

Message from an Outside Director



AKIYAMA Sakie
Outside Director

The Japan Post Group Is Required to Have a High Level of Governance.

Japan Post Holdings Co., Ltd. aims to achieve Group governance as the holding company of the Japan Post Group, which includes Japan Post Co., Ltd., Japan Post Bank Co., Ltd., and Japan Post Insurance Co., Ltd.

The Basic Views of the Japan Post Group's corporate governance include first and foremost "to continue to create new convenience for customers and pursue the provision of high-quality services, while generating consistent value by providing universal services of the Japan Post Group's three core businesses through the Japan Post Group's post office network."

While it is a company listed on the Tokyo Stock Exchange Prime Market, Japan Post Holdings is also a

special company under the Act on Japan Post Holdings Co., Ltd., which stipulates that it is responsible for making its postal, banking, and life insurance businesses available to customers at post offices in an integrated format and in a manner that is easy to use by customers. Japan Post Holdings is also obligated by law to maintain the post office network to ensure fair use across all of Japan. These are the so-called universal services provided at post offices.

The fact that this is stipulated by law traces the Company's long history of serving in the public service sector throughout Japan since its founding in 1871. Due to its historical background, the Japanese government is a major shareholder. In addition, the need for a supervisory process by the necessary government agency is essential to ensure the integrity of the decision-making process in management. As a result, diligent dialogue with a broader number of stakeholders is also essential to achieve Group governance. This desire for higher levels of governance is a distinguishing feature of the Group.

Role of the Board of Directors in Enhancing Corporate Value

As a company adopting “a company with nomination committee, etc.” structure, Japan Post Holdings’ Board of Directors operates primarily in a monitoring capacity to fulfill its supervisory function. To contribute to sustainable growth and long-term enhancement of corporate value, the Board of Directors has had a series of discussions on the formulation of the Medium-Term Management Plan “JP Vision 2025” and the concept of the “Co-creation Platform” supporting customers and local communities.

Furthermore, as a response to major events involving Group governance, such as issues associated with the improper solicitation actions of Japan Post Insurance, the Board of Directors continuously confirms and exchanges opinions on the progress and penetration of various measures. These include the establishment of a system to enhance the effectiveness of controls across the Group and initiatives to transform the organizational culture; for example, more opportunities for employees to engage in direct dialogue with the senior management team.

At the same time, the business environment in which the Group operates is changing rapidly and materially. There is a heightened sense of crisis in local communities due to the declining birthrate and aging population in Japan. This is compounded by the impact of the three-year-long COVID-19 pandemic, energy-related problems triggered by military conflict in Europe, a sharp increase in prices, turbulence in international financial markets, and accelerating technological innovation, among other disruptions.

The impact on our Group’s management is also significant, and we will need to have more in-depth management discussions than ever before to realize sustainable growth and long-term improvement in corporate value.

To realize better governance, we will further deepen discussions at Board of Directors’ meetings, adding diverse perspectives on how to both meet the expectations of shareholders and provide universal services as well as the ideal state for the Group’s business and growth strategy as a “Co-creation Platform.”

Expectations of the Japan Post Group

As represented by its 400,000 Group employees, the Japan Post Group is a huge organization in terms of assets, sales, profits, and its 24,000 post offices, all of which are on a scale that is rare in the world. What enables the sound governance of such a massive organization is nothing other than each employee putting into practice in their own role the ideal state of the Group’s services, which is embodied in the concept of the “Co-creation Platform.”

Change is accelerating in the business environment, and the Group has entered an era in which it is no longer sufficient to implement predetermined plans in an orderly fashion, but rather must to respond flexibly to such changing times to “continue to create new convenience for customers and pursue the provision of high-quality services.” Just as human capital management has become a central management issue, the Group will work to create an environment in which each employee can express their abilities to the fullest. This will be approached as a management priority that will lead to the long-term enhancement of corporate value.

Initiatives of the Group Conduct Management Office

JP Code of Conduct

For our customers, for society, for our employees

We will act for smiles.

We will act with pride.

We will act on a new stage.

The Group Conduct Management Office worked on the formulation of the JP Code of Conduct and measures to promote and disseminate it as one of the initiatives for the Group to act in a manner that meets the expectations of its stakeholders.

Specifically, on July 4, 2022, the JP Code of Conduct, a Group-wide unified corporate code of conduct, was formulated to ensure that our actions live up to the expectations of our customers and society.

Since then, we have been undertaking initiatives to promote and embed the JP Code of Conduct throughout the Group, mainly by sending out messages from senior management, distributing a corporate philosophy handbook that includes the JP Code of Conduct, and establishing and operating a team consisting of mid-tier employees from each Group company.

Also, on March 6, 2023, we formulated a three-year “Group Conduct Improvement Plan” to entrench our efforts based on the JP Code of Conduct into an organizational culture, or corporate culture, so that each employee and officer can offer new value to customers and society by sincerely incorporating customers’ and society’s “smiles,” “pride,” and “new stage” in their workplaces.

Going forward, we will continue to act to meet the expectations of our stakeholders in accordance with the Group Conduct Improvement Plan.

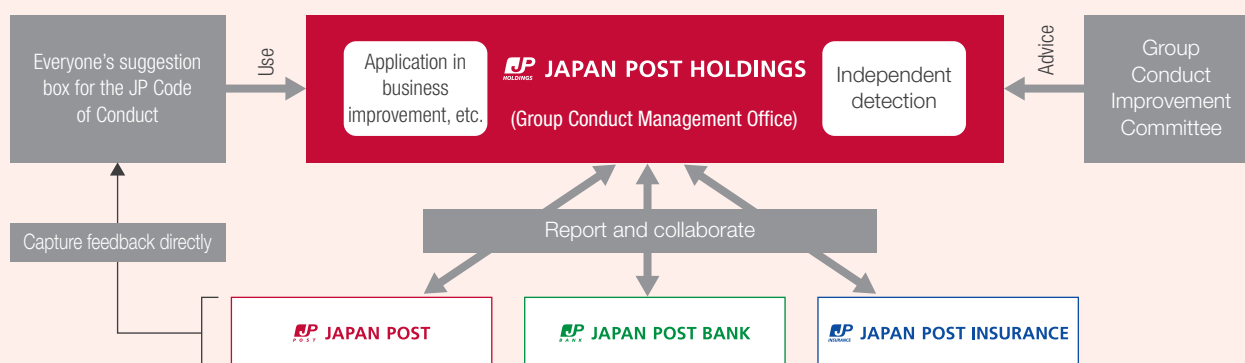
Such initiatives have been submitted to the Group Conduct Improvement Committee (established on April 1, 2022), consisting of outside experts, for their advice.

Furthermore, the Group Conduct Management Office has worked on the early detection of conduct risk, i.e., events that are inconsistent with customer-oriented business operations, by strengthening linkages among each Group company and receiving various risk information from operating subsidiaries as the first line of defense. These other initiatives are designed to enhance our response to incidents that are contrary to stakeholders’ expectations.

To independently detect conduct risk, the Group has also been analyzing various types of feedback (customer and employee feedback, etc.) using AI and other tools to detect business operations that are not customer-oriented and risk scenarios that have not yet materialized.

In the future, we will consider improving the accuracy of analysis and expanding the scope of analysis to detect risk events, etc., to build a framework that will lead to improved operations and service quality.

Framework for detecting conduct risk and other risks of operating subsidiaries



Japan Post Group Corporate Governance

Basic Views

Japan Post Holdings shall develop the corporate governance structure of the Japan Post Group based on the following concepts, with a view to ensuring sustainable growth of the Japan Post Group and creating corporate value over the medium to long term.

1. Japan Post Holdings shall continue to create new convenience for customers and pursue the provision of high-quality services, while generating consistent value by providing universal services of the Japan Post Group's three core businesses through the Japan Post Group's post office network.
2. Fully recognizing its fiduciary responsibility to its shareholders, Japan Post Holdings shall give consideration to appropriately secure rights and equal treatment of shareholders.
3. Japan Post Holdings shall place emphasis on dialogue with all stakeholders including customers and shareholders with an aim to ensure appropriate collaboration and sustainable coexistence. To this end, Japan Post Holdings shall strive to secure management transparency and commit to appropriate disclosure and provision of information.
4. Japan Post Holdings shall carry out swift and decisive decision-making and business execution under the effective supervision of the Board of Directors, in order to promptly cope with changes in the social and economic environment and meet the expectations of all stakeholders.

These basic views on corporate governance and our corporate governance framework are set forth in our Japan Post Holdings' Basic Policy on Corporate Governance.

* For more information, please refer to the following website. <https://www.japanpost.jp/en/group/governance/>

Japan Post Holdings will continue to enhance internal controls and strive to enhance corporate governance of the Japan Post Group from this perspective.

Group Operation and Management Structure

Japan Post Holdings has concluded agreements on the Japan Post Group's operation and management (hereinafter "Japan Post Group Management Agreements") with and between Japan Post, Japan Post Bank, and Japan Post Insurance on the Japan Post Group's common philosophy, policies, and other basic matters concerning Group management, thereby setting up a system to facilitate mutual collaboration and cooperation as well as exerting synergistic effects among the Japan Post Group companies.

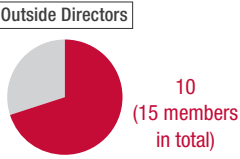
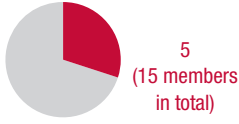
In addition, Japan Post is required to give prior approval or report on matters which must be done in order to conduct Group operations in a smooth and appropriate manner, as well as matters which require management based on laws and regulations. The two financial subsidiaries (Japan Post Bank and Japan Post Insurance) are required

to give prior consultation or reports for the purpose of securing the independence of the two finance corporations, and the Group is promoting consolidated management as a Group and working to ensure appropriate governance.

Moreover, in accordance with the Japan Post Group Management Agreements, the Group Steering Committee was established to discuss and share a common understanding of important matters concerning Group management among the management of the Japan Post Group companies for the purpose of promoting effective and efficient operation of the Japan Post Group. In addition, the Group CxO system has been introduced, and Group CxOs have been appointed from among the executives of Japan Post Holdings to implement cross-organizational adjustments and provide advice of the Group.

Characteristics of the Board of Directors

(As of July 1, 2023)

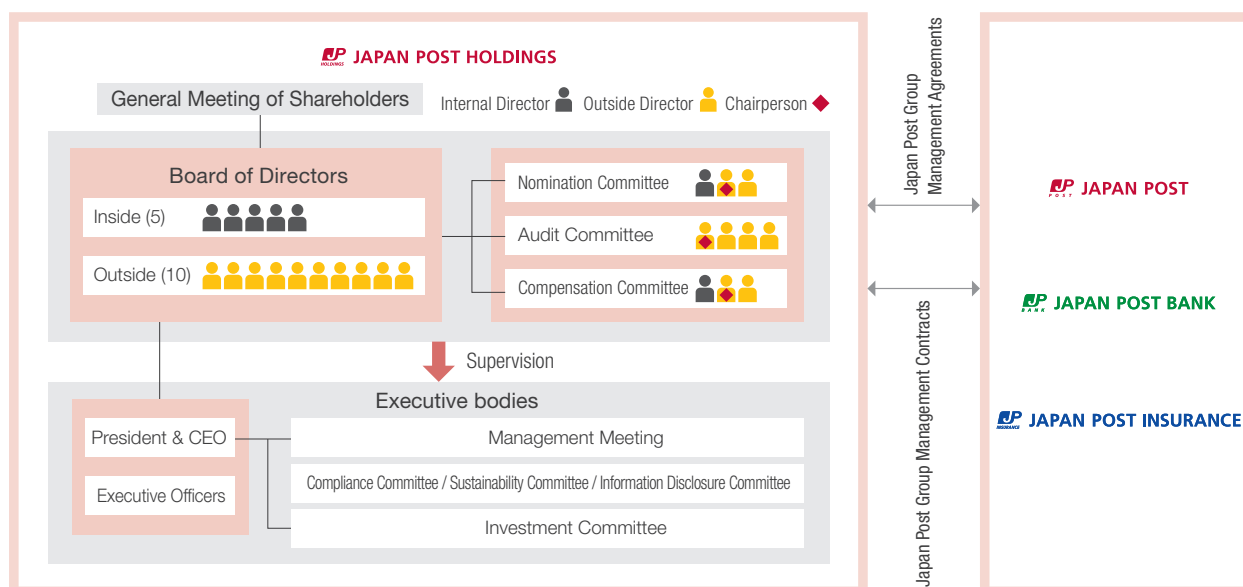
Characteristic (1)	Characteristic (2)	Characteristic (3)	Characteristic (4)
Company with nomination committee, etc.	The majority of the Board are outside directors	Putting diversity into practice	Implementation of Board of Directors' effectiveness evaluation
Japan Post Holdings has adopted the system of a company with nomination committee, etc., and separates the Board of Directors engaged in vital decision-making and supervision from the business execution based on such decisions, thereby increasing the flexibility in management and establishing the management supervision structure of the Group governed by the Board of Directors. The nomination, compensation, and audit committees have at least three members each, the majority of which are independent officers.	The Board of Directors consists of 15 directors (up to 20 as defined in the Articles of Incorporation), of which the majority (10 directors) are independent outside directors. Outside Directors  10 (15 members in total)	The Board of Directors consists of diverse directors, who have a wealth of knowledge, experience, and insight. Female Directors  5 (15 members in total)	Every year, the Board of Directors confirms the opinions of each director regarding the Board of Directors' meetings, then analyzes and evaluates the effectiveness of the Board of Directors overall, and discloses an overview of the results, using them to improve operation of the Board of Directors.

