

Message from an Outside Director



SUWA Takako

Outside Director
Japan Post Holdings Co., Ltd.

Greetings

I would like to express my sincere appreciation to everyone who supports the Japan Post Group. In line with its responsibility to deliver reliable and secure services to customers in every region of the country, the Group aims to grow sustainably while adapting to the changing times.

I was appointed as an outside director at Japan Post Holdings following my position as an outside director at Japan Post Co., Ltd. During my time at the latter company, I helped resolve workplace issues and was involved in risk management. I also took part in efforts to expand services and improve the administration and operations of the postal and domestic logistics businesses.

Now, at Japan Post Holdings, I am working to help raise its enterprise value in a number of ways, and am involved in the formulation of Group-wide strategies and measures to strengthen corporate governance and optimize its capital policy. Drawing on my experience at Japan Post, I hope to contribute to the development of the Group as a whole.

Changing operating environment

In recent years, the Group's operating environment has been changing rapidly. More than ever, companies in Japan are expected to play a part in helping to develop digital technologies, address issues resulting

from the declining population, and reinforce sustainability. Against this backdrop, the Group must continue benefiting society and its customers by leveraging its nationwide network of workplaces, as it builds on the trust it has earned over many years.

Due to the growing use of email and online communication, the volume of letters, postcards, and other mail items handled by our postal and domestic logistics business has been declining. At the same time, the widespread use of e-commerce websites has led to an increase in demand for parcel deliveries. In response to these changes, we must make use of digital technologies to increase the speed and convenience of delivery services, while steadily improving operational efficiency.

In addition, responding to consumers' increasingly diverse lifestyles, the banking business has been shifting from providing services mainly at its outlets to using websites and mobile apps to offer more convenient financial services.

In my view, the Group as a whole should improve the community-based financial services it offers, while leveraging its network of post offices. I can only hope this matter will see repeated discussion at Board of Directors' meetings.

Return on equity

Given the Group's goal of increasing its enterprise value and ensuring sustainable growth, return on equity (ROE) is an important performance indicator. Compared with other listed companies in Japan, the ROE

posted by Japan Post Holdings was low as of the date of publication of this report. From it one can grasp the characteristics of the Group's operations and the capital structure of its financial business.

The comparatively low level of ROE is the result of three factors: a management policy that prioritizes the use of low-risk assets in the financial business; the declining profitability of the postal and domestic logistics business; and challenges faced by Japan Post Holdings in raising capital efficiency. The Japan Post Holdings does not directly operate any businesses due to its holding company structure, which makes it hard for management both to increase capital efficiency and boost profitability across the Group.

As an outside director, I intend to help ensure management transparency, verify that measures for increasing the level of ROE are being properly implemented, and discuss this with management. I believe that raising the level of ROE should not be limited to the short term, and that growth strategies must be carried out from a long-term perspective. I hope to contribute to the Group's efforts to generate steady profits and raise its levels of ROE and enterprise value, so that it can meet the expectations of shareholders and other stakeholders.

Corporate governance and enterprise value

It is essential that any company's management strengthens its corporate governance. In particular, companies that have major obligations to the public, such as have those in the Group, are expected to properly manage risks and ensure full management transparency. As an outside director, I have been providing advice on how to ensure sound management and increase enterprise value.

It is also important to promote environmental, social, and governance managerial practices. In a bid to reduce its environmental impact, the Group has been expanding its fleet of electric vehicles and making use of renewable energy sources.

In addition, I have been providing the Group with advice concerning its goal of motivating all employees to work with pride by promoting diversity and inclusion. Doing so fosters a workplace environment that allows diverse employees to thrive.

Private financial information

In the previous fiscal year, it was reported that private financial information of the Group's customers had been used without their consent. This raises the question of whether management is fully committed to our customers. Using customers' private financial information, with their consent, is an accepted way of offering products and services based on their needs, and can lead to greater customer satisfaction.

That said, we have confirmed instances of customers having been invited to visit post offices to discuss products and services without their having consented to the use of their private information. This has not only led to a loss of trust among customers, but has had a negative impact on the Group's corporate governance.

As an outside director, in my ongoing discussions with managers and executives I will be asking them to set up, and strictly comply with, transparent sales practices and will call for their greater accountability to customers. I also want to create more opportunities to hear the opinions of sales staff, and so serve as a bridge between them and management.

Disposition of Japan Post Bank shares

Japan Post Holdings recently sold a portion of its shares in Japan Post Bank Co., Ltd., marking a major turning point in the Group's management strategy. Decisions on how to use the resulting proceeds will be of considerable consequence to the Group's future.

The proceeds should be used to raise the Group's enterprise value over the long term, rather than to generate short-term profits. The Group needs to upgrade its logistics networks, expand online financial services, and invest in new businesses if it is to grow sustainably. In my role as an outside director, I will put forward highly effective ways of using the proceeds from the disposition, while helping ensure management transparency.

In conclusion

The Japan Post Group will continue engaging with customers as it adapts to societal changes. To this end, it is important that all members of staff approach their work with pride and a sense of mission. I intend to focus my energy on helping build a better future together with all employees.

I look forward to your continued support.

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, 2025)

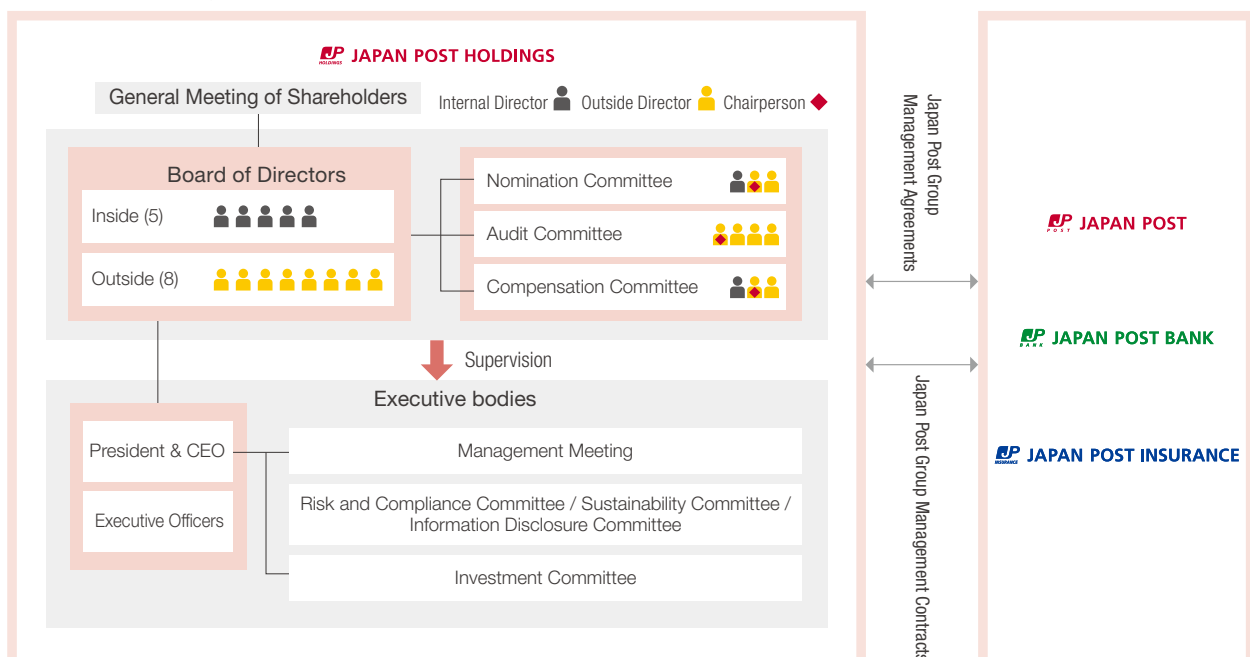
Characteristic (1)	Characteristic (2)	Characteristic (3)	Characteristic (4)
Company with nomination committee, etc.	The majority of the Board are outside directors	Putting diversity into practice	Implementation of Board of Directors' effectiveness evaluation
Japan Post Holdings has adopted the system 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 13 directors (up to 20 as defined in the Articles of Incorporation), of which the majority (8 directors) are independent outside directors. <div> <div>Outside Directors</div>  <div>8 (13 members in total)</div> </div>	The Board of Directors consists of diverse directors, who have a wealth of knowledge, experience, and insight. <div> <div>Female Directors</div>  <div>4 (13 members in total)</div> </div>	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 board committee structure with three committees.

