not at home when the Yu-Pack was delivered can have it sent to a designated location. [Possible pickup locations] • In front of door • Delivery box • Mailbox • Meter box • Storeroom • Carport
Other initiatives	Japan Post Co. has conducted a demonstration test for the OKIPPA delivery bag for 1,000 households in the Sugunami Ward of Tokyo in conjunction with Yper Inc. Redeliveries were reduced by approximately 61% during the test period of around a month.

Effective Use of Resources and Reduction of Waste

 JAPAN POST HOLDINGS  JAPAN POST BANK  JAPAN POST INSURANCE

Reducing paper with paperless bank accounts

As of March 6, 2016, Japan Post Bank Co. has been offering its “Japan Post Bank Direct+ (Plus)” bank accounts that do not require a bankbook.

The paperless Japan Post Bank Direct+ (Plus) account is a service that does not issue a bankbook but rather utilizes a cash card for cash deposits and withdrawals, and a website for checking account details.

Since paper usage is being reduced by the increasingly widespread adoption of this service, we decided to donate an amount equivalent to the number of accounts opened in the fiscal year ended March 31, 2018, under the title “Yucho Eco-Communication,” to 13 organizations (non-profit organizations) across Japan that are engaged with local residents in activities that have both an environmental conservation and a social contribution aspect. The funds were used for activities conducted between January and December 2018.

Contributions to environmental preservation through online provision of the contract guidelines and policy conditions

On October 2, 2014, Japan Post Insurance Co. began offering the contract guidelines and policy conditions on the Company’s website.

Previously, we had provided our contract guidelines and policy conditions to all customers in a paper booklet format. By selecting “web viewing,” policyholders now have the option of confirming their contract guidelines and policy conditions in PDF format on our website instead of receiving a paper brochure. The provision of the contract guidelines and policy conditions on the website eliminates the need for conventional brochures, thereby enabling a reduction in the amount of paper used.

In July 2018, we donated a total of ¥33.0 million to 33 environmental groups working on forestation based on the number of customers who opted for online contract guidelines and policy conditions in the 12 months from October 2016 to September 2017.

Eliminating paper

Japan Post Group has been endeavoring to eliminate the use of paper since before it relocated its head office building. The transfer provided an excellent opportunity to further strengthen this initiative by installing monitors in meeting spaces and conference rooms, which is helping to realize paperless meetings, even management meetings. Improving the office not only eliminates paper but also prompts employees to rethink their working style.

➔ Impact on society

Reduction in paper consumption and work style reform



Paper materials were reduced by installing permanent monitors in the conference room



A meeting space used to further communication

Head Office Building Acquires Gold-level LEED-CI Certification (2009 Version) JAPAN POST HOLDINGS

Japan Post Holdings Co. acquired Gold-level LEED-CI certification, an international standard in grading systems for the environmental performance of buildings when the head office was shifted to the Otemachi Place West Tower.

The honor recognized the construction of an office space with world-class environmental performance, the largest of its kind in Japan among office tenants that have acquired the LEED certification.

ESG Investment Policy

 JAPAN POST BANK  JAPAN POST INSURANCE

Japan Post Bank Co. formulates and discloses an ESG investment policy as an institutional investor responsible for advancing globally diverse investment.

For details of Japan Post Bank Co.'s ESG investment policy, please refer to the Company's website.

https://www.jp-bank.japanpost.jp/en/aboutus/company/en_abt_cmp_esg.html

Japan Post Insurance Co. manages assets in accordance with the ESG Investment Policy as an institutional investor managing assets over the long term.

For details of Japan Post Insurance Co.'s ESG investment policy, please refer to the Company's website.

https://www.jp-life.japanpost.jp/english/aboutus/csr/en_abt_csr_esg.html

ESG Investment Activities

 JAPAN POST INSURANCE

From the perspective of fulfilling its social responsibilities to all stakeholders, Japan Post Insurance Co. is promoting initiatives to solve ESG issues facing society, and actively taking on challenges toward the sustainable growth of corporate value and social development.

In asset management, we will consider various factors of ESG in making investment decisions, in order to realize a sustainable society, improve investment results and reduce risks in the long-term.

■ Integration of ESG factors into the investment process Initiatives in the area of internal domestic equity investments

We utilize ESG integration as a method to consider ESG factors in making investment decisions in addition to financial information, and manage the following two domestic equity funds.

- Fund investing in high-dividend companies whose corporate value is expected to increase over the medium- to long-term, based on comprehensive evaluation of companies' initiatives on ESG issues.
- Fund investing in companies that view ESG issues as a growth opportunity, based on evaluation of "contribution to performance" and "growth potential" of companies' technological capabilities and business base which contribute to the achievement of SDGs and resolution of issues related to them.