Overview of Committees

Japan Post Holdings has adopted a “company with nomination committee, etc.” structure.

	Role and structure (As of July 1, 2023)	Operation status (Fiscal year ended March 31, 2023)	Meetings in the fiscal year ended March 31, 2023 (average attendance rate)
Board of Directors	The Board of Directors, comprised of 15 Directors (including 10 Outside Directors), determines matters such as the basic management policy required by relevant laws and regulations, as well as the matters relating to the important execution of duties, and supervises the execution of duties by Directors and Executive Officers.	In the fiscal year ended March 31, 2023, the Board of Directors discussed Group management strategies including management issues of each Group company and received reports concerning Group performance, risk management, and the state of compliance and internal audits.	12 times (96%)
Nomination Committee	The Nomination Committee, comprised of three Directors (including two Outside Directors), submits proposals to the General Meeting of Shareholders concerning the election and dismissal of Directors. In accordance with the provisions of the Act on Japan Post Holdings Co., Ltd., resolutions for the election and dismissal of Directors of Japan Post Holdings shall not become effective without the approval of the Minister for Internal Affairs and Communications.	In the fiscal year ended March 31, 2023, the Board of Directors deliberated and decided on the candidates for the Board of Directors and the skill matrix of candidates for the Board of Directors.	2 times (100%)
Compensation Committee	The Compensation Committee, comprised of three Directors (including two Outside Directors) establishes the policy for determining the amount of compensation for each Director and Executive Officer, and determines the amount for individual officers on the basis of this policy.	In the fiscal year ended March 31, 2023, the Compensation Committee decided on individual compensation for Directors and Executive Officers and performance-based compensation for Executive Officers. In addition, we discussed the review of the compensation system for Directors and Executive Officers.	4 times (100%)
Audit Committee	The Audit Committee consists of four Directors (including four Outside Directors), who audit the execution of duties by Directors and Executive Officers, audit establishment and operation status of the internal control system, audit the validity of methods and results of auditing of financial statements by accounting auditors, and make audit reports. They also decide on the content of proposals submitted at the General Meeting of Shareholders regarding the election, dismissal, and non-reappointment of accounting auditors.	In the fiscal year ended March 31, 2023, audits focused mainly on the following points based on the audit policy and audit plan established by the Audit Committee. 1 Establishment and operation of internal control system (1) Compliance framework, (2) risk management framework, (3) information security initiatives and appropriate disclosure and investor relations activities, (4) internal control to ensure proper consolidated accounting and financial reporting, and (5) management and internal control status of Group subsidiaries other than operating subsidiaries 2 Progress of the Medium-Term Management Plan The Audit Committee regularly reported these audit activities to the Board of Directors, shared information with Directors who are not members of the Audit Committee, and expressed its opinions at meetings of the Board of Directors or to departments related to business execution as necessary.	20 times (87%)

Japan Post Holdings corporate governance system



Note: The number of members on the Board of Directors shall be an appropriate number of no more than 20, as stipulated in the Articles of Incorporation, and, in principle, the majority shall be composed of independent officers.

Skill Matrix of Directors

The Board of Directors shall recognize effective supervision of Executive Officers from an independent and objective standpoint as one of their major roles and responsibilities.

The Board of Directors shall be diversely comprised of Directors with a wealth of knowledge and experience as well as deep insight to

fulfill the appropriate supervisory function toward the realization of sustainable growth of the Group and generation of corporate value over the medium to long term.

The following table represents the key skills and experience possessed by each Director.

Position	Name	Key skills and experience						
		Corporate management	Legal/ Compliance	Financial affairs/ Accounting	Human resources/ Labor management	IT/DX/ Technology	Business knowledge (finance, insurance, etc.)	Community contribution/ Public policy
Director	MASUDA Hiroya	●					●	●
	IIZUKA Atsushi	●		●			●	
	IKEDA Norito	●					●	●
	SENDA Tetsuya	●					●	●
	TANIGAKI Kunio		●	●			●	
Outside Director	OKAMOTO Tsuyoshi	●			●			●
	KOEZUKA Miharu	●	●		●			
	AKIYAMA Sakie	●				●		
	KAIAMI Makoto		●		●			
	SATAKE Akira	●	●	●			●	
	SUWA Takako	●				●		●
	ITO Yayoi					●	●	●
	OEDA Hiroshi	●		●	●			
	KIMURA Miyoko	●					●	
	SHINDO Kosei	●			●			●

* The table above does not show all the skills and experience of each Director.

Evaluation of Effectiveness of the Board of Directors

Method of Evaluation, etc.

At Japan Post Holdings, a questionnaire was sent to Directors, and through the questionnaire and discussions at meetings of Outside Directors, an evaluation of effectiveness based on self-assessment by Directors was conducted.

Evaluation Results, etc.

We assessed that the Board of Directors is generally functioning adequately.

The Company's priority management issues, including the progress of the Group's Medium-Term Management Plan "JP Vision 2025" formulated in May 2021, were discussed at multiple meetings of the Board of Directors and reflected in various initiatives. In addition, we believe the supervision function of the Board of Directors functioned adequately, since any scandals, including in-house crimes that come to light, are reported promptly to the Board of Directors, as is important information that contributes to management decisions by the Directors.

With regard to the agenda of the Board of Directors' meetings, from the previous fiscal year under review, deliberation time at the Board of Directors' meetings was increased from that of the past. In addition, there were ongoing innovations regarding the agenda, such as the Chairman of the Board of Directors reporting all the regular matters to the Board of Directors after providing explanations in advance. We believe that both have been helpful in stimulating discussion.

Future issues to be addressed include concentrated discussion on important agendas, further enhancement of deliberations on matters that have a material impact on Group management, securing opportunities for Directors' to deepen their knowledge, and the creation of opportunities for the open exchange of opinions by Board members.

We are committed to making improvements to address these issues by more carefully examining the matters to be discussed at the Board of Directors' meetings and by ensuring that the necessary information is stated concisely in the materials. In addition, we will follow up (PDCA cycle) on matters that have a significant impact on Group management and hold workshops for Directors, among other initiatives.

Independence Criteria of Outside Directors

All 10 Outside Directors have been designated as independent executives having been deemed as meeting the “Standards for Designating Independent Directors of Japan Post Holdings Co., Ltd.”

defined by Japan Post Holdings and being Outside Directors who have no risk of conflicts of interest with general shareholders, as defined by the Tokyo Stock Exchange.

Standards for Designating Independent Directors of Japan Post Holdings Co., Ltd.

Japan Post Holdings shall designate independent officers as defined by the Tokyo Stock Exchange from among Outside Directors who do not fall under any of the following categories.

1. Anyone who has been an executive of the Japan Post Group in the past
2. Anyone for whom the Japan Post Group is a major business partner, or an executive thereof
3. Anyone who is a major business partner of the Japan Post Group, or an executive thereof
4. Member, partner, or employee of the independent auditor of the Japan Post Group
5. Consultants, accounting experts, or legal experts who receive or have received large payments of money or property from the Japan Post Group, other than executive compensation (if the party who obtains the property is a corporation, a union, or other such organization, this includes anyone who belongs to that organization now or who has belonged to that organization in the past)
6. Major shareholders of Japan Post Holdings (if that party is a legal entity (excluding the Japanese Government), then anyone who is an executive of that legal entity)

7. Executive (or other) of companies in which Japan Post Holdings is a major shareholder
8. Major creditor of the Japan Post Group or an Executive (or other) thereof
9. The spouse or relatives within second degree of kinship of the following parties (excluding unimportant ones.) (1) Anyone listed in parts 1 to 8 above (2) Executives of subsidiaries of Japan Post Holdings
10. Executives of other companies in which an executive of the Japan Post Group is appointed as an outside director
11. Anyone who has received a large amount of donations from the Japan Post Group (if the party who receives the donation is a corporation, a union, or other such organization, this includes anyone who is an executive of that organization)

Note: Please visit the following website for details.
https://www.japanpost.jp/group/governance/pdf/O2_08.pdf
 (in Japanese only)

Training of Directors & Support System for Outside Directors

Training of Directors

Japan Post Holdings provides opportunities for Directors to deepen their understanding and acquire necessary knowledge about such things as the Japan Post Group's businesses, issues to be addressed, and management strategies by proactively creating opportunities to discuss urgent issues of the Japan Post Group, so that Directors may properly fulfill the roles and responsibilities expected of them.

Support System for Outside Directors

Japan Post Holdings has developed an operation system for Outside Directors with consideration for the coordination of a flexible annual schedule, accurate provision of information as necessary, adequate

advance explanation of proposal contents, and securing of time for preliminary consideration and question-asking by the Board of Directors to ensure smooth and effective operation of the Board and improve the effectiveness of supervision by Outside Directors. In addition, Japan Post Holdings has established the Office of the Board of Directors to streamline the deliberation and reporting processes of the Board of Directors and check on the progress of resolutions made by the Board, as well as to support management and ensure communication and coordination with Outside Directors to conduct Board of Directors' meetings effectively and efficiently.

Policy on Appointment of Directors

Scale and Composition of Candidates for Directors

The Nomination Committee nominates diverse Director candidates with different types of expertise and experience while taking into consideration the balance of the Board of Directors as a whole. The number of Director candidates shall be an appropriate number of no more than 20, as defined in the Articles of Incorporation, and as a rule the majority shall be composed of independent Outside Director candidates.

Internal Directors

The Nomination Committee nominates people who meet the following conditions as Internal Director candidates of Japan Post Holdings

- (1) Has expertise in the business of Japan Post Holdings
- (2) Has superior ability in management judgment and management execution
- (3) Has superior ability in leadership, determination, foresight, and planning

- (4) Has an appropriate personality and insight as a Director
- (5) Has no health problems when performing duties as an Internal Director

Outside Directors

The Nomination Committee nominates people who meet the following conditions as Outside Director candidates of Japan Post Holdings.

- (1) Has knowledge of a specialized field, such as management, accounting, finance, law, administration, society and culture, etc., and has achieved appropriate results in these specialized fields
- (2) Has an appropriate personality and insight as a Director
- (3) Has no health or operational problems when performing duties as an Outside Director

The reasons for nominating Outside Directors are as follows.

Name	Reasons for election
OKAMOTO Tsuyoshi	OKAMOTO Tsuyoshi has many years' experience on the management teams of business corporations, having served in positions that include Representative Director, President and Director, Chairman of Tokyo Gas Co., Ltd., an integrated energy company. He has also developed greater insight into the Group's businesses, having assumed the position of Outside Director of Japan Post Bank Co., Ltd., a major subsidiary of the Company, in June 2016. He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, Nomination Committee, and Compensation Committee, based on his extensive experience and knowledge in corporate management developed throughout his career. The Company elected him as an Outside Director given expectations that he will supervise and check the management of the Company.
KOEZUKA Miharu	KOEZUKA Miharu has many years' experience on the management teams of business corporations, having served as Senior Managing Director (Representative Director) of Takashimaya Company, Limited, after having held other key positions including those in sales divisions at Takashimaya Company, Limited, which engages in the department store business in Japan and overseas. She has also been involved in auditing the execution of duties of executive officers and directors as a member of the Audit Committee of the Company from June 2018 to June 2022. She furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, based on her extensive experience and knowledge in corporate management developed throughout her career. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company.
AKIYAMA Sakie	AKIYAMA Sakie has many years' experience on the management team of a business corporation, having founded Saki Corporation, a company that manufactures industrial inspection robots, and served as its Representative Director and President. She furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, based on her insight related to fields such as the technology domain developed throughout her career, and also based on her extensive experience and knowledge in corporate management. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company.
KAIAMI Makoto	KAIAMI Makoto furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors and Audit Committee, based on his many years' experience in the legal profession, including serving as President of Tokyo District Court, and also based on his experience and knowledge as a legal expert, developed throughout his career. The Company elected him as an Outside Director given expectations that he will supervise and check the management of the Company. He has not been involved in corporate management other than as an Outside Director and Outside Audit and Supervisory Board Member, but we consider him to be able to perform the duties of Outside Director of the Company for the reasons stated above.
SATAKE Akira	SATAKE Akira has many years' experience on the management team of business corporations, having served as Director and Executive Vice President of Sumitomo Precision Products Co., Ltd., after having held other key positions including those in business divisions and finance divisions at SUMITOMO CORPORATION. He has also developed greater insight into the Group's businesses, having assumed the positions of Outside Director and member of the Audit Committee of Japan Post Insurance Co., Ltd., a major subsidiary of the Company, in June 2019. He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors and Audit Committee, based on his insight related to fields such as finance and accounting, developed throughout his career, and also based on his extensive experience and knowledge in corporate management. The Company elected him as an Outside Director given expectations that he will supervise and check the management of the Company.
SUWA Takako	SUWA Takako has many years' experience on the management teams of business corporations as Representative Director of Daiya Seiki Co., LTD., which engages in precision metal machining and manufacturing. She has also developed greater insight into the Group's businesses, having assumed the position of Outside Director of Japan Post Co., Ltd., a major subsidiary of the Company, in June 2018. She furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors and Audit Committee, based on her insight related to fields such as the technology domain, developed throughout her career, and also based on her extensive experience and knowledge in corporate management. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company.
ITO Yayoi	ITO Yayoi has been engaged in management planning and IT strategy business at Japan's major telecommunication company and logistics company, etc. over many years. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company, based on her extensive experience and knowledge in the logistics industry and IT field, etc. developed throughout her career. She has not been involved in corporate management other than as an Outside Director, but we consider her to be able to perform the duties of Outside Director of the Company for the reasons stated above.
OEDA Hiroshi	OEDA Hiroshi has many years' experience on the management teams of business corporations, having served in positions that include Representative Director and President, etc. of Nisshin Seifun Group Inc. and Nisshin Flour Milling Inc., which are Japan's largest flour milling companies. The Company elected him as an Outside Director given expectations that he will supervise and check the management of the Company, based on his extensive experience and knowledge in corporate management developed throughout his career.
KIMURA Miyoko	KIMURA Miyoko started the business of ASKUL Corporation as one of the founding members. She has many years' experience on the management teams of business corporations, having served in positions that include Representative Director and President of ASUMARU Corporation, a subsidiary of ASKUL Corporation, and Director of ASKUL Corporation and KING JIM CO., Ltd. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company, based on her insight related to fields such as the marketing domain, developed throughout her career, and also based on her extensive experience and knowledge in corporate management.
SHINDO Kosei	SHINDO Kosei has many years' experience on the management teams of business corporations, having served in positions that include Representative Director and President and Representative Director and Chairman, etc. of NIPPON STEEL CORPORATION, which is Japan's leading steel company. The Company elected him as an Outside Director given expectations that he will supervise and check the management of the Company, based on his extensive experience and knowledge in corporate management developed throughout his career.

