

UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.



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Status of Investigation of Rewritten Insurance Policies, Etc. at Japan Post Insurance

JAPAN POST HOLDINGS Co., Ltd. (Chiyoda-ku, Tokyo; MASUDA Hiroya, Director and Representative Executive Officer, President & CEO), JAPAN POST Co., Ltd. (Chiyoda-ku, Tokyo; KINUGAWA Kazuhide, President and CEO) and JAPAN POST INSURANCE Co., Ltd. (Chiyoda-ku, Tokyo; SENDA Tetsuya, Director and President, CEO, Representative Executive Officer) hereby present a report as in the attached, on the progress of the “Investigation of Rewritten Insurance Policies in Order to Regain Customers’ Trust”, which we have been implementing for some time.

We would like to express our sincere apology to our customers and all other stakeholders for the concern and inconvenience this incident has caused, and all officers and employees of the Japan Post Group will continue to make Group-wide efforts to regain their trust.

1 Investigations of specified rewriting cases/ Investigations of all insurance policies

A [Investigation of specified rewriting cases]

- In regard to the investigations of specified rewriting, we have mostly finished responding to customers as of the end of March 2020, except for cases that cannot be finished due to reasons attributable to customers.
- In regard to the sales personnel investigations in connection with the investigations of specified rewriting cases, we have identified 311 cases (the number of sales personnel involved: 413) of violations of laws and regulations and 3,342 cases (the number of sales personnel involved: 2,219) of violations of internal rules as of October 21, 2020.

B [Investigations of all insurance policies]

- In the investigations of all insurance policies, we received approximately 1,036 thousand replies as of October 18, 2020. We completed responding to customers, by the end of March 2020, except for cases that cannot be finished due to reasons attributable to customers. We continue responding customer requests sincerely.

2 Additional investigations of all insurance policies

- In regard to the additional investigations of all insurance policies, we have mostly completed confirmations of policy coverage as of the end of the June 2020 and continue responding to customers carefully for cases that cannot be finished due to reasons attributable to customers.
- In regard to the sales personnel investigations of additional investigations of all insurance policies and other investigations, we have identified 205 sales personnel who had violated laws and regulations and 68 sales personnel who had violated internal rules as of October 21, 2020.

A [Status of investigations of multiple policies]

- In regard to the investigations of multiple policies, we received 6,292 replies as of October 18, 2020 and continue responding customers (2,758) who request compensation for their policies sincerely.

- In regard to sales personnel investigations of multiple policies which have been implemented from last year*, we completed the investigations except for one case which we cannot investigate due to a salesperson's sick leave. We have identified 84 sales personnel who had violated laws and regulations as of October 21, 2020.

* Refer to the press release dated June 27, 2019.

B [Investigations other than the investigations of multiple policies]

- In regard to the investigations other than the investigations of multiple policies, we have contacted customers in proportion to the amount of premiums and the number of times policies were rewritten through visiting by staff of Japan Post Insurance or sending letters to confirm customer intentions.

As of October 18, 2020

Status of confirmations of policy coverage (Visiting by staff)	Policies for high insurance premiums (more than 200,000 yen) (* 1)	Policy rewriting involving multiple changes of the insured or the insurance type (*2,3)	Total
	Number of applicable customers (%)	Number of applicable customers (%)	Number of applicable customers (%)
Customers whose policy coverage and intentions have been confirmed	5,020 (98)	2,476 (93)	7,496 (97)
Not in line with customers' intentions	2,130 (42)	940 (35)	3,070 (40)
Customers who request compensation for their policies	1,937 (38)	829 (31)	2,766 (36)
Total	5,103 (100)	2,650 (100)	7,753 (100)

*1. As of December 2019, policyholders aged 65 or older who have paid monthly premiums of 200,000 yen or more, and have had at least 1 policy which was cancelled in a short period thereafter during the period from April 2014 to December 2019.

*2. In the last five years, cases where sales personnel led the policyholders to change the insured at new enrollment without a change in policyholder, but the new policy was cancelled multiple times in a short period thereafter.

*3. Cases where sales personnel led customers to repeat rewriting insurance ⇔ annuity multiple times.

- In regard to investigations by mail, we sent notification documents with reply questionnaires to customers and the staff of Japan Post Insurance have visited and have investigated customers who replied their policies are not in line with their intentions. We sent notification documents again to customers who had not replied to these questionnaires on July 30, 2020.

As of October 18, 2020

Status of confirmations of policy coverage (Sending letters and visits by staff)	Policies for high insurance premiums (more than 100,000 yen) (*4)	Policy rewriting involving single change of the insured or the insurance type or policy rewriting using a system to shorten the maturities of existing contracts (*5,6,7)	Total
	Number of applicable customers (%)	Number of applicable customers (%)	Number of applicable customers (%)
Customers whose policy coverage and intentions have been confirmed	8,469 (99)	18,036 (99)	26,505 (99)
Not in line with customers' intentions	1,234 (14)	1,467 (8)	2,701 (10)
Customers who request compensation for their policies	1,029 (12)	1,107 (6)	2,136 (8)
Customers who replied letter	8,558 (100)	18,156 (100)	26,714 (100)
Total	14,059	32,814	46,873

*4. As of December 2019, policyholders aged 65 or older who have paid monthly premiums of 100,000 yen or more, and have had at least 1 policy which was cancelled in a short period thereafter during the period from April 2014 to December 2019.

*5. In the last five years, cases where sales personnel led the policyholders to change the insured at new enrollment without a change in policyholder, but the new policy was cancelled at once in a short period thereafter.

*6. In the last five years, cases where sales personnel led customers to rewrite from annuity to insurance.

*7. Cases where sales personnel led customers to shorten the maturity of existing policies and apply for a new policy, but the underwriting of the new policy was declined.

*8. Customers who did not reply (The number of customers who had policies for high insurance premiums (more than 100,000 yen):5,501, the number of customers who had policies for other than high insurance premiums (more than 100,000 yen):14,658.)

3 Follow-up support activities

- In regard to activities to regain customers' trust and to confirm policy coverage, we have confirmed 12,104 customers who experienced policy rewriting, etc. since April 2019. 9,213 customers (approximately 76%) confirmed policy coverage, 3,214 customers (approximately 27%) requested compensation for their policy, and 1,687 customers' (approximately 14%) policies were compensated as of 18 October, 2020.
- We have provided guidance to confirm the policy coverage by posting the policy coverage confirmation procedures on "Notification of Policy Coverage" sent to all policyholders in October 2020.