Initiatives in the area of internal bond investments etc.

We utilize ESG-themed investment as a method to consider ESG

factors in making investment decisions. We select themes that can widely contribute to the achievement of SDGs and the resolution of issues related to them, and invest in projects beneficial to the resolution of ESG issues.

- Investment in solar power generation projects
- Investment in a Thematic Bond promoting gender equality
- Investment in a Climate Awareness Bond

Initiatives in the area of externally managed assets

In our external manager selection, appointment and monitoring processes, we confirm their ESG initiatives.

■ Stewardship activities

Through constructive engagement, we are striving to build strong relationships with investee companies and to appropriately monitor their status.

For details of Japan Post Insurance Co.'s stewardship activities, please refer to the Company's website.

https://www.jp-life.japanpost.jp/aboutus/company/assets/pdf/stewardship_taiyo.pdf (in Japanese)

■ United Nations Principles for Responsible Investment (UN PRI) signatory

In Japan Post Group, Japan Post Insurance Co. signed the UN PRI in October 2017 to promote ESG investment and to contribute to the realization of a sustainable society. In accordance with the PRI, we are fulfilling our social responsibility as an institutional investor and will report our initiatives in our RI Transparency Report, which will be made available on the UN PRI website.

Signatory of:



Together with People

We shall respect the human rights of all people involved in the business activities of the Group and aim to ensure a safe and friendly working environment and build a fulfilling workplace where individual employees can exercise independence and creativity.

Formulation of Japan Post Group Human Rights Policy

 JAPAN POST HOLDINGS

Japan Post Group recognizes that the respect for human rights of all people involved in our business activities is indispensable to the achievement of a sustainable society.

Accordingly, in April 2019 the Group established the Japan Post Group Human Rights Policy in accordance with international principles such as the United Nations Guiding Principles on Business and Human Rights.

Japan Post Group is dedicated to promoting human rights initiatives across the Group.

➔ Impact on society

Respect for human rights and alleviation of discrimination

Initiatives Related to Preventing Discrimination and Respecting Human Rights

The Japan Post Group Charter of Corporate Conduct states that we shall aim for sustainable coexistence by placing importance on maintaining dialogues with diverse stakeholders, as well as respect human rights and provide safe and pleasant workplaces.

As part of efforts to put these ideals into practice, we strive to bring enlightenment on human rights, give training to managers that draw on cases of harassment and distribute a booklet on such matters. We have also

set up counters inside and outside the company for consultation on harassment and take consultations anonymously to protect the privacy of the consulter.

➔ Impact on society

Respect of human rights and alleviation of discrimination

Promoting Diversity Management

 JAPAN POST HOLDINGS

Promotion of the active participation of women

JAPAN POST Group is implementing various initiatives to ensure that female employees can fully demonstrate their individuality and capabilities and to establish a pleasant workplace environment that continues to be motivating.

We have set the following targets for the percentage of women in management in our Group companies and are pushing ahead with initiatives that include training to raise awareness among women, support of women's career development and work style reform to reduce long work hours.

- Target percentage of women in management (up to April 1, 2021)

Japan Post Co.	Japan Post Bank Co.	Japan Post Insurance Co.	Japan Post Holdings Co.
10% or more	14% or more	14% or more	11% or more

Advocacy of the "Declaration on Action" by a group of male leaders who will create "A Society in which Women Shine"

Based on an agreement with the tenets of the "Declaration on Action" by a group of male leaders who will create "A Society in which Women Shine" advocated by the Gender Equality Bureau Cabinet Office, the presidents of each Japan Post Group company are proactively promoting the active roles of women who shine. These efforts are in line with the three initiatives set forth under the Declaration, namely "taking actions and sending messages ourselves," "disrupting the status quo" and "developing networking."



Employment of persons with disabilities

Cognizant of the fact that providing suitable employment opportunities to persons with disabilities is our social responsibility as a corporation, we are working proactively to promote such employment. As of April 2019, the employment rate of persons with disabilities was 2.29%, exceeding the legally mandated mark of 2.2%. These persons are engaged in a variety of roles in different places of work.

Empowerment of the elderly

Japan Post Group will raise the retirement age to 65 starting with employees who turn 60 in the year ending March 2021 as the working population decreases due to Japan's aging population and dwindling birthrate and to coincide with the arrival of a society in which the elderly are increasingly taking on active roles. The Group plans to create an environment in which elderly employees can play an active part.