Compensation System for Directors and Executive Officers

With regard to compensation of the Directors and Executive Officers of Japan Post Holdings, the Compensation Committee has set a “Policy to Determine Content of Compensation for Individual Directors and Executive Officers,” and the amount of compensation is determined in accordance with this policy.

Compensation System

1. When serving concurrently as a Director and Executive Officer, compensation shall be paid as an Executive Officer.
2. Directors of Japan Post Holdings shall be paid a fixed amount of compensation according to their duty, based on the scope and size of their responsibility for management.
3. Executive Officers of Japan Post Holdings shall be paid basic compensation according to their duty (fixed amount compensation) and performance-based stock compensation, as a mechanism that functions as a sound incentive to promote sustainable growth.

In addition, Directors or Executive Officers of Japan Post Holdings who simultaneously serve as a Director, Auditor, Executive, or Executive Officer of a Japan Post Group company shall be paid compensation by the company where that Director or Executive Officer mainly executes business.

Indicators of Performance-Based Compensation, the Reason for Selecting Those Indicators, and the Method for Deciding the Amount of Performance-Based Compensation

With regard to performance-based stock compensation, the

Compensation Committee multiplies basic points based on the duties of an Executive Officer and individual evaluation points based on the execution of their responsibilities with a coefficient that changes based on company performance each fiscal year (achievement status of management plans, etc.) in order to calculate points.

Individual evaluations are made by individually evaluating the results and status of initiatives in the business that the Executive Officer is responsible for.

With regard to indicators related to company performance, in order to enable comprehensive judgment of the degree of achievement of management, the Compensation Committee has set indicators from multiple different categories, using “consolidated net income attributable to Japan Post Holdings” and “consolidated ordinary income ratio” as financial indicators, as well as “progress and implementation of the Medium-Term Management Plan ‘JP Vision 2025’ and the ‘Pledge to Regain Customers’ Trust” and “occurrence of serious clerical accidents and misconduct in the Group and operation of compliance systems” as non-financial indicators, that are suitable for the business format and content of the Company.

Additionally, the Company has a system that allows for a reduction or cancellation (malus) of the number of points used as the basis for calculating the number of shares granted to relevant Executive Officers in the event of a serious misconduct or violation by an Executive Officer eligible for payment.

There is no policy for determining the payment ratio of performance-based compensation and other forms of compensation.

Indicators related to company performance	Goal	Performance in the fiscal year ended March 31, 2023
Consolidated net income attributable to Japan Post Holdings	At least ¥400,000 million	¥431,066 million
Consolidated ordinary income ratio	At least 6.560%	5.903%
Progress of the Medium-term Management Plan “JP Vision 2025”		Steady implementation of each measure such as Co-creation Platform, DX, governance enhancement, and ESG management
Occurrence of serious clerical accidents and misconduct in the Group and operation of compliance systems		Enhancement of the compliance system by establishing a system for identifying and coordinating the handling of misconduct incidents and the like in the Group, and promoting the use of the whistleblower system

Total amount of compensation for each executive category, total amount by type of compensation, and number of Executive Officers

Classification	Total amount of compensation (Millions of yen)	Total amount by type of compensation (Millions of yen)			Number of persons
		Fixed compensation	Performance-based stock compensation, etc.	Non-monetary compensation, etc.	
Directors (excluding Outside Directors)	—	—	—	—	—
Executive Officers	571	529	42	—	26
Outside Directors	104	104	—	—	10

- Notes: 1. No compensation as a Director is paid to those who concurrently serve as a Director and Executive Officer.
 2. Three Directors serve concurrently as Directors and Executive Officers of major consolidated subsidiaries, but they have not been paid compensation as Directors of Japan Post Holdings for the period that they belonged to a major consolidated subsidiary and only executed business of a major consolidated subsidiary. The total amount of compensation received by those three Directors from major consolidated subsidiaries is ¥117 million.
 3. Twenty-six Executive Officers serve concurrently as Directors or Executive Officers of major consolidated subsidiaries, five of whom have not been paid as Executive Officers of Japan Post Holdings for the period in which they belonged to a major consolidated subsidiary and executed business of a major consolidated subsidiary. The total amount of compensation received by those five Directors from major consolidated subsidiaries is ¥154 million.
 4. Performance-based stock compensation shows the amount recorded as expenses in the current fiscal year. In principle, at the end of each fiscal year, the Company books the amount expected to be incurred in the relevant fiscal year as an expense as a reserve, and reverses the relevant reserve at the time of retirement (when benefits are paid), etc.
 5. The Company grants stock-based compensation to Executive Officers as non-monetary compensation, etc., under this system. The stock-based compensation is included in the performance-based stock compensation, etc.
 6. There are no retirement benefits or bonuses for Directors.

Policy Equity

Holding Policy for Policy Equity

1. Japan Post Holdings shall be able to acquire and hold shares of listed companies that are judged to contribute to the medium- to long-term improvement of the corporate value of the Japan Post Group for reasons other than net investment, such as strengthening business alliances (hereinafter referred to as "policy equity").
2. Every year, the Board of Directors shall verify the aim and rationality of holding policy equity that is held by Japan Post Holdings, taking into account medium- to long-term economic rationality and future prospects, and disclose the content of this verification.
3. With regard to the exercise of voting rights on policy equity, Japan Post Holdings shall decide how to vote on proposals having individually examined whether each proposal conforms to Japan Post Holdings' holding policy, and whether it can be expected to help ensure the efficient and sound management of the company in question, and improve its corporate value.

Methods of Verifying the Rationality of Holding Policy Equity and Results of Verification by the Board of Directors

When verifying the policy equity held by Japan Post Holdings, every year the Board of Directors verifies the aim and rationality of holding policy equity that is held by Japan Post Holdings, taking into account medium- to long-term economic rationality and the future prospects, and discloses the content of this verification.

As a result of the Board of Directors conducting a review as described above in April 2023, it was confirmed to be appropriate to continue holding two brands of policy equity held by Japan Post Holdings.

Primary Legal Regulations

In conducting its business, Japan Post Group is subject to various legal regulations such as those described below.

(1) Regulations based on the Postal Act and other laws

Under the Postal Act, our business is subject to regulations specific to a business unlike that of other companies, such as postal agreements, an authorization system for business consignment, and a uniform nationwide fee system.

(2) Regulations based on the Banking Act and the Insurance Business Act

The two financial businesses of the Japan Post Group are subject to financial business regulations based on the Banking Act and the Insurance Business Act, including capital adequacy ratio and solvency margin regulations. As a bank holding company and insurance holding company, Japan Post Holdings is also subject

to consolidated capital adequacy ratio regulations and various other financial services business regulations.

Based on the Banking Act, as a banking agency and affiliated bank of Japan Post Bank, Japan Post is not permitted to conduct business other than as set forth by law without approval from the Prime Minister. In addition, it is subject to such regulations as the obligation for separate management, the obligation to explain banking agency services it engages in to customers, and the prohibition of certain activities such as making definitive claims. Based on the Insurance Business Act, as an insurance solicitor and affiliated insurance company of Japan Post Insurance, Japan Post is subject to such regulations as the obligation to provide explanations for customers and the prohibition of certain activities such as providing false explanations.

Licensing required by law

License	Related law	Company	Expiration date	Reasons for cancellation, etc.
Bank Holding Company Authorization	Article 52-17, Paragraph 1 of the Banking Act	Japan Post Holdings Co., Ltd.	None	Article 52-34, Paragraph 1 of the Banking Act
Insurance Company's Major Shareholder Authorization	Article 271-10, Paragraph 1 of the Insurance Business Act	Japan Post Holdings Co., Ltd.	None	Article 271-16, Paragraph 1 of the Insurance Business Act
Bank Agency Authorization	Article 52-36, Paragraph 1 of the Banking Act	Japan Post Co., Ltd.	None	Article 52-56, Paragraph 1 of the Banking Act
Life Insurance Solicitor Registration	Article 276 of the Insurance Business Act	Japan Post Co., Ltd.	None	Article 307, Paragraph 1 of the Insurance Business Act
Banking Business License	Article 4, Paragraph 1 of the Banking Act	Japan Post Bank Co., Ltd.	None	Article 26, Paragraph 1; Article 27; and Article 28 of the Banking Act
Insurance Business License	Article 3, Paragraph 4 of the Insurance Business Act	Japan Post Insurance Co., Ltd.	None	Article 132, Paragraph 1; Article 133; and Article 134 of the Insurance Business Act

(3) Regulations specifically applicable to the Japan Post Group

Japan Post Holdings and Japan Post are required to receive authorization from the Minister for Internal Affairs and Communications to engage in new businesses, solicit shares, elect or dismiss Directors (Japan Post Holdings only), and formulate business plans, based on the Act on Japan Post Holdings Co., Ltd. and Act on Japan Post Co., Ltd., respectively (however, only notification of new businesses to the Minister for Internal Affairs and Communications is required for Japan Post).

The two financial institutions are required to receive authorization from the Prime Minister and the Minister for Internal Affairs and Communications based on the Postal Service Privatization Act to engage in new businesses, conduct mergers, split companies, or transfer and receive businesses. Japan Post Bank may not in itself have banks as subsidiaries and neither may Japan Post Insurance have insurance companies as subsidiaries. In addition, the two financial institutions are subject to regulations different from other companies in the same industry, such as deposit limit regulations in the banking business and subscription limit regulations in the life insurance business.

Since the Company notified the Minister of Internal Affairs and Communications that it had disposed of more than one-half of the shares of Japan Post Insurance, Japan Post Insurance will no longer be required to obtain authorization, but if it intends to engage in any of the abovementioned businesses, it will be required to notify the Prime Minister and the Minister for Internal Affairs and Communications. At the same time, Japan Post Insurance is required to take special care not to impede proper competition with other life insurance companies and the appropriate provision of services to users when conducting its business.

(Reference) Maximum deposit amounts in Japan Post Bank

Under the Postal Service Privatization Act, Japan Post Bank restricts the amount of deposits that can be accepted from a single depositor, except for transfer savings equivalent to checking deposits. (Article 107 of the Postal Service Privatization Act, Article 2 of the Postal Service Privatization Act Enforcement Ordinance)

- A. Regular savings... ¥13 million
- B. Fixed savings (Fixed amount savings and fixed term savings. Includes postal savings deposited before postal service privatization (taken over by the Organization for Postal Savings, Postal Life Insurance and Post Office Network) but excludes C.) ... ¥13 million
- C. Property fixed amount savings, property pension fixed amount savings, and property housing fixed amount savings... ¥5.5 million in total

(Reference) Enrollment limit at Japan Post Insurance
Insurance policies for Japan Post Insurance have limits defined by the Postal Service Privatization Act and related laws regarding the amount of insurance that an insured person can be enrolled for (insurance limit amount). (Article 137 of the Postal Service Privatization Act, Articles 6, 7, and 8 of the Postal Service Privatization Act Enforcement Ordinance)

If the insured person has subscribed to a postal life insurance policy since before postal service privatization, then the enrollment limit is the difference of the policy amount of their postal life insurance policy subtracted from the following amounts.