	Role and Structure (As of July 1, 2025)	Operation Status in FY2024 (Fiscal Year Ended March 31, 2025)	Meetings in the FY2024 (Average Attendance Rate)
Board of Directors	The Board of Directors, comprised of 13 Directors (including eight 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 FY2024, the Board of Directors received reports on the management issues of each Group company, as well as the progress of JP Vision 2025+ announced in May 2024, Group earnings performance, risk management, the state of compliance and internal audits, and progress on sustainability.	12 times (99%)
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.	The Nomination Committee met five times in FY2024, and deliberated and decided on the candidates for the Board of Directors and the skill matrix of candidates for the Board of Directors. It also discussed the succession plan for the Representative Executive Officer, President & CEO.	Five 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.	The Compensation Committee met eight times in FY2024, and decided on individual compensation for Directors and Executive Officers and performance-linked compensation for Executive Officers. In addition, we discussed the compensation system for Directors and Executive Officers, which led to the introduction of a performance-linked bonus system and a review of the stock compensation system.	Eight 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 the 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 FY2024, 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) IT governance and cyber security, (4) appropriate disclosure and investor relations activities, internal control to ensure proper consolidated accounting and financial reporting, (5) internal control. 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.	18 times (100%)

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 Affairs/ Compliance	Financial Affairs/ Accounting	Human Resources/ Labor Management	IT/DX/ Technology	Business Knowledge (Logistics, Finance, Insurance, etc.)	Community Contribution/ Public Policy/ Sustainability
Director	NEGISHI Kazuyuki		√				√	√
	IIZUKA Atsushi	√		√			√	√
	TANIGAKI Kunio	√	√				√	√
	KASAMA Takayuki	√					√	√
	KOIKE Shinya				√		√	√
Outside Director	KAIAMI Makoto		√		√			
	SATAKE Akira	√	√	√			√	
	SUWA Takako	√				√		√
	ITO Yayoi					√	√	√
	OEDA Hiroshi	√		√	√			√
	KIMURA Miyoko	√					√	√
	SHINDO Kosei	√			√			√
	SHIONO Noriko	√					√	√

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

Reason for Selection of Each Item in the Skill Matrix

Skill	Reason for Selection
Corporate management	Experience and skills related to corporate management are important in making appropriate management decisions in the Group's diverse business environments, in formulating medium- to long-term management plans, and in performing governance functions.
Legal/compliance	Experience and skills related to the legal and compliance fields that support the corporate management foundation are important in earning the trust of stakeholders, including shareholders, in sustainable growth, and in improving corporate value.
Financial affairs/accounting	Experience and skills in the fields of financial affairs/accounting are important in building a stable financial platform, in maintaining the soundness of management, and in promoting sustainable growth investment.
Human resources/labor management	Experience and skills in the fields of human resources/labor management are important in encouraging the autonomy and creativity of employees, who are the source of sustainable growth, and in using human capital to the greatest extent, as these lead to strengthening the management foundation.
IT/DX/technology	Experience and skills in the fields of IT/DX/technology are important in building systems and information platforms that support efficient business operations and in promoting the integration of real and digital assets to respond to rapid technological changes.
Business knowledge (logistics, finance, insurance, etc.)	Experience and skills in the fields of business (logistics, finance, insurance, etc.) are important in understanding issues and business opportunities unique to different industries and in fulfilling the oversight function of Directors in the Group's diverse business environments.
Community contribution/public policy/sustainability	Experience and skills related to community contribution/public policy/sustainability are important in promoting business activities aimed at development and issues resolution for local communities and in achieving sustainable growth and improving corporate value through the Group's ideal Co-creation Platform that supports both customers and local communities.

Evaluation of effectiveness of the Board of Directors

► Method of evaluation

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

Although the functionality and effectiveness of the Board of Directors has been improving year by year, in light of compliance issues that came to light in fiscal 2024, we have assessed that there are issues with the Board's monitoring function.

The Board of Directors were given early and multiple opportunities to fully discuss progress on the Group's medium-term management plan JP Vision 2025+ announced in May 2024, and other of the Company's priority management issues.

On the other hand, we have found that there are some instances in which the Board of Directors has been insufficient in monitoring the status of business execution or providing Directors with vital information necessary for the exercise of its supervisory function, and we believe that there is still room for improvement.

With regard to the agenda of the Board of Directors' meetings, there were ongoing innovations, such as the Chairman of the Board of Directors reporting all the regular matters to the Board of Directors after providing

explanations in advance with other members, and we believe that these have been helpful in stimulating discussion.

We also provided opportunities for Outside Directors to visit the front lines and exchange opinions with our employees, in addition to which we held study sessions on the current status and issues of our business, which we believe have helped to deepen their understanding of the Group's operations.

Regarding future issues to be addressed, we believe it is necessary to implement measures to enhance the monitoring function of the Board

of Directors. Additionally, we will expand opportunities for our Directors to deepen their expertise, enabling Outside Directors to effectively fulfill their roles.

To address these issues, we will work to improve our reporting framework for effective monitoring of implementation, clarify targets and KPIs, ensure appropriate progress reporting including responses to regulatory authorities, and enhance Directors' frontline visits and study sessions.

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 Co., Ltd. shall designate independent officers as specified by the Tokyo Stock Exchange among those who do not fall under any of the following categories.

1. Person who has been a person who executes business (hereinafter referred to as "executive") of the Japan Post Group
2. Party for whom the Japan Post Group is a major business partner, or an executive (or other) thereof
3. Major business partner of the Japan Post Group, or an executive (or other) thereof
4. Member, partner or employee of the independent auditor of the Japan Post Group
5. Consultant, accounting expert or legal expert who receives or has received a large amount of monetary consideration or other property from the Japan Post Group, in addition to compensation as a director (if the recipient of the said consideration is a corporation, partnership, or other organization, a person who is or was a member of the organization)
6. Major shareholder of Japan Post Holdings (if the shareholder is a corporation other than the government, an executive (or other) thereof)

7. Executive (or other) of a corporation in which Japan Post Holdings is a major shareholder
8. Major creditor of the Japan Post Group, or an executive (or other) thereof
9. Spouse or relative within the second degree of kinship of the following persons (excluding those who are not significant persons)
 - (1) Persons in categories 1 to 8 above
 - (2) Executives of subsidiaries of Japan Post Holdings
10. Executive (or other) of another company in which an executive (or other) of the Japan Post Group serves as an outside officer
11. Person who receives a large amount of donations from the Japan Post Group (if the recipient of the said donations is a corporation, partnership, or other organization, an executive (or other) thereof, or an equivalent person)

Note: Please visit the following website for details.
https://www.japanpost.jp/en/group/governance/pdf/02_08.pdf

Training of Directors and 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 corporate management, legal affairs, financial affairs/accounting, human resources/labor management, information technology 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

Name	Reasons for Election
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 NTT DATA Corporation, one of Japan's major telecommunication companies, and YAMATO HOLDINGS CO., LTD., a logistics company, etc. over many years. 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 extensive experience and knowledge in logistics industry and IT field, etc. 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. She has not been involved in corporate management other than as an Outside Director, but we consider her to be a suitable candidate 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 Director and President, etc. of Nisshin Seifun Group Inc. and Nisshin Flour Milling Inc., which are Japan's largest flour milling companies. He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors 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.
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., and currently serves as Representative Director, President of KING JIM CO., LTD. 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 marketing domain developed throughout her career, and also based on her extensive experience and knowledge in corporate management developed. The Company elected her as an Outside Director given expectations that she will supervise and check the management of the Company.
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. He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors and Nomination 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.
SHIONO Noriko	SHIONO Noriko has many years' experience on the management teams of business corporations, having served in positions that include Representative Director and President of SSP Co., Ltd., Konami Sports & Life Co., Ltd. (currently Konami Sports Co., Ltd.), and Widex Japan, a medical device manufacturer. 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 marketing 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.

