

The innovation and spread of information technology is a factor which greatly affects our corporate value, and we recognize it as a major management risk. The Japan Post Group has established a highly effective IT governance system in order to respond appropriately to such an environment.

Group IT Governance System

In the Japan Post Group Agreement, the Japan Post Group defines the basic matters for establishing and developing an IT governance system.

Based on this agreement, Group companies minimize risk arising from improving productivity

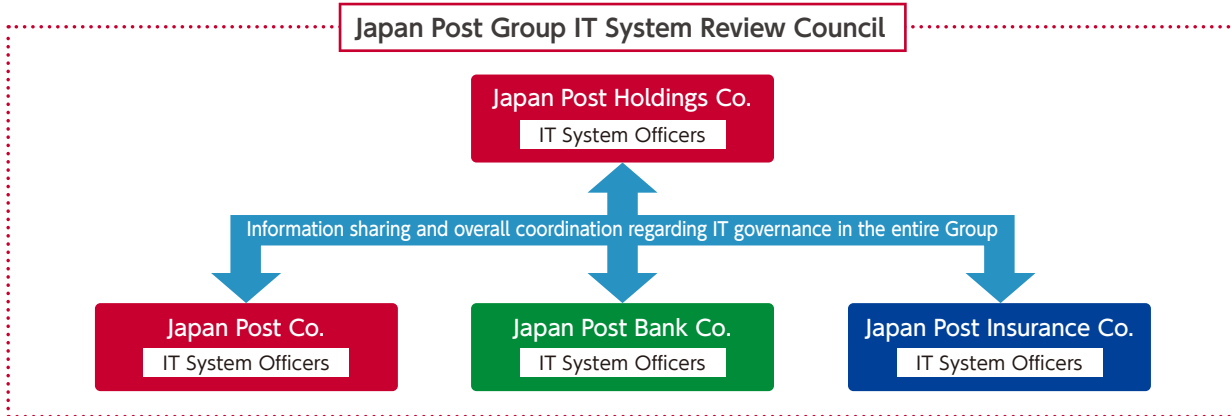
through the development and execution of an IT strategy, streamlining management and using IT, and realize IT governance necessary to maximize corporate value by ensuring the soundness of Group management.

Implementing Effective IT Governance

Japan Post Group has set up a Japan Post Group Information System Review Council with members including the CIO of each Group company, with the purpose of information sharing and overall coordination related to IT governance in the entire Group. Effective IT governance is implemented based mainly on the agenda items and report items on the right.

- Examine policies and measures related to IT governance in the entire Japan Post Group
- Study the direction, confirm impact, and adjust the development schedule of major IT system development
- Status of IT governance activities of the entire Group and four Group companies
- Reporting and sharing information on the operation status of major IT systems
- Other matters deemed necessary by members of the Review Council

● Organizational chart of IT governance in Japan Post Group



IT Strategy to Support Group Management

The Japan Post Group has stated the following three IT strategies in order to respond to changes in the business environment including customer needs, as well as promote business innovation using IT.

1. Promote IT to support new business development for future growth
 - Respond to the changing needs of society and customers by providing products and services that totally support their lives
2. Promote work style reform and productivity improvement
 - Actively adopt the latest technology in order to

- develop an IT environment where employees can fully demonstrate their own abilities
- Train IT human resources who are familiar with business and technology, and can support the next generation of systems
- 3. Reinforce our management base in order to support sustainable growth
 - Reduce IT costs for the Group by concentrating Group IT infrastructure in stages
 - Strengthen cyber security and provide reliable IT services