- A. Enrollment limit of the basic policy insurance amount
 - i. When the insured person is 15 years old or younger: ¥7 million
 - ii. When the insured person is 16 years old or older: ¥10 million (the insurance amount of special endowment insurance for insured persons who are 55 years old or older, in combination with regular fixed term insurance, is ¥8 million)
However, if the insured person is age 20 to 54, this limit can be up to ¥20 million under certain conditions (such as when there is an insurance policy that has passed four or more years since enrolling). The limit for specific endowment insurance is ¥5 million regardless of age.
- B. Enrollment limit amount for pension (excluding nursing care pension)
¥900,000 annually (amount of basic pension in the first year) (Excluding the amount for the insured person who is the spouse in marital pension insurance, as well as marital insurance with marital pension insurance.)

- C. Enrollment limit of rider coverage
 - i. Security for having a disease or injury, or the state of a person caused by having a disease, death caused directly by having an injury, or similar such states... ¥10 million in total
 - ii. Security for treatment of the issues listed above... ¥10 million

Note: In addition to the enrollment limits stipulated by laws and regulations above, there are set restrictions on the amount of rider coverage that can be added depending on the type of insurance of the basic policy.

- D. Enrollment limit of total paid-in premiums
 - Property savings insurance and property housing

insurance... ¥5.5 million in total (In addition, there is a limitation on the total paid-in premium according to relevant laws and regulations regarding property-type insurance.)

(4) World Trade Organization (WTO): Government procurement rules

Japan Post Holdings, Japan Post, and the two financial institutions are successors to a state-owned enterprise. As such, they are required to comply with the rules on government procurement set forth in the WTO's Agreement on Government Procurement and in other international agreements when procuring goods or services covered by those agreements.

Directors



MASUDA Hiroya

Director and Representative Executive Officer, President & CEO
Member of the Nomination Committee
Member of the Compensation Committee

Number of shares held: — shares
Number of years as director: 3 years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Nomination Committee meetings: 2/2 times (100%)
Attendance at Compensation Committee meetings: 4/4 times (100%)

Significant Concurrent Positions

Director of Japan Post Co., Ltd.; Director of Japan Post Bank Co., Ltd.;
Director of Japan Post Insurance Co., Ltd.

Career Summary

April 1977 Joined the Ministry of Construction; July 1994 Director for Construction Disputes Settlement of Construction Industry Division of Ministry of Construction, Economic Affairs Bureau; April 1995 Governor of Iwate Prefecture; August 2007 Minister for Internal Affairs and Communications; Minister for State for Special Missions of Cabinet Office; April 2009 Advisor of Nomura Research Institute, Ltd.; Visiting Professor of Graduate School of Public Policy at the University of Tokyo; January 2020 Representative Executive Officer, President & CEO of the Company; June 2020 Director and Representative Executive Officer, President & CEO of the Company (present); Director of Japan Post Co., Ltd. (present); Director of Japan Post Bank Co., Ltd. (present); Director of Japan Post Insurance Co., Ltd. (present)



IIZUKA Atsushi

Director and Representative Executive Officer, Executive Vice President

Number of shares held: — shares

Significant Concurrent Position

Outside Director of TOENEC CORPORATION

Career Summary

April 1983 Joined Ministry of Finance; July 2011 Deputy Director-General of the Financial Bureau, Ministry of Finance; December 2012 Deputy Director-General of the Headquarters for Japan's Economic Revitalization, Cabinet Secretariat; July 2014 Deputy Director-General of the Financial Bureau, Ministry of Finance; July 2015 Director-General of the Tokai Local Finance Bureau; June 2016 Deputy Director-General of National Tax Agency; July 2017 Director-General of the Customs and Tariff Bureau, Ministry of Finance; November 2018 Adviser of Sampo Holdings, Inc.; January 2019 Chairman of Sampo Japan Nipponkoa Research Institute Inc. (currently Sampo Institute Plus Inc.); June 2020 Senior Managing Executive Officer of the Company (to June 2021); April 2021 Senior Managing Executive Officer of Japan Post Co., Ltd.; June 2021 Representative Executive Officer, Executive Vice President of the Company; June 2023 Director and Representative Executive Officer, Executive Vice President of the Company (present)



IKEDA Norito

Director

Number of shares held: 3,600 shares
Number of years as director: 7 years
Attendance at Board of Directors' meetings: 12/12 times (100%)

Significant Concurrent Position

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

Career Summary

June 1996 Director of The Bank of Yokohama, Ltd.; April 2001 Representative Director of The Bank of Yokohama, Ltd.; June 2003 Director of The Bank of Yokohama, Ltd.; Representative Director and Chairman of Yokohama Capital Co., Ltd.; December 2003 President of The Ashikaga Bank, Ltd. (Representative Director); June 2004 President of The Ashikaga Bank, Ltd. (Chief Executive Officer); September 2008 Special Advisor of A.T. Kearney; February 2012 President and Representative Director of the Organization to Support Revitalization of Businesses Affected by the Great East Japan Earthquake; April 2016 President and Representative Executive Officer of Japan Post Bank Co., Ltd.; June 2016 Director, President and Representative Executive Officer of Japan Post Bank Co., Ltd. (present); Director of the Company (present)



SENDA Tetsuya

Director

Number of shares held: 5,200 shares
Number of years as director: 3 years
Attendance at Board of Directors' meetings: 12/12 times (100%)

Significant Concurrent Position

President & CEO (Representative Executive Officer) of Japan Post Co., Ltd.

Career Summary

April 1984 Joined the Ministry of Posts & Telecommunications; July 2011 Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Insurance Co., Ltd.; June 2013 Managing Executive Officer of the Company (to June 2016); July 2013 Managing Executive Officer of Japan Post Insurance Co., Ltd.; June 2016 Senior Managing Executive Officer of Japan Post Insurance Co., Ltd.; November 2017 Senior Managing Executive Officer of the Company; April 2019 Representative Executive Officer and Executive Vice President of Japan Post Insurance Co., Ltd. (to January 2020); August 2019 Managing Executive Officer of the Company (to June 2020); January 2020 President, CEO, Representative Executive Officer of Japan Post Insurance Co., Ltd.; June 2020 Director and President, CEO, Representative Executive Officer of Japan Post Insurance Co., Ltd.; Director of the Company (present); June 2023 President & CEO (Representative Executive Officer) of Japan Post Co., Ltd. (present)



TANIGAKI Kunio

Director

Number of shares held: 17,900 shares

Significant Concurrent Position

Director and President, CEO, Representative Executive Officer of Japan Post Insurance Co., Ltd.

Career Summary

April 1984 Joined the Ministry of Posts & Telecommunications; January 2006 Senior General Manager of the Company (In charge of Implementation Plan); October 2007 Senior General Manager of the General Affairs and Human Resources Department of the Company; June 2008 Executive Officer, Senior General Manager of the Corporate Planning Department of the Company; June 2009 Managing Executive Officer, Senior General Manager of the Corporate Planning Department of the Company; January 2013 Senior Managing Executive Officer of the Company; June 2016 Executive Officer and Executive Vice President of Japan Post Insurance Co., Ltd.; January 2017 Executive Officer and Executive Vice President of Japan Post Co., Ltd.; April 2019 Senior Managing Executive Officer of the Company; November 2021 Executive Officer and Executive Vice President of Japan Post Bank Co., Ltd.; June 2023 President, CEO, Representative Executive Officer of Japan Post Insurance Co., Ltd. (present); Director of the Company (present)



OKAMOTO Tsuyoshi

Outside Director
Chairperson of the Nomination Committee

Number of shares held: 5,600 shares
Number of years as director: 5 years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Nomination Committee meetings: 2/2 times (100%)
Attendance at Compensation Committee meetings: 4/4 times (100%)

Significant Concurrent Positions

Senior Corporate Advisor of Tokyo Gas Co., Ltd.; Outside Director of Asahi Kasei Corp.;
Outside Director of Mitsubishi Estate Co., Ltd.

Career Summary

June 2002 Executive Officer of Tokyo Gas Co., Ltd.; April 2004 Senior Executive Officer of Tokyo Gas Co., Ltd.; June 2004 Director, Senior Executive Officer of Tokyo Gas Co., Ltd.; April 2007 Representative Director, Executive Vice President of Tokyo Gas Co., Ltd.; April 2010 Representative Director, President of Tokyo Gas Co., Ltd.; April 2014 Director, Chairman of Tokyo Gas Co., Ltd.; June 2016 Outside Director of Japan Post Bank Co., Ltd.; April 2018 Director, Senior Corporate Advisor of Tokyo Gas Co., Ltd.; June 2018 Director of the Company (present); July 2018 Senior Corporate Advisor of Tokyo Gas Co., Ltd.; July 2023 Honorary Advisor of Tokyo Gas Co., Ltd. (present)



KOEZUKA Miharu

Outside Director
Chairperson of the Compensation Committee

Number of shares held: 5,500 shares
Number of years as director: 5 years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Audit Committee meetings: 5/5 times (100%)

Significant Concurrent Positions

Outside Director of Nankai Electric Railway Co., Ltd.;
Outside Director of SEKISUI CHEMICAL CO., LTD.

Career Summary

May 2007 Executive Officer of Takashimaya Company, Limited; March 2009 Senior Executive Officer of Takashimaya Company, Limited; February 2010 President (Representative Director) of Okayama Takashimaya Co., Ltd.; May 2013 Director of Takashimaya Company, Limited; September 2013 Senior Managing Director (Representative Director) of Takashimaya Company, Limited; Director of Okayama Takashimaya Co., Ltd.; March 2016 Director of Takashimaya Company, Limited; May 2016 Advisor of Takashimaya Company, Limited; October 2016 Representative Director and President of Dear Mayuko Co., Ltd.; March 2018 Advisor of Dear Mayuko Co., Ltd.; June 2018 Director of the Company (present); March 2020 Counselor of Takashimaya Company, Limited



AKIYAMA Sakie

Outside Director

Number of shares held: 1,600 shares
Number of years as director: 4 years
Attendance at Board of Directors' meetings: 11/12 times (91.7%)

Significant Concurrent Positions

Founder (Advisor) of Saki Corporation; Outside Director of Sony Group Corporation;
Outside Director of ORIX Corporation; Outside Director of Mitsubishi Corporation

Career Summary

April 1994 Found Saki Corporation, Representative Director and President; September 2018 Founder (Advisor) of Saki Corporation (present); June 2019 Director of the Company (present)



KAIAMI Makoto

Outside Director
Member of the Audit Committee

Number of shares held: — shares
Number of years as director: 3 years
Attendance at Board of Directors' meetings:
12/12 times (100%)
Attendance at Audit Committee meetings:
20/20 times (100%)

Significant Concurrent Positions

Attorney; Outside Audit & Supervisory Board Member of SEIREN, Co., Ltd.; Outside Director of Tokyu Fudosan Holdings Corporation

Career Summary

April 1978 Appointed as a judge; April 2000 Division-head Judge of Tokyo District Court; July 2007 Associate Vice-Minister of Justice in charge of Litigation Affairs, Minister's Secretariat, Ministry of Justice; July 2009 Judge of Tokyo High Court; December 2009 President of Wakayama District / Family Court; January 2011 President of Nagano District / Family Court; November 2012 Division-head Judge of Tokyo High Court; July 2014 President of Tokyo Family Court; June 2015 President of Tokyo District Court; February 2017 Registered as Attorney (present); September 2018 Joined Otemachi Law Office (present); June 2020 Director of the Company (present)



SATAKE Akira

Outside Director
Chairperson of the Audit Committee

Number of shares held: — shares
Number of years as director: 3 years
Attendance at Board of Directors' meetings:
12/12 times (100%)
Attendance at Audit Committee meetings:
20/20 times (100%)

Significant Concurrent Positions

None

Career Summary

April 1979 Joined SUMITOMO CORPORATION; April 2011 Executive Officer and General Manager of Planning & Administration Dept., Mineral Resources, Energy, Chemical & Electronics Business Unit of SUMITOMO CORPORATION; April 2013 Managing Executive Officer, General Manager of Finance Dept. of SUMITOMO CORPORATION; April 2016 Senior Managing Executive Officer of SUMITOMO CORPORATION; June 2017 Director and Senior Managing Executive Officer of Sumitomo Precision Products Co., Ltd.; June 2018 Director and Executive Vice President of Sumitomo Precision Products Co., Ltd.; April 2019 Advisor of SUMITOMO CORPORATION; June 2019 Outside Director of Japan Post Insurance Co., Ltd.; June 2020 Director of the Company (present)



SUWA Takako

Outside Director
Member of the Audit Committee

Number of shares held: — shares
Number of years as director: 1 year
Attendance at Board of Directors' meetings:
10/10 times (100%)
Attendance at Audit Committee meetings:
2/2 times (100%)

Significant Concurrent Position

Representative Director of Daiya Seiki Co., LTD.