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), bonuses as short-term incentives, and stock compensation as medium- to long-term incentives (non-performance-linked and performance-linked), 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, 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-linked compensation, the reason for selecting those indicators, and the method for deciding the amount of performance-linked compensation

1. Performance-linked monetary compensation (annual bonus)

With regard to short-term performance-linked monetary compensation (annual bonus) paid to Executive Officers, it is calculated by multiplying a standard amount for their position and their corresponding responsibilities by a coefficient based on individual performance evaluation and a variable payout rate based on the achievement status of management plans, etc.

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, indicators are set from multiple different categories. These indicators have been selected as appropriate for the Company's business format and content. The financial indicators include consolidated net income attributable to Japan Post Holdings, consolidated ordinary income ratio. The non-financial indicators include sustainability indicators (employee engagement score, ratio of female managers in the head office, status of implementation of initiatives to reduce GHG emissions, and status of improvement in the ratings by ESG assessment organizations), progress of the medium-term management plan, and occurrence of serious clerical accidents and misconduct in the Group and operation of compliance systems.

In addition, the Company has a system that allows for recovery of all or part of the bonus amount paid to Executive Officers (claw back) in the event of a serious misconduct or violation by an Executive Officer eligible for payment of a bonus.

2. Performance-linked stock compensation

With regard to performance-linked stock compensation paid to Executive Officers, after the end of the last fiscal year of the medium-term management plan, Executive Officers will be awarded points based on the standard number of points for their position and corresponding responsibilities, multiplied by a variable payout rate arrived at based on the degree to which they have met the performance targets in the medium-term management plan.

The performance targets, which are the basis for determining the payout rate, are based on the medium- to long-term targets and indicators set forth in the medium-term management plan such that stock compensation functions as a sound incentive to enhance corporate value and achieve sustainable growth over the medium to long term. Currently, ROE (based on shareholders' equity), which is one of the key indicators in the current medium-term management plan, has been adopted as the performance target.

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.

It should be noted that we have not established a policy for determining the payment ratio of performance-based compensation non-monetary compensation, or other forms of compensation.

Type of Compensation	Indicators Related to Company Performance		Payout Rate Fluctuation Range	Goals	FY2024 Results	Payout Rate per Indicator
Performance-linked monetary compensation (annual bonus)	Net income attributable to Japan Post Holdings		0%–45%	At least ¥280,000 million	¥370,564 million	45%
	Consolidated ordinary income ratio		0%–40%	At least 6.738%	7.10%	30%
	Sustainability indicators	Employee engagement score	0%–5%	3.31 pts	3.39 pt	5%
		Ratio of head office female managers	0%–5%	17.90%	18.00%	5%
		Implementation status of greenhouse gas emissions reduction measures	0%–5%	100% implementation of measures	100% implementation	5%
		Status of improvement in ESG rating agency evaluations	0%–5%	Number of institutions with improved ratings > Number of institutions with reduced ratings (out of 3 rating institutions)	Improved evaluation by 3 institutions	5%
	Progress of the medium-term management plan JP Vision 2025		0%–25%	Each initiative under JP Vision 2025+ is generally progressing as planned.		15%
	Occurrence of serious clerical accidents and misconduct in the Group and operation of compliance systems		-30%–0%	Cases of inappropriate use of non-public financial information at post offices, solicitation of insurance products before approval, and failure to perform roll call procedures were discovered.		-20%
					Total	90%

Type of Compensation	Indicators Related to Company Performance	Payout Rate Fluctuation Range	Goals (At the End of the Medium-term Management Plan Period)	Results for FY2024 (Reference Value)	Payout Rate (Reference Value)
Performance-linked stock compensation	ROE (based on shareholders' equity)	0–120%	Approx. 4%	4.40%	100%

Note: Evaluation and payout rate determination will take place after the end of the current medium-term management plan period (through March 2026). The results and payout rates in the table above are calculated as of the end of the fiscal 2024, and are listed for reference.

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

Classification	Total Amount of Compensation	Total Amount by Type of Compensation				Number of Persons
		Monetary Compensation		Non-monetary Compensation		
		Non-performance-linked Compensation	Performance-linked Compensation	Non-performance-linked Compensation	Performance-linked Compensation	
		Fixed Compensation	Annual Bonus	Stock Compensation	Stock Compensation	
Directors (excluding Outside Directors)	—	—	—	—	—	—
Executive Officers	¥945 million	¥624 million	¥162 million	¥78 million	¥80 million	28
Outside Directors	¥140 million	¥140 million	—	—	—	11

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-four Executive Officers serve concurrently as Directors or Executive Officers of major consolidated subsidiaries, seven 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 six Executive Officers from major consolidated subsidiaries is ¥183 million.
4. Performance-linked compensation, etc. 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).
5. There are no retirement benefits 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 2025, 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, the 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 major shareholder of a bank (since June 2025) and an insurance company (since June 2021), Japan Post Holdings is also subject to financial regulations, including supervision

by the Financial Services Agency under the Banking Act and the Insurance Business Act.

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 52-9, Paragraph 1 of the Banking Act	Japan Post Holdings Co., Ltd.	None	Article 52-15, 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).

Since the Company notified the Minister of Internal Affairs and Communications that it had disposed of one-half of its share holdings in Japan Post Bank and Japan Post Insurance, those two financial subsidiaries are required to notify the Prime Minister and the Minister for Internal Affairs and Communications based on the Postal Service Privatization Act when engaging in new businesses, conducting mergers, splitting companies, or transferring and receiving businesses, and are also required to take special care not to impede proper competition with other financial institutions or the appropriate provision of services to users when conducting its business.

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.

(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 55, 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 Agreement on Government Procurement and in other international agreements when procuring goods or services covered by those agreements.

Directors



NEGISHI Kazuyuki

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

Number of shares held: 2,400 shares
Newly appointed

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 1994 Joined the Ministry of Posts & Telecommunications; April 2010 General Manager of Sales Promotion Department of Japan Post Insurance Co., Ltd.; April 2011 General Manager of Investment Planning Department of Japan Post Insurance Co., Ltd.; April 2012 General Manager of Corporate Planning Division of Japan Post Network Co., Ltd.; October 2012 General Manager of Corporate Planning Division of Japan Post Co., Ltd.; January 2014 Executive Manager for Planning of Corporate Planning Division of Japan Post Co., Ltd.; December 2015 Senior General Manager of Corporate Planning Division of Japan Post Co., Ltd.; April 2017 Executive Officer of Japan Post Co., Ltd.; April 2019 Senior Executive Officer of Japan Post Co., Ltd. Managing Executive Officer of the Company; April 2023 Managing Executive Officer, Director of Tokai Regional Office of Japan Post Co., Ltd.; April 2025 Managing Executive Officer of the Company; June 2025 Director and Representative Executive Officer, President & CEO of the Company (present); Director of Japan Post Co., Ltd. (present); Member of the Board of Directors of Japan Post Bank Co., Ltd. (present); Director of Japan Post Insurance Co., Ltd. (present)



IIZUKA Atsushi

Director and Representative Executive Officer, Senior Executive Vice President

Number of shares held: 900 shares
Number of years as director: Two years
Attendance at Board of Directors' meetings: 11/12 times (91.7%)

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 First Deputy Commissioner of National Tax Agency; July 2017 Director-General of the Customs and Tariff Bureau, Ministry of Finance; November 2018 Adviser for Group CEO of Sompō Holdings, Inc.; January 2019 Chairman of Sompō Japan Nipponkoa Research Institute Inc. (currently Sompō 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; April 2024 Director and Representative Executive Officer, Senior Vice President of the Company (present)



TANIGAKI Kunio

Director

Number of shares held: 17,900 shares
Number of years as director: Two years
Attendance at Board of Directors' meetings: 12/12 times (100%)

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)



KASAMA Takayuki

Director

Number of shares held: 200 shares
Number of years as director: One year
Attendance at Board of Directors' meetings: 10/10 times (100%)

Significant Concurrent Position

President & CEO, Representative Executive Officer, Member of the Board of Directors of Japan Post Bank Co., Ltd.