➔ Impact on society

Creation of organizational innovation through the use of diverse ideas and the generation of employment opportunities for persons with disabilities
Response to the aging society and enhancement of employee motivation

Creating a Motivating Workplace

 JAPAN POST HOLDINGS

Proper management of work hours

Besides engaging in proper management of work hours in their places of business, Group companies are conducting various initiatives to reduce overtime work through streamlining of business and workplace culture reform.

Initiatives in health management

We believe that a healthy body and mind are vital for each individual employee to take full advantage of his or her skills and work energetically. Therefore, the Group companies are working together with employees to implement health maintenance and promotion measures. These measures include "reducing long work hours," "health guidance toward prevention of lifestyle diseases" and "mental healthcare" in order to realize the "health and happiness of employees and their families" and to "contribute to society through further productivity improvements."

Each Group company also conducts stress checks not only in offices with 50 or more employees, where such checks are mandatory, but also for approximately 100,000 employees at 19,000 nationwide offices with less than 50 employees. These stress checks are used for early detection of mental health problems and improvement of work environments.

Support measures for child care, nursing care and illness

Regarding child/nursing care, Japan Post Group has established a support system exceeding the regulations set out by law and is implementing various support measures so that both male and female employees can continue working during times they are needed at home, including from pregnancy to childbirth, for child care and for nursing family members.

We are also taking steps to ensure a good work-life balance that include enhancing sick leave and introducing other leave programs so that employees can devote themselves to getting better with peace of mind in the event of illness, as well as establishing a leave system for infertility treatment.

➔ Impact on society

Enhancement of motivation and quality of life

Development of Human Resources

Developing human resources who fulfill their expected roles

Each Group company carries out employee development to nurture human resources to fulfill their expected roles according to their respective career paths. This includes on-the-job training (OJT), in which instruction and education are given through work in actual workplaces, and off-the job training (Off-JT), in which employees acquire the necessary knowledge and skills by participating in training and seminars away from their workplaces (position-based training including stratified training when employees are promoted, as well as training for frontline leaders and training to enhance specific skills such as sales capabilities). Collectively, these companies assist with employee “self-development,” including support of qualification acquisition.

Furthermore, Group companies implement training to enhance management skills, particularly for head office staff, as part of efforts to cultivate human resources who can fulfill their expected roles.

Developing human resources who contribute to improving the Group's corporate value

We actively promote personnel exchanges within the Group for integrated operation of the Group's businesses and for optimal assignment of personnel for the Group as a whole.

Also, with the aim of making the Group more competitive, we are conducting training at the Postal College to contribute to fostering a sense of Group unity and deploying synergies. In addition to training for newly appointed executives, we provide joint group training for executives and employees in Group companies that includes all employees hired for career-track positions and those transferred from the front line to career-track positions at the head office.

Comments from an Executive in Charge of Personnel



Kazuhide Kinugawa
Japan Post Holdings Co., Ltd.
Senior Managing Executive Officer

Over the years, Japan Post Group has provided products and services that accommodate diverse lifestyles by way of the integrated offering of its three core businesses of postal services, banking and insurance through post offices. I believe it is important for each employee of the Group to work together to generate synergies that will drive further growth.

Based on this philosophy, Japan Post Group is striving to promote a unified organization. Efforts include actively promoting personnel exchanges within the Group for integrated operation of the Group's business and for optimal assignment of personnel for the Group as a whole. Also, we are fostering a sense of Group unity through such means as conducting joint training for executives and employees in Group companies.

It is essential to create an environment in which each employee can work in good health and with vitality since employees are the foundation underpinning business activities for postal operations highly dependent on human power. We are currently undertaking measures relating to work style reform in order to fully draw out the capabilities of employees. These include reducing overtime; providing

strong support for child care, nursing care and illness; promoting diversity management; and improving the employment conditions for fixed-term employees.

In particular, we are promoting health management in a joint effort between employees and the company to maintain and improve health. Also, with the aim of realizing a workplace that encourages a positive work-life balance, we are expanding and enhancing our support systems for child care, nursing care and illness. By doing so, we hope to prevent the outflow of exceptional human resources with extensive experience.

Further, we are improving conditions for fixed-term employees as we view them as critically important resources to the Group's business management. This comes amid demands for improved conditions for non-regular workers, which has become an issue pervading society on the whole. Our policy is to contribute to the growth and development of the Group by implementing various measures to improve conditions from the perspective of equal pay for equal work. Our measures have been executed ahead of the April 2020 enforcement of the Act on the Arrangement of Related Acts to Promote Work Style Reform, otherwise known as the Work Style Reform Act (“Part-Time/Fixed-Term Employment Act”).

We will continue striving to drive growth and development in Japan Post Group through initiatives to create a motivating workplace, which include establishing an environment in which all employees can maximize their potential and work with positivity, and supporting the development of human resources.