Career Summary

October 1995 Joined Unisia Jecs Corporation (currently Hitachi Asterno, Ltd.); April 2004 Representative Director of Daiya Seiki Co., LTD. (present); June 2018 Outside Director of Japan Post Co., Ltd.; June 2022 Director of the Company (present)



ITO Yayoi

Outside Director
Member of the Audit Committee

Number of shares held: — shares

Significant Concurrent Positions

Outside Director of KANADEN CORPORATION; Outside Director of SUMIKEN MITSUI ROAD CO., LTD.; Outside Director and Audit and Supervisory Committee Member of NISHIMATSU CONSTRUCTION Co., Ltd.

Career Summary

April 1986 Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION; July 1988 Joined NTT DATA Communications Systems Corporation (currently NTT DATA Corporation); April 2008 Chief of Business Planning and Promotion Office, Public System Sector of NTT DATA Corporation; April 2016 Senior Business Development Manager of Enterprise Partner Sales Division of Microsoft Japan Co., Ltd.; February 2017 Senior Promotion Manager of Yamato Digital Innovation Center of YAMATO HOLDINGS CO., LTD.; June 2018 Senior Strategy Manager in charge of IT Strategy of YAMATO HOLDINGS CO., LTD.; May 2019 Managing Executive Officer of UNIZO Holdings Company, Limited; November 2020 Joined SG SYSTEMS CO.,LTD.; April 2021 Executive Officer of SG SYSTEMS CO., LTD.; June 2023 Director of the Company (present)



OEDA Hiroshi

Outside Director
Member of the Compensation Committee

Number of shares held: — shares

Significant Concurrent Positions

Special Advisor of Nisshin Seifun Group Inc.; Outside Director of EBARA CORPORATION; Outside Director of SEKISUI CHEMICAL CO., LTD.; Chairman of Hitotsubashi Daigaku Koenkai

Career Summary

April 1980 Joined Nisshin Flour Milling Inc. (currently Nisshin Seifun Group Inc.); June 2008 Executive Officer of Nisshin Seifun Group Inc.; Managing Director and Division Executive (Operations & Planning Division) of Nisshin Flour Milling Inc.; June 2009 Director of Nisshin Seifun Group Inc.; June 2010 Senior Managing Director and Division Executive (Operations & Planning Division) of Nisshin Flour Milling Inc.; April 2011 President of Nisshin Seifun Group Inc.; April 2012 Additionally appointed to Director and President of Nisshin Flour Milling Inc.; April 2015 Additionally appointed to Director and Chairman of Nisshin Flour Milling Inc.; April 2017 Director and Advisor of Nisshin Seifun Group Inc.; June 2017 Special Advisor of Nisshin Seifun Group Inc. (present); Director and President of Seifun-Kaikai; June 2023 Director of the Company (present)



KIMURA Miyoko

Outside Director

Number of shares held: — shares

Significant Concurrent Positions

Director and Managing Executive Officer, General Manager of R&D Division of KING JIM CO., LTD.; Outside Director and Audit and Supervisory Committee Member of Asahi Holdings, Inc.

Career Summary

April 1988 Joined PLUS Corporation; May 1999 Joined ASKUL Corporation; February 2010 Representative Director and President of ASUMARU Corporation; August 2017 Director, Chief Marketing Officer (CMO), Executive Officer, Executive Officer of Life Creation Center Unit, B-to-C Company of ASKUL Corporation; March 2020 Director, Supervisor of Merchandising Unit, Chief Marketing Officer (CMO), Executive Officer of ASKUL Corporation; May 2021 Director in charge of branding, design, and supplier relations of ASKUL Corporation; September 2022 Director and Managing Executive Officer, General Manager of R&D Division of KING JIM CO., LTD. (present); June 2023 Director of the Company (present)



SHINDO Kosei

Outside Director
Member of the Nomination Committee

Number of shares held: 10,000 shares

Significant Concurrent Positions

Representative Director and Chairman of NIPPON STEEL CORPORATION; Outside Director of Tokio Marine Holdings, Inc.; Outside Director of Development Bank Inc.

Career Summary

April 1973 Joined NIPPON STEEL CORPORATION; June 2005 Director, General Manager of Corporate Planning Department of NIPPON STEEL CORPORATION; June 2006 Executive Officer, General Manager of Corporate Planning Department of NIPPON STEEL CORPORATION; April 2007 Executive Officer, General Manager of General Affairs Department of NIPPON STEEL CORPORATION; April 2009 Executive Vice President of NIPPON STEEL CORPORATION; June 2009 Representative Director and Executive Vice President of NIPPON STEEL CORPORATION; October 2012 Representative Director and Executive Vice President of NIPPON STEEL & SUMITOMO METAL CORPORATION (currently NIPPON STEEL CORPORATION); April 2014 Representative Director and President of NIPPON STEEL & SUMITOMO METAL CORPORATION; April 2019 Representative Director and Chairman of NIPPON STEEL CORPORATION (present); June 2023 Director of the Company (present)

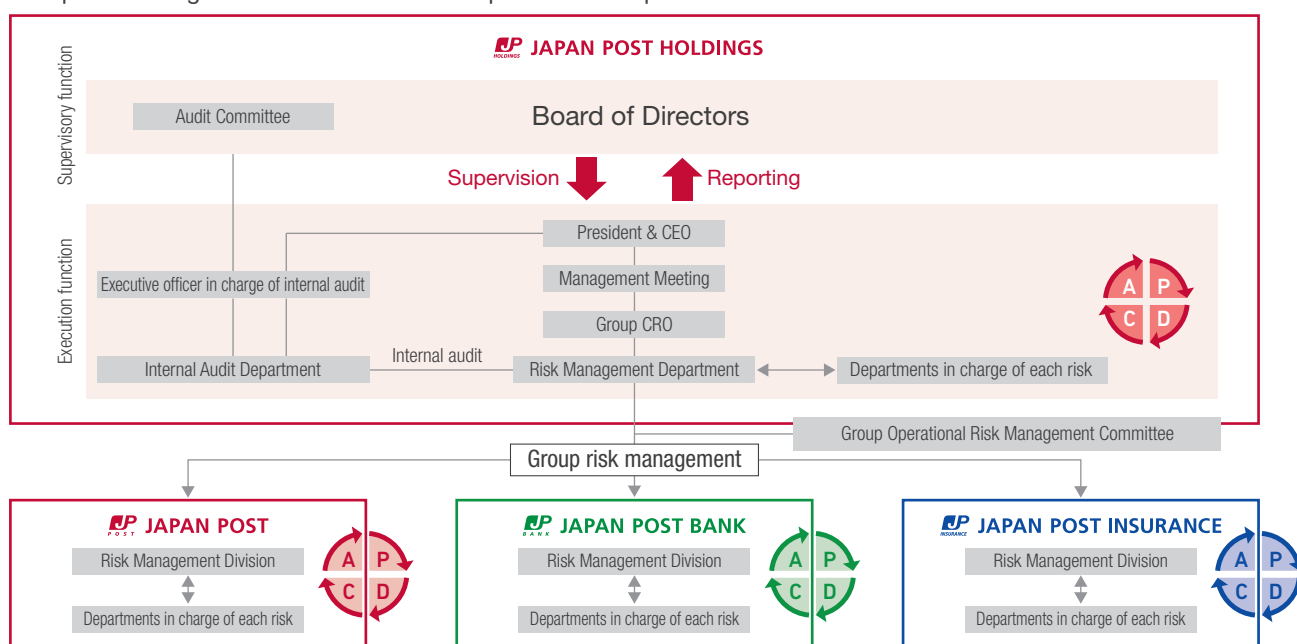
Japan Post Group Risk Management

The Japan Post Group stipulates basic matters to be observed in risk management, such as risks that are to be managed by each Group company and matters to be reported to Japan Post Holdings, in the Japan Post Group Management Agreements and other documents, while Japan Post Holdings manages risks for the entire Group by monitoring the Group’s risk management and its improvement.

To strengthen Group governance, Japan Post Holdings appoints the Group Chief Risk Officer (CRO) from among its executive officers who reports to and is supervised by directors and others regarding the Group’s risk management and its initiatives. In addition, the Group Operational Risk Management Committee, which consists of executive officers in charge of risk management at each Group company, shares information and discuss risk management to improve risk management of each Group company.

Furthermore, each Group company has designated a department to oversee its own risk management, and each department proactively identifies, assesses, controls, and monitors their risks in accordance with its own business characteristics, and has established a risk management framework where it reports necessary matters to Japan Post Holdings.

Group risk management framework of the Japan Post Group

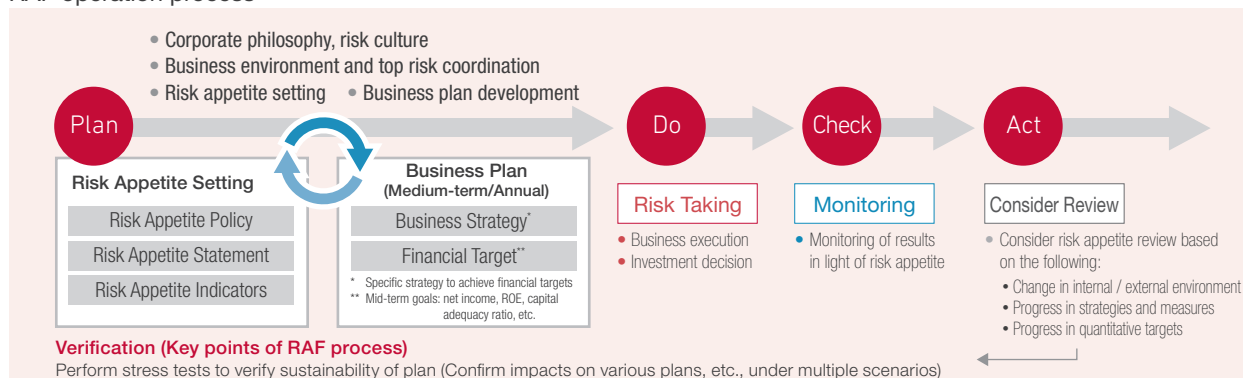


Risk Appetite Framework (RAF)

The Japan Post Group has introduced its Risk Appetite Framework (RAF) from the fiscal year ended March 31, 2022, as a framework to control risks for the entire Group by clarifying the type and amount of risks (risk appetite) to be taken or accepted in order to expand earnings.

Utilizing this framework, the Japan Post Group will approve the risks and types of risks to be taken by its management together with the business plan, and aims to enhance corporate value by avoiding unexpected losses, improving the risk-return balance, and ensuring accountability.

RAF operation process



Basic Concept for Risk Appetite by Business

Financial Businesses

(Japan Post Bank and Japan Post Insurance)

We aim to secure profits while maintaining financial soundness through appropriate risk-taking and risk control in asset and liability management (ALM), investment operations, and insurance underwriting.

Non-Financial Businesses

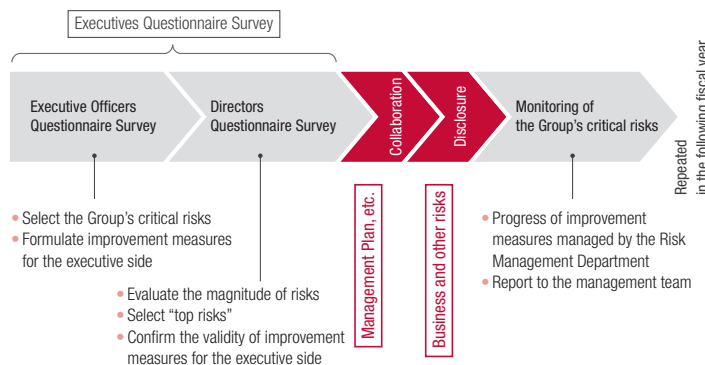
(Japan Post Holdings and Japan Post)

In the postal and domestic logistics business, real estate business, and new businesses, we will aim to secure new earnings while maintaining financial soundness through appropriate risk-taking and risk control within the scope of capital, excluding the financial and existing businesses.

Management of Critical Risks Facing the Group

Every year, Japan Post Holdings reviews risks that may have a significant impact on the Group's business (the Group's critical risks) based on such factors as changes in the external environment and business strategies. Japan Post Holdings identifies and evaluates specific risks by conducting a questionnaire survey of directors and executive officers (Executives Questionnaire Survey) and executes a PDCA cycle, through which the management team formulates improvement measures and monitors their implementation status, among other things.

The Group's critical risks are disclosed as "Business and Other Risks" in the Annual Securities Report.



Top Risks

Japan Post Holdings conducts a questionnaire survey of directors and other personnel to identify "risks to the Group's business and other activities that are of particular importance to management." As a result, the Company evaluates the magnitude of risks from the perspective of likelihood of occurrence and severity of impact, and designates the most significant risks as "top risks."