Career Summary

April 1996 Joined The Long-Term Credit Bank of Japan, Limited (currently SBI Shinsei Bank, Limited); December 1998 Joined I&B Securities Co., Ltd., (currently Mizuho Securities Co., Ltd.); October 2000 Joined Goldman Sachs (Japan) Ltd.; January 2010 Managing Director of Goldman Sachs Japan Co., Ltd.; January 2011 Managing Director and Head of Credit Trading of Goldman Sachs, Japan Co., Ltd.; July 2013 CEO, Senior Portfolio Manager of GOLVIS INVESTMENT PTE. LTD.; November 2015 Managing Director (in charge of credit investments) of Japan Post Bank Co., Ltd.; June 2016 Managing Director, General Manager of Global Credit Investment Department, Investment Division of Japan Post Bank Co., Ltd.; May 2018 Senior Managing Director, General Manager of Global Credit Investment Department, Investment Division of Japan Post Bank Co., Ltd.; April 2020 Executive Managing Director (supervising bonds and credit) of Japan Post Bank Co., Ltd.; June 2020 Senior Managing Executive Officer of Japan Post Bank Co., Ltd.; June 2023 Director and Representative Executive Vice President of Japan Post Bank Co., Ltd.; April 2024 President & CEO, Representative Executive Officer, Member of the Board of Directors of Japan Post Bank Co., Ltd. (present); June 2024 Director of the Company (present)



KOIKE Shinya

Director

Number of shares held: 4,400 shares
Newly appointed

Significant Concurrent Position

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

Career Summary

April 1992 Joined the Ministry of Posts & Telecommunications; October 2007 General Manager of Operations Planning Division, Operations Headquarters of Japan Post Service Co., Ltd.; April 2009 General Manager of Personnel Division of Japan Post Service Co., Ltd.; August 2009 General Manager of Manpower Planning Office of Japan Post Service Co., Ltd.; April 2011 General Manager of General Affairs and Personnel Division of Japan Post Service Co., Ltd.; February 2012 General Manager of Personnel Systems Planning Division of Japan Post Service Co., Ltd.; October 2012 General Manager of Personnel Systems Planning Division of Japan Post Co., Ltd.; April 2013 Executive Manager for Planning of Marketing and Sales Division, Marketing and Sales Department, Postal Business Headquarters of Japan Post Co., Ltd.; April 2014 Executive Manager for Planning of Logistics Solution Division of Japan Post Co., Ltd.; April 2016 Senior General Manager of the Secretaries Office of the Company; September 2017 Senior General Manager of Postal Business Planning Division of Japan Post Co., Ltd.; April 2018 Executive Officer of Japan Post Co., Ltd.; April 2021 Senior Executive Officer of Japan Post Co., Ltd.; June 2024 Senior Executive Officer, Director of Kinki Regional Office of Japan Post Co., Ltd., Managing Executive Officer of the Company; June 2025 Director of the Company (present), President & CEO (Representative Executive Officer) of Japan Post Co., Ltd. (present)



KAIAMI Makoto

Outside Director
Member of the Nomination Committee

Number of shares held: — shares
Number of years as director: Five years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Audit Committee meetings: 18/18 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: Five years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Audit Committee meetings: 18/18 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 Compensation Committee

Number of shares held: 1,800 shares
Number of years as director: Three years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Audit Committee meetings: 18/18 times (100%)

Significant Concurrent Positions

Representative Director of Daiya Seiki Co., LTD.; Outside Board Director of Nippon Television Holdings, Inc.

Career Summary

October 1995 Joined Unisia Jecs Corporation (currently Hitachi Astemo, 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
Number of years as director: Two years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Audit Committee meetings: 18/18 times (100%)

Significant Concurrent Positions

Outside Director of KANADEN CORPORATION; 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
Chairperson of the Compensation Committee

Number of shares held: 3,800 shares
Number of years as director: Two years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Compensation Committee meetings: 8/8 times (100%)

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
Member of the Audit Committee

Number of shares held: 400 shares
Number of years as director: Two years
Attendance at Board of Directors' meetings: 12/12 times (100%)

Significant Concurrent Positions

Representative Director, President & CEO & General Manager, R&D Division of KING JIM CO., LTD.; Independent Outside Director, Audit and Supervisory Committee Member of ARE 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.; June 2023 Director of the Company (present); September 2023 Director and Managing Executive Officer, General Manager of R&D Division and CMO of KING JIM CO., LTD.; September 2024 Representative Director, President & CEO & General Manager, R&D Division of KING JIM CO., LTD. (present)



SHINDO Kosei

Outside Director
Chairperson of the Nomination Committee

Number of shares held: 10,000 shares
Number of years as director: Two years
Attendance at Board of Directors' meetings: 12/12 times (100%)
Attendance at Nomination Committee meetings: 5/5 times (100%)

Significant Concurrent Positions

Senior Advisor 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; June 2023 Director of the Company (to present); April 2024 Director and Senior Advisor of NIPPON STEEL CORPORATION; June 2024 Senior Advisor of NIPPON STEEL CORPORATION (present)



SHIONO Noriko

Outside Director
Member of the Audit Committee

Number of shares held: 1,000 shares
Number of years as director: One year
Attendance at Board of Directors' meetings: 10/10 times (100%)

Significant Concurrent Positions

Outside Director of Kirin Holdings Company, Limited; Outside Director of Bengo4.com, Inc.

Career Summary

August 1983 Joined Japan New Media Co., Ltd.; January 1999 General Manager of Marketing Department of Federal Express Corporation; March 2001 Joined The Walt Disney Company (Japan) Ltd.; October 2002 Vice President of Marketing and Sales of The Walt Disney Company (Japan) Ltd.; February 2006 Vice President of Corporate Marketing of The Walt Disney Company (Japan) Ltd.; April 2008 General Manager of Marketing Division of SSP Co., Ltd.; March 2010 Representative Director and President of SSP Co., Ltd.; January 2012 Director and Vice President of Konami Sports & Life Co., Ltd. (currently Konami Sports Co., Ltd.); January 2014 Representative Director and President of Konami Sports & Life Co., Ltd.; May 2016 Director and Chairman of Konami Sports Club Co., Ltd.; October 2017 Representative Director and President of Widex Japan; January 2024 Advisor of Widex Japan; June 2024 Director of the Company (present)

Stakeholder Engagement

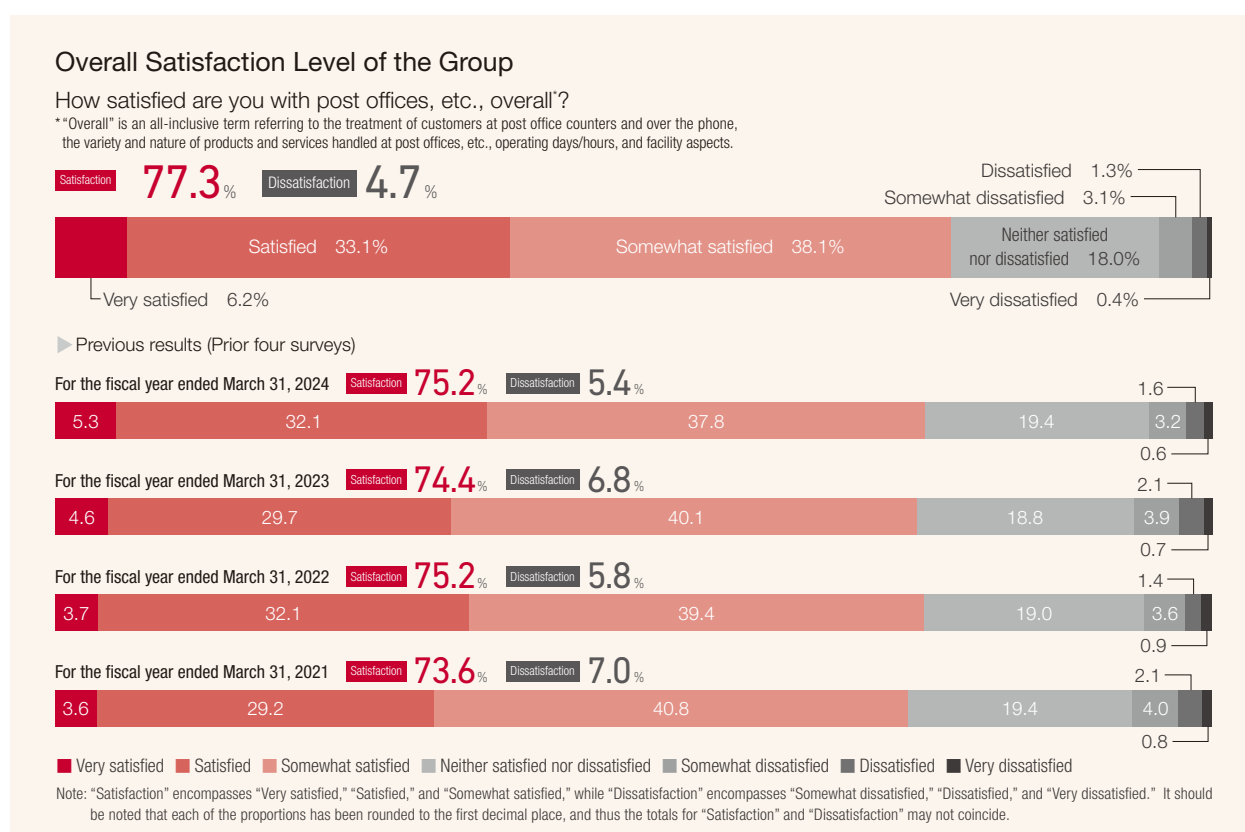
Japan Post Group's customer satisfaction survey

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 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.



Management practices reflect customer feedback

Recognizing the value of customers' opinions and requests, the Group's employees creatively find ways to improve products and services, such as the following examples.

Company	Customers' Requests, Concerns	Improvements
Japan Post	"Please provide sheets of 50 simply designed ¥110 stamps since the price will change to that amount in October 2024."	Sheets of 50 ¥110 stamps featuring a simple greeting design went on sale on January 8, 2025.
Japan Post Bank	"I would like a more attractive design for my Japan Post Bank card."	The design of the cards has been simplified and made more stylish. In addition, customer information is mainly shown on the back of the card to improve security and safety.
Japan Post Insurance	"My mother is getting old, so I am worried about whether she will be able handle the procedures of her current insurance policy if she develops dementia."	Conditions were changed in October 2024 to allow a representative, designated in advance, to handle policy procedures if the policy holder is unable to continue handling the procedures of his or her policy due to dementia or other impairment (according to a diagnosis required from a medical doctor).

Dialogue with outside experts

On October 7, 2024, outside experts were invited to engage in a dialogue. Five experts provided us with evaluations of the Japan Post Group's main initiatives regarding sustainability, and on various opinions and recommendations concerning our future challenges and their expectations and requests for the Group.



Please refer to the details for the dialogue on the website.

<https://www.japanpost.jp/en/sustainability/sustainability-management/engagement.html>



Comments from external experts



SEKI Masao

Visiting professor, The Open University of Japan

The Japan Post Group's sustainability actions have been improving year by year, especially with regard to the environment. Besides environmental actions, however, the Group needs to strengthen its societal activities.

Its Local Co-creation Initiative, which has been conducted for some time, is an excellent program that plays an important role in the sustainability and development of certain communities. The initiative also creates new business opportunities for the Group, while contributing to the development of human resources.

I hope that the Group will demonstrate even more leadership and strengthen collaboration with the government and civil society to help make Japan more inclusive. Today, companies are expected to ensure that human rights are respected. So, rather than just complying with regulations, the Group must find practical solutions for protecting people's human rights.

In addition, it is important that the Group disclose information about the outcomes of its initiatives, and use data to clearly explain how said outcomes impact society. That should help the Group raise its value overall.



YOSHITAKA Mari

Visiting professor, College of Arts and Sciences, The University of Tokyo
Specially Invited Professor, Faculty of Policy Management, Keio University
Representative director, Virtue Design

The Japan Post Group needs to clearly define the material issues that are specific to its businesses. In the recently advocated Safe and Just Earth System Boundaries, the ability to sustain livelihoods in times of disaster, and to respond to regional challenges, fall under the category of "safe." Moreover, these are areas in which the Group can leverage its strengths.

In addition, using post offices to help revitalize regional industries, providing funds through investments, and advising small and medium-sized enterprises on business development are all possibilities. The Group might also consider creating opportunities for students from rural areas to contribute to their communities and local decarbonization projects. I hope the Group will help guide young people by making the most of its broad network of diverse customers.

Turning to sustainability in general, the Group must move from the stage of formulating policies, approaches, and objectives to actually executing them.

It is important that it have a real impact on society by drawing on its unique characteristics. To increase the ability of its organizations at the execution stage, in-house award programs and other measures for motivating employees can be effective.



MANAGI Shunsuke

Professor, Department of Urban and Environmental Engineering, Faculty of Engineering, Kyushu University

I believe that the Japan Post Group's efforts to improve well-being are highly significant.

The Group is known for its inclusiveness and for supporting communities through its nationwide service network, and maintaining a presence even when other companies withdraw.

Setting key performance indicators based on quantitative data, and quantifying the intangible value of services and regions, enables the optimization of the Group's initiatives.

It is also a key role for the Group to collect data on regional value. By consolidating diverse regional data, the Group's initiatives can be streamlined and help fulfill accountability requirements.

Furthermore, quantitative measurements of employee well-being are essential for identifying necessary improvement actions. This is expected to motivate employees to aspire to management positions.

Implementing a series of small-scale trials over a set period is effective in fostering an organization that embraces new challenges without fear of failure.



ADACHI Naoki

CEO, Response Ability, Inc.
Secretary General, Japan Business Initiative for Biodiversity

Given Japan's declining birthrate, aging population, and shrinking rural communities, it is essential that those communities should become economically independent in order to remain sustainable.

The Group can partner with rural communities in efforts to rebuild their economies, using the natural resources of their regions. Amid worldwide aspirations to become nature positive by reversing nature loss and reducing impacts on biodiversity, efforts to revitalize primary industries, build green infrastructure, and offer experiential tourism are attracting attention.

Japan has made little progress in this regard, but Group could contribute greatly to such initiatives, because its network extends to rural communities nationwide. The mass production and mass consumption models of Japan's modern industrial era have not stopped people from leaving outlying regions for big cities. For this reason it is essential that businesses be created in rural communities and that a genuine co-creation platform be realized there. By seriously tackling regional revitalization, organizations across the country, including the Japan Post Group, can make big changes. It will be essential to create businesses in rural communities and realize a genuine Co-creation Platform.

By setting long-term goals and then working towards them using the backcasting method, the Group can clarify the direction it aspires to take and create an environment that encourages people to actively come up with ideas at the grassroots level.



ICHIMORI Yasushi

Professor, Graduate Institute for Entrepreneurial Studies
Joined the discussion remotely

Motivating employees to work with pride and satisfaction is an important element of the Group's Human Resources Policy. If successful, it will increase the contributions of employees to the Group's businesses and have a major impact on its overall performance.

Human capital management is being practiced Group-wide for the purpose of realizing strategies and continually increasing value. It is important to identify essential personnel and regularly verify their impact on corporate value by executing human resources plans. To build organizations that can adapt to change, the Group needs to support the independent career paths of employees and create conditions that encourage them to work with pride and satisfaction. Helping women, in particular, succeed in the workplace is essential for business to succeed.

Employees working on the front lines of services are also very important for organizational growth. Since their conduct and customer service have a major effect on their communities, measures must be ongoing to foster job satisfaction and pride in their work. That should contribute to building solid organizations.

Employee-president meetings

In an effort to foster an open corporate culture, the president of Japan Post Holdings meets regularly with employees of all Group companies across Japan for and exchange of ideas and opinions.

Participants discuss such topics as the Group's future vision and how best to improve services based on customer feedback. These meetings allow the broad sharing of management policies with employees, and reflect in management the feedback from workplaces.

Scenes from previous meetings to exchange opinions can be viewed here.

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



Employees and the president hold a discussion at a meeting.

Human rights due diligence in the supply chain

Since 2018, the Group has endorsed the Ten Principles of the United Nations Global Compact under the fundamental responsibilities in the areas of human rights, labor, the environment, and anti-corruption. Based on this policy, the Group has formulated the way of thinking for the Japan Post Group Procurement Activities and the Japan Post Group CSR Procurement Guidelines that specify concrete initiatives required of its suppliers. The Group also promotes procurement activities to consider its social responsibilities such as human rights, labor standards, and the environment across the entire supply chain

► Partnerships with suppliers

The Group and its suppliers have been working on its procurement activities to consider the global environment and regional communities, in accordance with the Group CSR Procurement Guidelines. The Group has conducted a survey of the suppliers on their CSR initiatives once a year since 2019, so that the Group understands their initiatives and strives for continuous improvement in CSR procurement activities together with suppliers.