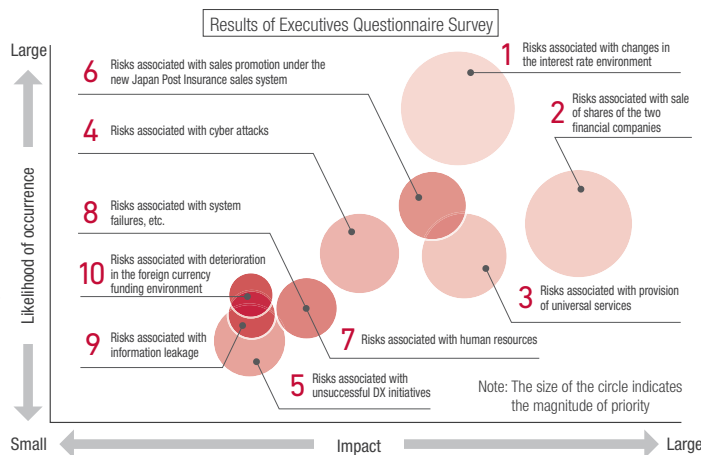
In collaboration with Group companies, Japan Post Holdings monitors the management status of top risks and improvement measures.

In addition, top risks are incorporated into discussions for RAF and management planning.

Note: The business and other risks listed here are examples of major risks as of the date of publication of this report and are not limited to those listed here.

Please refer to the Annual Securities Report for details.

<https://www.japanpost.jp/ir/library/security/> (in Japanese only)



Top risks and main assumed scenarios for the fiscal year ending March 31, 2024

(Business and other risks of the Group that are of particular importance to the management of the Company)

	Top risks	Main assumed scenarios
1	Risks associated with changes in the interest rate environment	The inability of the ALM strategies of the two financial companies to respond to changes in interest rates, outflows and transfer of savings and other deposits, and declines in the prices of bonds held by the Group cause a significant decrease in the Group's earnings.
2	Risks associated with sale of shares of the two financial companies	Factors such as losses from the sale of shares of the two financial companies, an inability to secure alternative revenue sources replacing the two financial companies, and/or the difficulty of conducting integrated, Group-wide business operations as a result of a declining equity stake in the subsidiaries lead to customer attrition and a weakening of brand power and thereby cause a significant decrease in the Group's earnings.
3	Risks associated with provision of universal services	A failure to keep a balance between universal services and cost reduction and an inability to reassess unprofitable business results in a decline in competitiveness and efficiency, causing a significant decrease in the Group's earnings.
4	Risks associated with cyber attacks	The Group's businesses are suspended or restricted for an extended period of time due to cyber attacks or unauthorized use of various services or to delays in service restoration, which significantly impact the Group's business continuity.
5	Risks associated with unsuccessful DX initiatives	If the Group's integrated DX promotion is not successful or if the Group is unable to respond appropriately to changes in the business environment, its competitiveness and efficiency will decline and thereby cause a significant decrease in the Group's earnings.
6	Risks associated with sales promotion under the new Japan Post Insurance sales system	The measures taken to promote sales under the new Japan Post Insurance sales system are not successful and there is continued weakness in new policy acquisition and inefficiencies in the sales system, causing a significant decrease in the Group's earnings.
7	Risks associated with human resources	An inability to retain talented human resources in various business roles as well as talent specializing in IT and other roles and an inability to provide a rewarding work environment due to the occurrence of personnel and labor issues lead to a loss or shortage of human resources and higher personnel costs. This in turn leads to a loss of competitiveness and thereby causes a significant decrease in the Group's earnings.
8	Risks associated with system failures, etc.	System failures caused by inadequate system upgrades, system defects, or aging of systems results in business suspensions and disruptions. In addition, delays in service restoration after a system failure significantly impact the Group's business continuity.
9	Risks associated with information leakage	Stagnation of data governance efforts, such as appropriate management measures for post office data, and intentional information leaks by employees cause reputational risks to be realized and damage the Company's corporate value.
10	Risks associated with deterioration in the foreign currency funding environment	In the overseas investments of the two financial companies, when market liquidity deteriorates due to financial market turmoil, foreign currency funding costs rise sharply and thereby cause a significant decrease in the Group's earnings.

Japan Post Group Compliance Framework

The Japan Post Group recognizes the promotion of compliance as one of its foremost management priorities. We promote management based on compliance to earn the trust of our customers and other stakeholders, local communities, and society; to solidify our management base, which is the foundation for the realization of the Japan Post Group Management Philosophy and sustainable growth; and to enhance our corporate value.

All Group companies are working to build an effective compliance framework, giving due consideration to the public nature of their businesses. We strive to ensure that customers can use our services with peace of mind by thoroughly implementing customer-first operational management, including the enhancement of compliance risk management from a risk-based approach.

In addition, we will strengthen the Group’s compliance function by convening regular meetings of the Group Compliance Committee, and ensure transparency by appropriately disclosing the status of promotion of the Group’s management based on compliance and related matters.

Japan Post Group Compliance Framework

The compliance department of each Group company has established a framework that oversees the promotion of compliance, and a compliance management department, which plans, proposes, and manages compliance promotion, has been established under the supervision of the director.

In addition, each Group company has established a Compliance Committee that provides advice to its Management Meeting to deliberate the policy for compliance promotion and response measures. The director in charge of compliance then reports important matters discussed by the Compliance Committee to the Management Meeting and the Board of Directors.

Furthermore, the Group Compliance Committee meets regularly to promote Group compliance through sharing and discussion of compliance-related issues and initiatives and to enhance the Group’s compliance risk management through a risk-based approach.

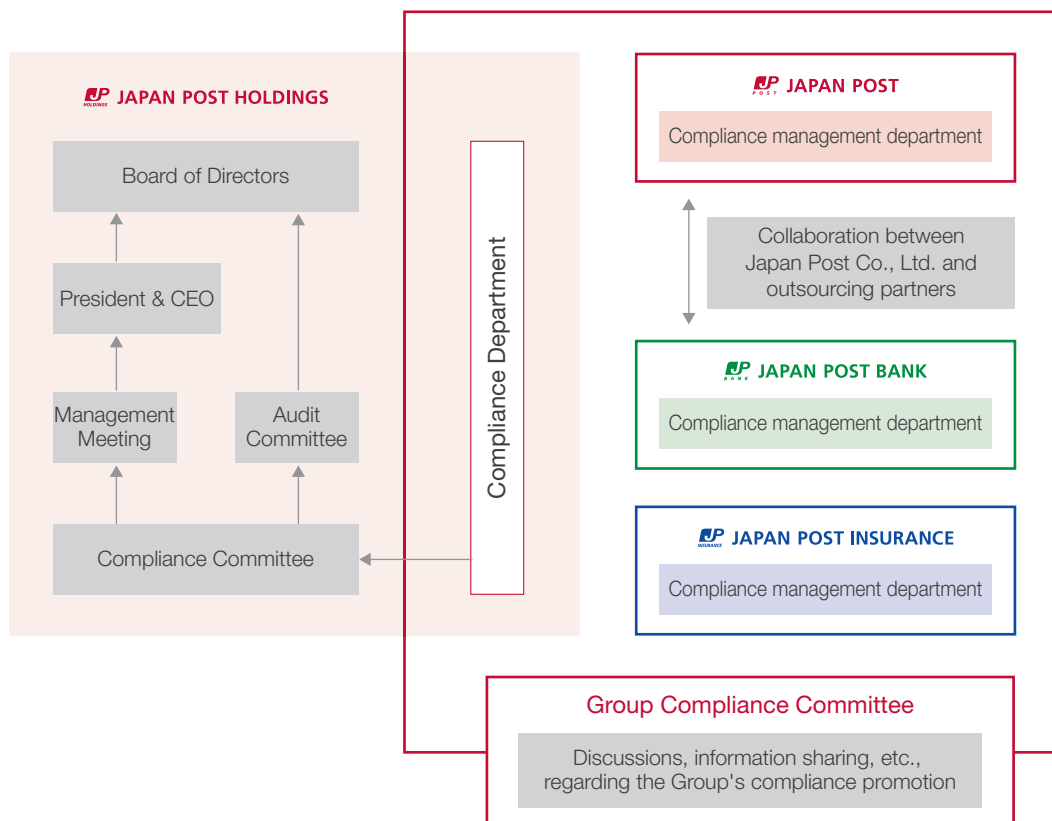
Group Company Compliance Framework

Japan Post Group companies have built a compliance framework as outlined below and promote compliance.

Line of Reporting for Compliance Activities

Each Group company develops a line of reporting for compliance activities by establishing a compliance management department that is independent of departments related to business execution and by assigning a compliance officer responsible for promoting compliance, as well as compliance managers responsible for promoting compliance at all head office departments, regional offices, post offices, and branch offices.

Japan Post Group compliance framework



Response to Compliance Violations

Investigations are conducted promptly mainly by the compliance department when information that raises suspicion of compliance violations is identified at any Group company. During such investigations, the existence of compliance violation facts, causes of occurrence, etc., are clarified, and measures to prevent their recurrence are taken as needed according to these details. Furthermore, we will ensure customer-first business operations by implementing compliance risk mitigation measures and the like and reviewing our compliance framework, as necessary.

Improvement and Appropriate Operation of the Internal Reporting System

To quickly identify and deal with compliance violations and the like, each Group company has established internal reporting hotlines within its compliance management department and at a designated external law firm. We have also set up an internal reporting hotline outside the Company exclusively for financial product sales.

From the fiscal year ended March 31, 2021 onward, we are working to make fundamental improvements to the internal reporting system at each Group company so employees can actively offer feedback with confidence and peace of mind. This initiative is based on the recognition that “employees’ voices are an asset, and employees who raise their voices are also valuable assets.”

Senior management repeatedly sent out messages to spread the Group’s basic understanding while improving measures to protect whistleblowers, such as restricting the scope for sharing the reported information. In addition, a “one-stop consultation and internal reporting platform” was established as a portal site to accept various types of reports and consultations in an integrated manner, allowing employees to securely communicate with the person in charge at the contact point. We have also introduced and are operating a system where an external team of lawyers and other experts conduct the entire process of internal reporting, from receiving the report to investigating and reporting the results of the investigation.

While protecting the confidentiality of whistleblowers, employee feedback received through the system will not only be used to correct

individual cases but will also be used to detect potential risks at an early stage and to improve operations, procedures, and the workplace environment. We expect this to achieve a self-cleansing effect throughout the organization.

In the future, we will introduce an administrative appeal review system conducted by fair and objective third parties to ensure proper operation of the whistleblowing system and make further improvements.

Establishment of Compliance Program and Its Initiatives

Each Group company formulates a compliance program each fiscal year, specifies priority compliance items to be promoted, and designates a responsible department for each of these items.

The compliance management department oversees the compliance promotion activities undertaken by the responsible department and conducts integrated management of promotion status.

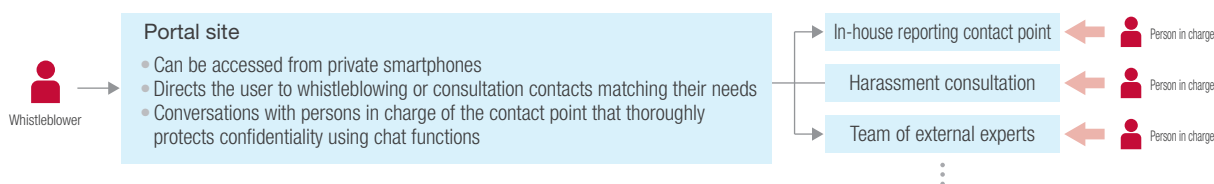
Preparation and Distribution of Compliance Manual and Implementation of Compliance-Related Training

Each Group company prepares and distributes compliance manuals and compliance handbooks for use in training executives and employees and conducts a variety of training activities for compliance items, in order to promote a better understanding of legal matters and other areas, and to raise awareness of compliance.

Measures against Money Laundering, Financing of Terrorism, and Proliferation Financing

In light of the mounting international calls to help prevent money laundering, terrorism financing, and proliferation financing, the Group has updated and is implementing the “Group Policy on Measures against Money Laundering, Financing of Terrorism, and Proliferation Financing” and otherwise designated such countermeasures as a priority issue. With senior management’s leadership, the Group is thus strengthening its promotion framework. Each Group company is working to combat money laundering, the financing of terrorism, and proliferation financing through a risk-based approach in accordance with its own unique business attributes.

One-stop consultation and internal reporting platform



Team of external experts



Utilization of employees’ feedback

- We are utilizing the voices of our employees from internal reporting to detect the first signs of risk at an early stage and to improve business operations and the workplace environment.