For new suppliers, they are required to complete a questionnaire on human rights so that the Group understands their policy and status on human rights, and requests for working with us. The Group works to reduce human rights risks through these initiatives.

Overview of the Survey of Suppliers in Fiscal 2024	
Survey period	October 2024 to January 2025
Questionnaires used for the survey	UN Global Compact CSR Self-Assessment Tool
Number of suppliers requested to complete the survey	Total: 225 Japan Post Holdings: 65 Japan Post: 52 Japan Post Bank: 67 Japan Post Insurance: 41

► Efforts for improvement of human rights due diligence

The Group provides feedback to all suppliers who responded the survey on CSR procurement after compiling survey results. For suppliers identified as having issues based on the survey results, the Group conducts interviews with them, make discussions on their issues, and requests further improvement of their activities. The Group also asks them for improvement of activities not yet addressed by sharing best practices of other companies.

Even if issues are identified through the survey results, the Group does not immediately suspend or cancel transactions. The Group conducts interactive communication with suppliers so as to improve CSR activities of both parties.

Engaging with collection and delivery subcontractors

Japan Post has been taking steps to prevent a recurrence of a series of problems that arose in recent years concerning the collection and delivery of Yu-Pack parcels and other items outsourced to subcontractors.

- ① Between January and July 2023, certain post offices violated Japan's subcontractor law* by charging excessively high penalties for mistaken deliveries and other problems, without providing sufficient explanation to the subcontractors, and collecting the penalty fees without the latter's consent.
- ② Between January 2021 and May 2023, certain post offices may have violated Japan's subcontractor law* by rejecting subcontractors' requests for subcontracting fee increases, which were deemed necessary due to rising labor costs and other factors, without holding sufficient negotiations or any negotiations at all with the subcontractors.

* The Act against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors (Act No. 120, 1956).

In response to matters concerning the penalties, Japan Post revised its rules and procedures in April 2025. Now, should a delivery-related problem occur, the relevant post office must meet with the subcontractor to determine the cause of the problem and discuss how to prevent a recurrence. It can request that the subcontractor improve the quality of their delivery services, and use the Company's penalty system if problems continue to occur without any signs of improvement, despite repeated efforts to improve quality.

In response to requests from subcontractors to raise subcontracting fees due to rising labor costs and other factors, since FY2022 Japan Post has been holding negotiations with all subcontractors once a year to review fees. The Company concluded agreements with all its subcontractors in FY2024.

Recognizing that partnerships with subcontractors are indispensable, Japan Post will continue responding constructively to any issues that arise, to ensure that its post office services are chosen by even more customers in the future.

Business Overview



Postal and Domestic Logistics Business

Business overview

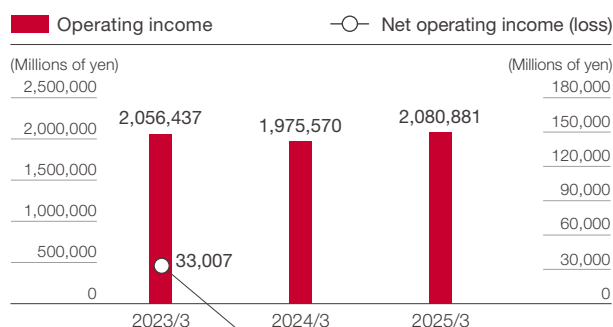
In addition to providing postal services at the fairest possible rates across Japan, Japan Post is commissioned by the Japanese government to sell documentary stamps and issue donation-type illustrated New Year's postcards. Japan Post provides Yu-Pack, Yu-Mail, and other parcel delivery services as well as logistics services from the design, proposal, and formation to operation of an optimal logistics strategy for customers in order to meet diverse customer needs in line with growth in the e-commerce market.

Financial results for the fiscal year ended March 31, 2025

In the postal and domestic logistics business, while the handling volume of Yu-Pack, Yu-Packet, and Yu-Mail increased, the amount of mail decreased. However, postal revenue increased thanks to rate revisions, resulting in ordinary income of ¥2,088,481 million (up ¥107,972 million year on year). Although we continued to implement cost control initiatives, ordinary expenses rose due to increases in personnel expenses and collection, transport and delivery transportation outsourcing costs, resulting in a net ordinary loss of ¥32,220 million (compared to an ordinary loss of ¥65,184 million in the previous fiscal year). In addition, operating income amounted to ¥2,080,881 million (up ¥105,310 million year on year) and net operating loss amounted to ¥38,377 million (compared to a net operating loss of ¥68,838 million recorded in the previous fiscal year) in the postal and domestic logistics business of Japan Post for the fiscal year ended March 31, 2025.

Note: From the beginning of the fiscal year ended March 31, 2025, Real Estate Business has been newly established as a reportable segment. The figures for the comparison with the end of the previous consolidated fiscal year are based on the reclassified figures accompanying the change in classification method.

Operating Income / Net Operating Income (Loss)



Strengths, Challenges, and Future Policy

Strengths	Challenges	Future Policy
<ul style="list-style-type: none"> Nationwide transport network capable of delivering to 30 million locations daily Efficient delivery of small parcels utilizing motorcycle mobility for the last one mile of logistics Consistently providing high-quality delivery service to our customers 	<ul style="list-style-type: none"> Resource shifting from the postal business to the growing package delivery market Be chosen by customers in the package delivery market, where competition is intensifying Response to rising labor unit costs and escalating 	<ul style="list-style-type: none"> Expanding parcel income with a focus on small parcels, in which Japan Post excels Strengthening profitability by improving products and services and collaborations with other companies Building efficient and resilient operations through DX and mechanization



Post Office Business

Business overview

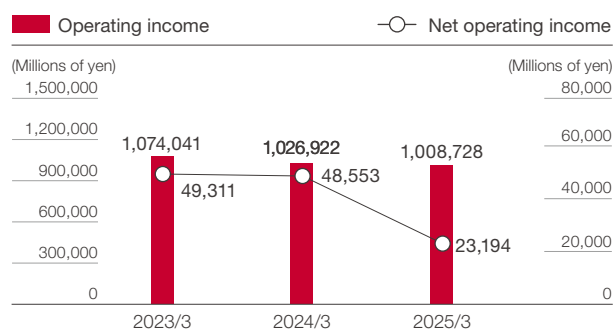
In addition to counter operations related to the postal and logistics business, we provide banking counter operations commissioned from Japan Post Bank Co., Ltd. and insurance counter operations commissioned from Japan Post Insurance Co., Ltd. as well as merchandise business, affiliated financial services, and administrative work commissioned from local governments at post offices nationwide, which serve as sales hubs for providing services to customers.

Financial results for the fiscal year ended March 31, 2025

In the post office business, due to ongoing decline in banking fees and insurance fees, ordinary income amounted to ¥1,010,197 million (down ¥17,695 million year on year). Ordinary expenses rose due to an increase in expenses despite a decrease in personnel costs, resulting in net ordinary income of ¥24,155 million (down ¥24,913 million year on year). In addition, operating income amounted to ¥1,008,728 million (down ¥18,193 million year on year) and net operating income amounted to ¥23,194 million (down ¥25,359 million year on year) in the post office business of Japan Post for the fiscal year ended March 31, 2025.

Note: From the beginning of the fiscal year ended March 31, 2025, Real Estate Business has been newly established as a reportable segment. The figures for the comparison with the end of the previous consolidated fiscal year are based on the reclassified figures accompanying the change in classification method.

Operating Income / Net Operating Income



Strengths, Challenges, and Future Policy

Strengths	Challenges	Future Policy
<ul style="list-style-type: none"> A post office network of over 24,000 locations throughout Japan Provision of diverse products and services inside and outside the Group Customer base based on which our services are used by many customers in their daily lives 	<ul style="list-style-type: none"> Growing into a business of choice for customers Response to a decrease in handling volume due to population decline and the switch to digital channels Enhance the value of our post office network 	<ul style="list-style-type: none"> Enhancing customer experience (CX) value by raising the skills of employees and utilizing Yu ID Offering high-quality services by integrating face-to-face services with digital technology Expanding products and services that match customer and regional needs



International Logistics Business

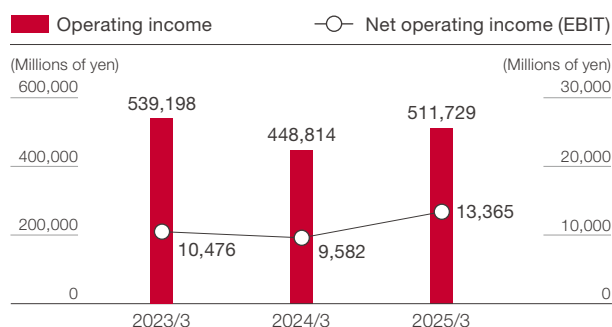
Business Overview

The Toll Group, which operates mainly in Australia and Singapore, provides a full line of international freight forwarding services, chiefly import and export related to the Asia Pacific region, and other logistics services to sectors of natural resources and governmental operations as a 3PL provider in the Asia Pacific region including transport and warehousing services.

Financial results for the fiscal year ended March 31, 2025

In the international logistics business, ordinary income amounted to ¥512,847 million (up ¥62,824 million year on year) due to an increase in handling volume in the Global Forwarding business, and although ordinary expenses increased in line with the increase in revenue in the Global Forwarding business, net ordinary income amounted to ¥4,699 million (up ¥2,985 million year on year). In addition, operating income amounted to ¥511,729 million (up ¥62,915 million year on year) and net operating income (EBIT) amounted to ¥13,365 million (up ¥3,783 million year on year) in the international logistics business of Japan Post for the fiscal year ended March 31, 2025.

Operating Income / Net Operating Income (EBIT)



Strengths, Challenges, and Future Policy

Strengths	Challenges	Future Policy
<ul style="list-style-type: none"> With its international logistics network spanning around 150 countries worldwide, it is unique among Japanese logistics companies Toll City is a logistics facility with state-of-the-art technology including precision temperature control and smart logistics control systems 	<ul style="list-style-type: none"> Overcoming Australia-dependent management structure Further improvement of profitability Exercise of the synergy between Japan Post and Toll Holdings 	<ul style="list-style-type: none"> Transition to an Asia-focused business model Ongoing initiatives to improve the profit margin and cut costs Sales strategy of capturing Japanese-affiliated multinational companies by collaborating with Japan Post

Logistics-related initiatives

The logistics industry is facing various social challenges, including Japan's 2024 problem (shortage of truck drivers) and environmental issues (responding to carbon neutrality). To address these challenges, we will work with other companies to achieve the Japan Post Group's vision for a Co-creation Platform, thereby ensuring the sustainability of logistics services and improving customer service.

In May 2024, we announced a business partnership with the Seino Group, and by jointly operating long-haul transportation in which we carry each other's, we are working to improve transport efficiency and reduce environmental impact.

In addition, in April 2025, we successfully completed a tender offer for Tonami Holdings Co., Ltd. by JWT Co., Ltd. (scheduled to change its name to JP Tonami Group Co., Ltd.), a subsidiary of Japan Post Co., Ltd. By pursuing synergies with that company, which has strengths in long-haul transportation, we aim to create further added value by providing swift and detailed services as a unified group to meet diverse logistics needs.



Banking Business

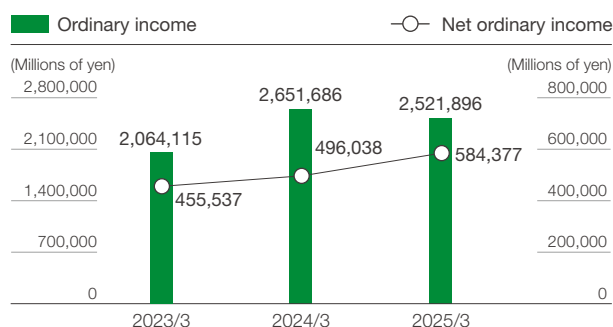
Business overview

Under the Banking Act, Japan Post Bank and its subsidiaries engage in the deposits, lending, securities investment, remittances, intermediary services including mortgages, and credit card businesses, as well as sales of JGBs, investment trusts, and insurance products.

Financial results for the fiscal year ended March 31, 2025

In the banking business, ordinary income amounted to ¥2,521,896 million (down ¥129,790 million year on year) due to a decrease in gains from the sale from stocks and other securities for risk controls, despite an increase in income from foreign bond investment trusts, interest on government bonds, and interest on deposits with the Bank of Japan. Ordinary expenses decreased due to a decline in personnel expenses and various other cost reductions, and net ordinary income amounted to ¥584,377 million (up ¥88,338 million year on year).

Ordinary Income / Net Ordinary Income



Note: The graph shows ordinary income and net ordinary income of the banking business of the Japan Post Group.

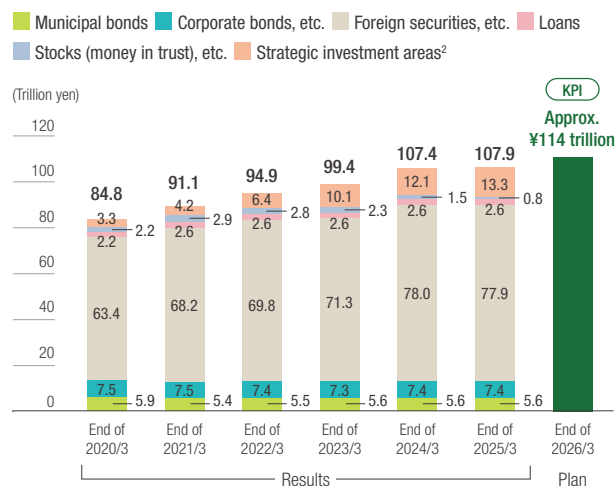
Strengths, Challenges, and Future Policy

Strengths	Challenges	Future Policy
<ul style="list-style-type: none"> Japan's largest customer base Most extensive and stable deposit base in Japan Nationwide network Diverse specialized human resources 	<ul style="list-style-type: none"> Addressing changes in the domestic and international financial and economic environment Addressing the progressive digitalization of society Addressing Policy Plan for Promoting Japan as a Leading Asset Management Center and the new NISA system Addressing management that is conscious of the cost of capital and stock price Addressing sustainability management and human capital management 	<ul style="list-style-type: none"> Transition to a new retail business by enhancing strategy for complementarity between the physical and digital channels Pursue an optimal investment portfolio that combines yen interest rate assets with risk assets Rejuvenate local economies and create new corporate value through Japan Post Bank's unique GP business Strengthen the human capital, systems infrastructure, and internal management system that support the three businesses

Pursuing internationally diversified investment and rebuilding our yen interest portfolio

In addition to the risk assets in which we have traditionally focused our investments, we are rebuilding our yen interest portfolio by shifting investments from deposits to Japanese government bonds in response to the switch to an upward trend in yen interest rates. We will work to expand total revenue by striking a balance between the two.

Risk Assets¹ Balance (Non-consolidated)

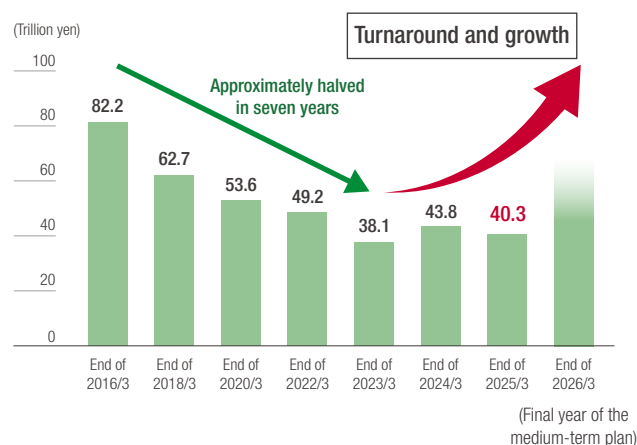


Notes:

1. Assets other than yen-interest-bearing securities (JGBs, etc.)

2. Private equity funds, real estate funds (equity/debt), direct lending funds, infrastructure debt funds, etc. The balance of private equity funds and real estate funds, with the exclusion of certain assets, is based on market value from fiscal year ended March 31, 2023.