Japan Post Group IT Governance

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

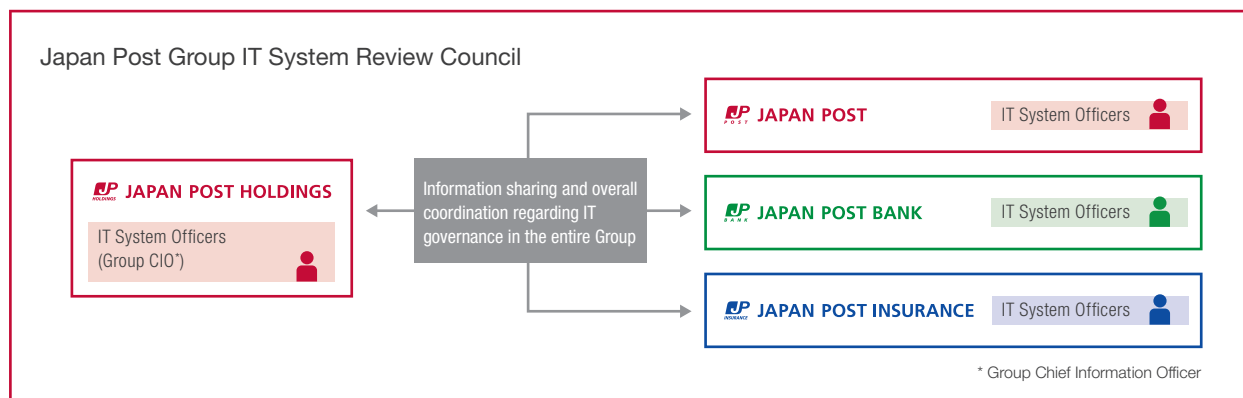
Based on these agreements, through the development and execution of an IT strategy, Group companies improve productivity, streamline management, minimize the risk arising from using IT, and ensure the soundness of Group management. In doing so, they realize the IT governance necessary to maximize corporate value.

Implementing Effective IT Governance

The Japan Post Group has set up the Japan Post Group IT System Review Council with members including the CIO of each Group company, with the purpose of IT 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 below.

- 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 the Japan Post Group



IT Strategy to Support Group Management

Aiming to realize the “Co-creation Platform” supporting customers and local communities, the Japan Post Group has established the following three IT strategies to support the promotion of Group-wide digital transformation (DX).

Promoting DX to create new value

- Provide new value to customers by integrating the real and digital worlds
- Provide customer-oriented, high-quality services through the “Co-creation Platform”

Providing an IT infrastructure that can respond agilely to a changing business environment

- Promote the creation of a comfortable workplace and improved productivity based on advanced technology and the social environment
- Build a new IT infrastructure that can respond flexibly by optimizing the system configuration

Promoting IT to restore trust in the Japan Post Group

- Support compliance through cross-Group data utilization
- Ensure security and peace of mind in the provision of various services and promotion of digitization by upgrading security levels

Japan Post Group Cyber Security Measures

In response to the constantly increasing advancement and sophistication of cyber attacks, the Japan Post Group has recognized the threat of cyber attacks as a serious risk, and has developed a system to deal with cyber attacks.

We are working to safeguard and manage important information from damage such as information leaks and loss caused by cyber attacks.

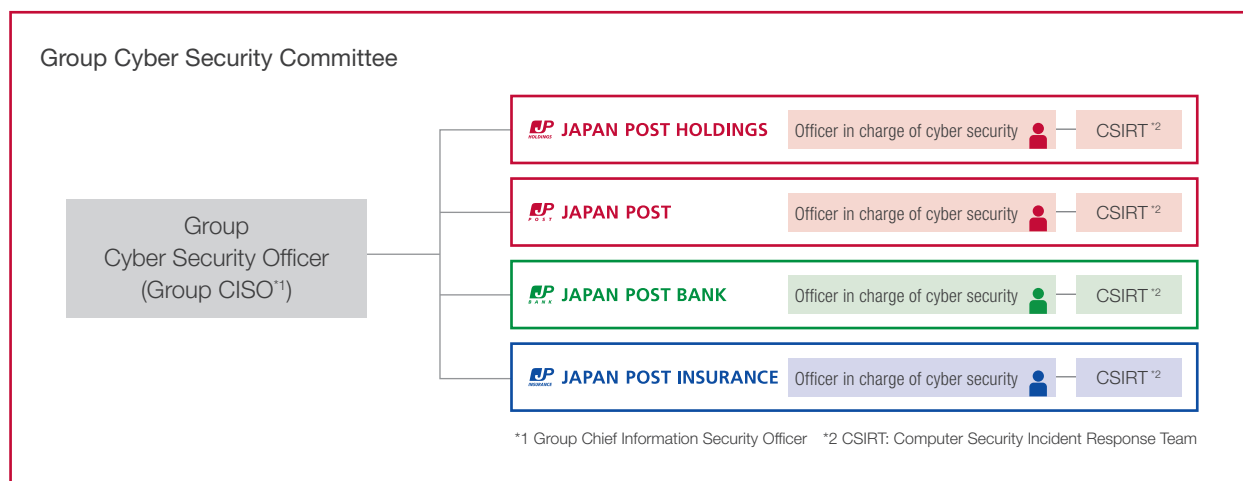
Group Cyber Security System

Under governance of the holding company Japan Post Holdings Co., Ltd., we have developed a cyber security management system for the Japan Post Group.

We have established the Group Cyber Security Committee consisting of executives in charge of cyber security from the four main Group companies of the Japan Post Group. The Committee develops

Group cyber security strategy, and works to track and evaluate the status of cyber security measures in Group companies.

In our system, executives in charge of cyber security at Japan Post Holdings oversee Group governance related to cyber security. They regularly report on the status of cyber security efforts to management.



Efforts for Cyber Security Measures by Japan Post Holdings

Defense in depth	In order to reduce the risk of malware attacks from outside the Company and unauthorized transfer of information from inside the Company, we have introduced multiple detection and defense mechanisms against unauthorized access and unauthorized programs, and are implementing multilevel countermeasures (defense in depth). The effectiveness of defense is regularly evaluated by a third party.
Incident response system	We have developed an incident response system centered on CSIRT, so that when a cyber attack occurs, we can quickly find the cause and minimize the damage, and at the same time report it to management quickly. We are conducting response training for security incidents on a regular basis, and checking whether our incident response system is functioning effectively, while also working to improve the incident response capabilities of CSIRT staff and other employees.
Education / Training	We conduct cyber security education and training for executives and employees, and are working to improve security awareness among executives and employees.
External collaboration	We collaborate with external organizations such as JPCERT / CC, the Nippon CSIRT Association, and the Tokyo Metropolitan Police Department in order to share attack information and countermeasure trends, and strive to respond quickly to increasingly sophisticated cyber attacks.

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 customers' trust. Notably, in light of the recent issues related to the solicitation quality of Japan Post Insurance products, we are implementing on-site monitoring of post offices and other facilities by Japan Post Holdings and working to enhance the Group internal auditing liaison committee.

Japan Post Group Internal Audit System Framework

In September 2022, the Group formulated the Japan Post Group Basic Policy on Internal Auditing, which outlines the basic views to internal audits conducted by each Group company.

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

Furthermore, based on the Japan Post Group Management Agreements, the Internal Audit Department of Japan Post Holdings

Co., Ltd. evaluates and examines the audit regulations, audit plans, and internal audit systems of and provides guidance and advice to Japan Post Co., Ltd., Japan Post Bank Co., Ltd., and Japan Post Insurance Co., Ltd. from the perspective of enhancing the internal audit system framework of the entire Group. In addition, this Internal Audit Department makes recommendations for improvements and directly undertakes audits when required.

Internal Audit System at Group Companies

Overview

Each Group company has an Internal Audit Department independent from the business-executing departments which conducts internal audits from an independent and objective standpoint. These departments examine the internal management system, such as ascertaining the state of the execution of management activities and whether mutual supervision is functioning.

Reporting on Results of Internal Audits and Making Improvements

The Internal Audit Department of each Group company reports on internal audit results to the business-executing departments as well as to the Board of Directors, representative director, Audit Committee, and Audit and Supervisory Board.

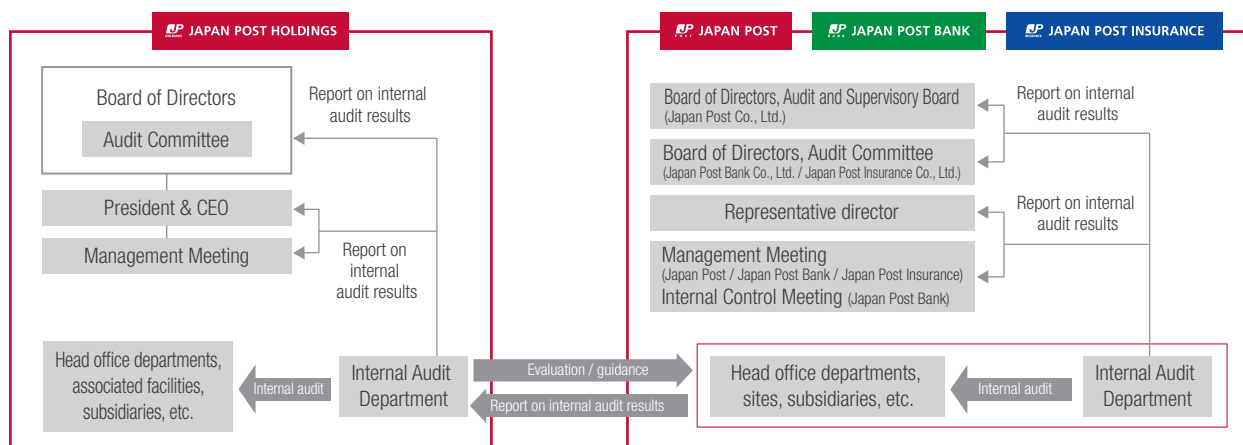
Moreover, each Internal Audit Department works to improve operations at their respective companies. To this end, progress reports of improvement requests indicated in audit reports are periodically made to the representative director.

Implementation of Effective Internal Audits

In implementing internal audits, the Internal Audit Department undertakes audits in accordance with IIA's (The Institute of Internal Auditors) *International Standards for the Professional Practice of Internal Auditing (Standards)*. This includes conducting risk-based internal audits, in which audit frequency and audit items are determined by evaluating specific types and extent of risks in the branches and departments or operations within the scope of the internal audit.

In addition, efforts are made to ensure efficient and effective internal audits through off-site monitoring that includes routinely attending various meetings and gathering relevant internally managed materials, as well as obtaining insights from audit firms and specialists through seminars and other occasions both internally and externally to improve the quality of audits.

As a measure to improve the quality of internal audits, we utilize surveys of internal auditors and assessments of the development and operation of the internal audit function by the Audit Committee and the Audit and Supervisory Board.



Initiatives for Transportation Safety

Top management at Japan Post views the assurance of health and safety as fundamental to business management, so we are working together to realize a safe environment where employees can work with peace of mind.

We have set four basic policies regarding health and safety, namely “maintenance, reform, and improvement of health and safety management,” “compliance with laws and company regulations,” “strengthening of measures to ensure health and safety during collection and distribution, sales activities, and other work done at post offices,” and “educating all employees on ensuring health and safety, while evaluating and improving on the results.”

Initiatives for Transportation Safety

Safety Education for Employees Who Drive Vehicles

We are raising hazard awareness by implementing hazard prediction training (SKYT), which teaches drivers to visualize latent hazards by viewing photos of intersections and roads they will use daily prior to departing from post offices.

Depending on the vehicle driven, we provide training for staff of two-wheeled vehicles, in which they must drive in a straight line on top of a board with a constant width to enable drivers to gain a sense of balance matching their payloads. For four-wheeled vehicles, we provide training on a daily basis, in which staff must drive between and stop within two lines the width of the vehicle to give staff a feel for the vehicle.

In addition, four-wheeled vehicles are equipped with drive recorders, and employees driving two-wheeled vehicles are required to carry smartphones. On a regular basis, guidance is provided on accident prevention by utilizing data on sudden acceleration, deceleration, and other driving conditions detected by the acceleration sensors mounted on these devices.



Daily training

Safe Driving Instructors

Japan Post stations safe driving instructors who are responsible for teaching safe driving techniques at post offices that conduct delivery and collection work.

We hold the “Safe Driving Contest” in which instructors compete in advanced driving skills, knowledge, and leadership for two-wheeled and four-wheeled vehicles.



An instructor conducts a pre-service inspection of a vehicle (checking tires, etc.) during a Safe Driving Contest.