JGB Holdings





Life Insurance Business

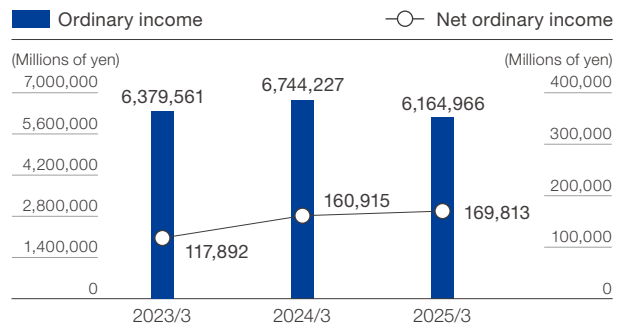
Business overview

Licensed and approved under the Insurance Business Act, Japan Post Insurance Co., Ltd. engages in the underwriting of life insurance and asset management business, including securities investment and loans. In addition to our own products, Japan Post Insurance branches also handle commissioned sale of other life insurance companies' products on commission. We have also entered into an operations consignment agreement with Japan Post to solicit our insurance products through its post offices.

Financial results for the fiscal year ended March 31, 2025 (consolidated)

In the life insurance business, although insurance premiums increased thanks to factors such as the launch of lump-sum payment whole life insurance in January 2024, ordinary income amounted to ¥6,164,966 million (down ¥579,260 million year on year) due to factors such as a decrease in the reversal of policy reserves. However, net ordinary income amounted to ¥169,813 million (up ¥8,898 million year on year) thanks to a decrease in insurance claims and other payments resulting from a decrease in the number of policies in force.

Ordinary Income / Net Ordinary Income



Note: The graph shows ordinary income and net ordinary income of the life insurance business of the Japan Post Group.

Strengths, Challenges, and Future Policy

Strengths	Challenges	Future Policy
<ul style="list-style-type: none"> The Post Office brand The Post Office network and human resources Customer base The power of our assets 	<ul style="list-style-type: none"> Retain and expand customer base based on connections across life stages and generations Grow into a sustainable and strong company that can secure stable revenue 	<p>Further expansion of insurance products and services</p> <ul style="list-style-type: none"> Improving products to meet customer needs Strengthening our sales force Improving customer experience value through both face-to-face and digital means <p>Achieving greater depth and evolution of asset management</p> <ul style="list-style-type: none"> Asset management aimed at further growth of the positive spread Strengthening of asset management capabilities and further advancement of collaborative strategies through alliances Promotion of investments and loans with the warmth that is unique to Japan Post Insurance <p>Diversifying sources of revenue</p> <ul style="list-style-type: none"> Capturing revenue opportunities from overseas insurance markets Capturing revenue opportunities from the asset management businesses Capturing revenue opportunities from non-insurance domains

Diversifying sources of revenue

Japan Post Insurance positions the diversification of sources of revenue through alliances and investments as one of the pillars of our growth strategies. At present, our primary focus is on capturing revenue opportunities in domains such as the overseas insurance markets and the asset management business.

We will continue to pursue further collaboration in life insurance (domestic, overseas, and reinsurance) and asset management businesses, while broadly exploring a wide range of domains with an affinity to the life insurance business where synergies and contributions to profit can be anticipated. In addition, through alliances with other industries, we will expand our involvement in life-event-related businesses across all age groups, and strive to increase connections with customers and enhance our insurance services.

Basic Strategy for Alliances and Investments

Growth exceeding our cost of capital (7–8%)

- ▶ Form alliances and make investments with companies expected to generate

Focus is on life insurance and asset management business

- ▶ Expanding and growing domains of collaboration by taking advantage of existing alliances
(KKR & Co. Inc., Global Atlantic Financial Group, Mitsui & Co., Ltd., and Daiwa Securities Group Inc.)

Exploring new domains

- ▶ Affinity with the life insurance business
- ▶ Synergistic effects
- ▶ Contribution to profits



Real Estate Business

Business overview

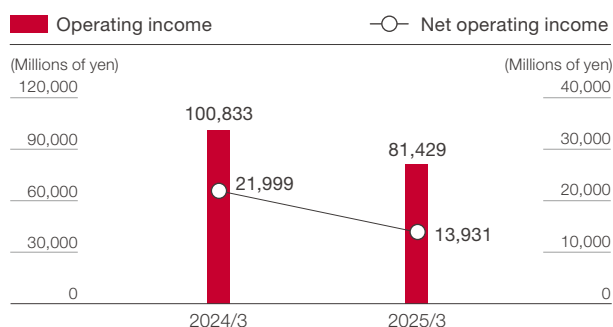
Following the privatization of the postal service in October 2007, one of the assets we inherited from Japan Post is the former Tokyo Central Post Office site (where JP Tower stands today), which is located in a highly commercial area. We develop such real estate owned by the Group by identifying markets for each property's usage and area, and engage in real estate operations such as leasing and management of office buildings, commercial facilities, and housing, as well as condominium sales. We also work to carefully acquire various income-generating properties, such as elderly care facilities and logistics facilities, from outside the Group, and participate in urban redevelopment projects.

Financial results for the fiscal year ended March 31, 2025

Owing to factors such as improved occupancy rates at rental properties and the recording of condominium sales revenues, the real estate business recorded ordinary income of ¥81,670 million (down ¥19,204 million year on year) and net ordinary income was ¥12,366 million (down ¥8,660 million year on year), with operating revenue amounting to ¥81,429 million yen (down ¥19,403 million year on year), and net operating income coming to ¥13,931 million (down ¥8,067 million year on year).

Note: From the beginning of the fiscal year ended March 31, 2025, Real Estate Business has been newly established as a reportable segment. The figures for the comparison with the end of the previous consolidated fiscal year are based on the reclassified figures accompanying the change in classification method.

Operating Income / Net Operating Income



Challenges, and Future Policy

Challenges	Future Policy
Real estate owned by the Group <ul style="list-style-type: none"> Ongoing trend of rising construction costs 	<ul style="list-style-type: none"> Review development plans for large-scale properties Engage in condominium sales (diversification of revenue sources) Carefully acquire income-generating properties based on market conditions for their individual uses and in each area Participate in urban redevelopment projects and joint ventures
Real estate outside the Group <ul style="list-style-type: none"> Rise in prices of income-generating properties 	

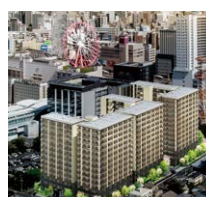
Major real estate under development (construction commenced)

• The Landmark Nagoya Sakae



Location: Naka Ward, Nagoya City
Site area: 4,870 m²
Total floor area: Approx. 109,680 m² (planned)
Floors: 41 above ground, 4 below ground
Primary use: Offices, hotel, commercial facilities, etc.
Scheduled completion: Fiscal 2025 (planned)

• The Residence: MJR Kagoshima Chuo Station-Front (Formerly the Kyushu Branch's Kagoshima Office)



Location: Kagoshima City, Kagoshima Prefecture
Site area: 5,080 m²
Total floor area: Approx. 28,100 m² (planned)
Floors: 14 above ground
Primary use: Residential (for sale)
Scheduled completion: Fiscal 2026 (planned)

► Other Real Estate under Development

Name	Location	Site Area (m ²)	Total Floor Area (m ²) (Planned)	Floors	Primary Use	Scheduled Completion
Former Urawa-Tokiwa Company Housing (Park Homes Urawatokiwa Ryokusaiten)	Urawa Ward, Saitama City	1,300	2,950	6 above ground	Residential (for sale)	FY2025
Former Takami Company Dormitory (Proud Ikeshitatakami)	Chikusa Ward, Nagoya City	2,100	4,660	7 above ground	Residential (for sale)	FY2025
Former Okurayama Company Housing (Park Homes Okurayama The Terrace)	Kohoku Ward, Yokohama City	2,370	6,990	7 above ground	Residential (for sale)	FY2026
Neighboring site of the former Kyushu Branch's Kagoshima Office (The Garden: MJR Kagoshima Chuo Station-Front)	Kagoshima City	2,990	15,190	14 above ground	Residential (for sale)	FY2025
Former Shirogane Company Housing (Urban Redevelopment Project)	Minato Ward, Tokyo	12,200	98,000	39 above ground	Residential	FY2028