Transportation safety record

Goal	Number of serious accidents: 0
Actual	For the fiscal year ended March 31, 2021: 2 (1 case of falling, 1 case of overturning)
	For the fiscal year ended March 31, 2022: 2 (1 case of death, 1 case of fire)
	For the fiscal year ended March 31, 2023: 3 (1 case of death, 1 case of fire, 1 health-caused accident)

Dialogue with Stakeholders

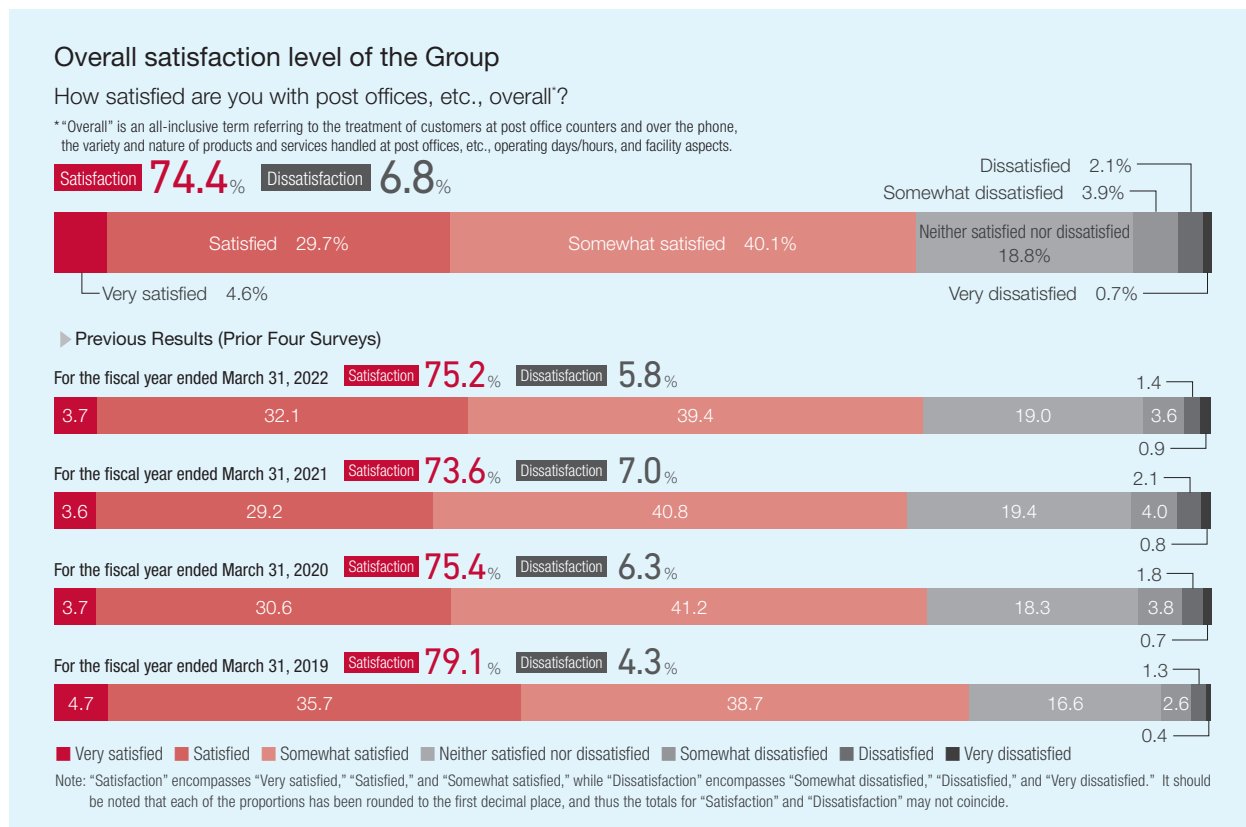
Japan Post Group's Customer Satisfaction Survey

In order to accurately identify the state of products and services from customers' viewpoints and respond to new demand, etc., a survey is conducted on customers' evaluations in terms of their level of satisfaction, their intent to use products and services, etc.

In addition, as an indicator to measure and analyze the details of improving customer satisfaction, the Japan Post Group uses NPS®.

For the purpose of further improving customer satisfaction, the Japan Post Group will continue to perform fixed-point observation into the future and utilize the findings from the Group's customer satisfaction survey in management.

* NPS: Net Promoter Score is a registered trademark of Bain & Company, Inc., Fred Reichheld, and NICE Systems, Inc.



Utilizing Customer Feedback in Management

Japan Post Holdings incorporates customer opinions and requests into Group business improvements. The following are examples of service improvements based on customer feedback.

Customer feedback	Improvements
[Japan Post] Please make the Yu-Pack Smartphone Discount Service app easier to use.	We added the following functions to the Yu-Pack Smartphone Discount Service app to make it more convenient. <ul style="list-style-type: none"> • Addition of biometric login • Addition of a payment option in which credit card information may be entered for each purchase without registering the card
[Japan Post Bank] I applied for and received my Japan Post Bank Debit card in the mail but I don't know what to do with the cash card that I had been using before.	On the cover letters to which the Japan Post Bank Debit cards are attached, we have provided instructions to our customers to discard their old cash cards.
[Japan Post Insurance] I want to make a claim for hospitalization benefits but it is troublesome to prepare the documents as evidence.	Japan Post Insurance does not require the submission of certificate of hospitalization or surgery (medical certificate) under certain conditions if receipts, details of medical treatment, and other such documents issued by a medical institution are submitted. Since April 2023, the scope of such simplified treatment of documents to be submitted has been expanded significantly, which now includes claims for radiation therapy that had not been previously included and surgery benefits* of riders sold prior to October 1, 2017. In addition, from May 15, 2023, the submission of medical statements is no longer necessary for claims for hospitalization benefits, and only receipts issued by a medical institution are required, thereby simplifying some of the submission documents. <p>* Surgeries for malignant neoplasms are not included with the exception of radiation treatment and thermotherapy.</p>

Exchanging Opinions with Employees

At the Japan Post Group, as part of our efforts to realize an open corporate culture, we regularly organize forums where Group employees are able to exchange opinions with the Japan Post Holdings President.

At these meetings, a lively exchange of opinions takes place in accordance with different themes chosen for each meeting, such as the future vision of the Japan Post Group and operational improvements discovered through customer feedback. In addition to disseminating management policy to employees throughout the Group, feedback from employees is utilized in management.

Previous exchanges of opinions may be viewed by clicking here.

<https://www.japanpost.jp/jp-group/> (in Japanese only)



Meeting for mutual exchange of opinions

Investor Relations Activities Report

To contribute to sustainable growth and enhancement of corporate value over the medium to long term, the Japan Post Group aims to disclose information accurately and equally to all shareholders and investors. In an effort to engage in constructive dialogues, feedback and requests received through dialogues are shared throughout the Company, such as being discussed formally as part of the agenda of Board of Directors' meetings twice a year, and utilized to improve management.

Activities in the fiscal year ended March 31, 2023

Activity	Detail
18th Annual General Meeting of Shareholders	Date: June 21, 2023
Financial Results Briefings & Small Meetings for Fiscal Year Ended March 31, 2023 (for Institutional Investors & Analysts)	Meetings held: 6
Dialogue with Institutional Investors & Analysts	Meetings held: 92 (Including approximately 41 individual interviews with overseas investors)
Participation in IR Conferences in Japan and Abroad	Number of times participated: 2 times Participated in conferences hosted by securities companies and held meetings
Individual Investor Video Messages	Japan Post Group Director and Representative Executive Officer, President & CEO, MASUDA Hiroya, posts video messages on the Japan Post Holdings website explaining business details and future strategies.

IR annual schedule

First Quarter	Apr.		Third Quarter	Oct.	
	May	Full-year financial results		Nov.	2Q financial results
	Jun.	General Meeting of Shareholders		Dec.	
Second Quarter	Jul.	Integrated Report issued	Fourth Quarter	Jan.	Intermediate disclosure published
	Aug.	1Q financial results		Feb.	3Q financial results
	Sep.			Mar.	

Column

Trial Run of App for Post Office Stamp Rally in Noto

As one of the measures to get more customers to get to better know post offices, Japan Post Holdings, from the fiscal year ended March 31, 2023, started the trial run of a stamp rally using the post office stamp rally app at 83 post offices in the Ishikawa Prefecture / Noto Region. (The post offices (excluding contracted post offices and Yu-Yu counters) are located in the cities of Nanao, Wajima, Suzu, and Hakui, and the towns of Shika, Houdatsushimizu, Nakanoto, Anamizu, and Noto.)

Customers can collect stamps by downloading the app onto their smartphones and other devices and then use the app to scan two-dimensional bar codes displayed on mailboxes installed in front of these post offices. Since the bar codes are displayed on the mailboxes out front, stamps can be collected even when counters are closed on Saturdays, Sundays, holidays, and non-business days, as well as during non-business hours. Going forward, to make post offices more accessible to more customers and to increase the opportunities for using the post office, we will consider and carry out a wide range of measures. (The trial run of this app is scheduled to end on March 31, 2024.) (As of June 30, 2023)



Post office stamp rally in Noto



◀ You can download the app onto your smartphone and other devices with this QR code.

Dialogue with Outside Experts

On August 23, 2022, outside experts were invited to engage in a dialogue. Three experts provided us with evaluations of the Japan Post Group's main initiatives on sustainability and various opinions and recommendations on our future challenges and their expectations and requests for the Group, etc.



Note: This dialogue was held online in view of preventing the spread of COVID-19 infections.



Facilitator
AKABANE Makiko
Director of CSR Asia Japan

Comments from Experts



ARAI Masaru

Chair of Japan Sustainable Investment Forum (JSIF)

The Japan Post Group seems to have considered a wide range of initiatives and is implementing them. On the other hand, the Group has not reached the stage of making disclosures of initiatives unique to the Group. To catch up with global ESG trends, the Group needs to accelerate its efforts more than ever.

Furthermore, in light of current developments in Europe, where double materiality has become the norm, I hope the Japan Post Group also takes this opportunity to review its materiality. The Group will need to take a more concrete and deep-dive view of the two ESG targets promoted in the Medium-Term Management Plan. As for carbon neutrality, the Group has set the quantitative target of a "46%

reduction of GHG emissions (compared to the 2020/3 level) by 2030" and from now on it will need to disclose specific plans on how to achieve the target, the status of progress, challenges and the factors contributing to such challenges. Investors are interested in ESG bonds and the issue by the Group was met with great enthusiasm. The framework explains the future use of the funds but we would also like an explanation as it relates to medium- to long-term targets. In terms of viewing the Group's initiatives from the investor's perspective and becoming aware of disclosures that are insufficient, I think the Group made giant strides this year by making disclosures compliant with assessment organizations such as CDP and Sustainalytics, in addition to FTSE. CDP is a global standard, which is referred to by investors when they want to assess a company's environmental initiatives. At the same time, the SASB, which was consolidated under IFRS, will become even more important as ISSB disclosure standards. Inclusion as a constituent in the FTSE index is indispensable in order to become globally recognized for sustainability practices and given that the assessment for this index relies on disclosures, the Group should aim for well-crafted disclosures. I am expecting much more progress to come.



SEKI Masao

Visiting Professor,
The Open University of Japan

In terms of the environment, I think it is very commendable that the Group is switching to EVs for its delivery vehicles and working to decarbonize its post offices. I hope that the Japan Post Group leverages its social influence to lead society and the government. Also, regarding the Group's responses to climate change, I think it should not only "mitigate" but also "adapt" from the standpoint of protecting its businesses and heightening the resilience of the communities. As for the social perspective, I believe that the "Local Co-creation Initiative," which the Group launched this year is a wonderful endeavor. I hope that you continue to promote efforts such as these that are deeply rooted in the community, fostering human development while contributing to regional revitalization.

Meanwhile, in terms of human rights due diligence, despite it being a matter of utmost urgency, the Group has not indicated a concrete roadmap on how it plans to deal with it and by when. The Group should make this a priority issue. Furthermore, "Nature" and "People" will become crucial perspectives from now on, in addition to "Climate." As far as "Nature" is concerned, the G7 Summit agreed to put biodiversity on its recovery path by the fiscal year ending March 31, 2031 and how companies are involved with this endeavor will become an essential discussion point. Regarding the perspective of "People," the Group will need to not only address business and human rights but also the widening social gap. Following the lead of TCFD (Task Force on Climate-related Financial Disclosures) and TNFD (Task Force on Nature-related Financial Disclosures), the TSFD (Task Force on Social-related Financial Disclosures) is also advancing its discussions and will eventually require disclosures as well as target-setting and relevant reports. The Group should listen to the opinions of employees and external stakeholders, refer to the Report "Vision 2050 – Time to Transform" by the WBCSD (World Business Council for Sustainable Development), and think about what it should do by working back from the vision of itself in 2050.



FURUYA Yukiko

Representative,
Consumer Conference for Sustainability

Progress has not been made in the improvement of the ratio of female employees in management positions, one of the ESG targets. I think one of the main factors contributing to this situation is the customary employment practice of having separate hiring quotas for career-track employees and general employees. "Career-track employee" brings to mind a highly competitive work style suited to men, and there are some women, although they are fully capable, who will apply for general employee positions because they are put off by this image. Also, the Human Resources

Development Basic Policies do not contain elements relating to sustainability. The Basic Policy for Customer-first Business Operations of Japan Post Insurance states, "Japan Post Insurance is aware of its social responsibility and will nurture customer-first human resources" and touches on the concept of sustainability, but I felt that it was lacking because it did not provide specific details or how it would lead to sustainability initiatives. It is unfortunate that more details are not given regarding human rights due diligence. I hope that the Group becomes aware that initiatives that have already been taken including the hiring of women, foreign nationals, and persons with disabilities are also significant issues of human rights due diligence and that they are promptly put into practice, including reviews of the existing initiatives. Utilizing tools such as Keidanren's "Handbook for Management that Respects Human Rights" will also be useful. The Group's disclosure of human rights and responsible procurement is only limited to facts. The Group should indicate the concepts that make up the foundations of disclosure, the current status of disclosure, its challenges, and the factors contributing to such challenges.