

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

JAPAN POST HOLDINGS

**NOTICE OF THE 17TH ANNUAL GENERAL
MEETING OF SHAREHOLDERS**

Date and Time	Friday, June 17, 2022 at 10:00 a.m. (JST) (The reception of the attendees to the meeting at the reception desk shall start at 9:00 a.m.)
Place	Ballroom, B2F, The Prince Park Tower Tokyo 4-8-1 Shibakoen, Minato-ku, Tokyo *Please see the information map on the back cover.

< Preventing the spread of the novel coronavirus >

We request your understanding and cooperation with the following countermeasures to prevent the spread of the novel coronavirus infection.

- We recommend that you exercise your voting rights in advance via the Internet, etc. or by returning your voting form, and refrain from attending the meeting in person.
- On the day of the General Meeting of Shareholders, meeting will be streamed live on the Internet so that you can view it at your home.
- We will accept questions from shareholders in advance. Details will be announced on the Company website as soon as they are decided.

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Exercise due date via the Internet:

No later than 5:15 p.m. on Thursday, June 16, 2022 (JST)

Exercise due date by mail:

To be received no later than 5:15 p.m. on Thursday, June 16, 2022 (JST)

Japan Post Holdings Co., Ltd.

Securities Identification Code: 6178

The main details of this Notice of General Meeting of Shareholders can be viewed on PCs and smartphones.
<https://p.sokai.jp/6178/>

Japan Post Group Management Philosophy

Stressing the security and confidence of the Japan Post Group network, the Group, as a private corporation, is demonstrating creativity and efficiency to the greatest extent possible and will provide customer-oriented services, support the lives of customers in local communities and aim for the happiness of customers and employees.

The Group will also pursue managerial transparency on its own, observe rules and contribute to the development of society and the region.

To Our Shareholders

I would like to express our sincere gratitude to all our shareholders.

My name is MASUDA Hiroya, I am Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd.

Fiscal 2022 is the second year of “JP Vision 2025,” the Japan Post Group’s Medium-term Management Plan announced in May 2021.

We intend to drive the evolution of the post office network by fusing “digital technologies which bring convenience and reassurance” with the “Japanese art of customer service which brings us closer to customers” refined over 150 years. By encouraging various businesses and local communities to participate in and collaborate with this new post office network, we will create the services that meet the needs of local communities and build a “Co-creation Platform” to support customers and local communities. Committed to leaving no one behind in a rapidly changing society, we will deliver convenience, peace of mind, security, and comfort to local communities and all our customers in Japan.

Furthermore, we have continued initiatives to regain trust after the issue of improper solicitation of Japan Post Insurance products, among other reasons, and in order to further enhance our professional response to customers, we started the “new Japan Post Insurance sales system” from April 2022. We will provide finely-tuned responses to customers’ diversifying needs.

We are still currently being affected by the global issue of the spread of the novel coronavirus (COVID-19), but under these circumstances, the Japan Post Group will fulfill key responsibilities called for by society by thinking about what it can do and what it should do for communities and customers, and taking action.

I kindly ask that our shareholders continue to support and provide encouragement to the Japan Post Group.

Japan Post Holdings Co., Ltd.
Director and Representative Executive Officer, President & CEO
MASUDA Hiroya



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June 1, 2022

Dear Shareholders,

MASUDA Hiroya
Director and Representative Executive Officer,
President & CEO
Japan Post Holdings Co., Ltd.
2-3-1 Otemachi, Chiyoda-ku, Tokyo

NOTICE OF THE 17TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 17th Annual General Meeting of Shareholders of Japan Post Holdings Co., Ltd. (hereinafter referred to as the “Company”), which will be held as described below.

In order to prevent the spread of infection, we encourage shareholders as far as possible to exercise your voting rights for this General Meeting of Shareholders by electromagnetic means (via the Internet, etc.) or in writing (voting form), and we ask that you refrain from attending the General Meeting of Shareholders in person.

Please review the attached Reference Documents for the General Meeting of Shareholders (pages 12 to 32) and follow the Instructions for the Methods of Exercise of Voting Rights to exercise your voting rights by 5:15 p.m. on Thursday, June 16, 2022 (JST).

<Instructions for the Methods of Exercise of Voting Rights>

By the exercise of voting rights via the Internet, etc.

“Smart voting” by scanning the QR code or access the Internet voting website and input your approval or disapproval by 5:15 p.m. on Thursday, June 16, 2022 (JST), which is the day immediately preceding the Annual General Meeting of Shareholders.

→Please refer to the attached “Instructions for Exercise of Voting Rights via the Internet, etc.” on page 8.

By submitting the voting form by mail

Please indicate your approval or disapproval on the voting form enclosed to exercise your voting rights, and return it to us by mail so it will arrive by 5:15 p.m. on Thursday, June 16, 2022 (JST), which is the day immediately preceding the Annual General Meeting of Shareholders.

Details

- 1. Date and Time:** Friday, June 17, 2022 at 10:00 a.m. (JST)
(The reception of the attendees to the meeting at the reception desk shall start at 9:00 a.m.)
- 2. Place:** Ballroom, B2F, The Prince Park Tower Tokyo
4-8-1 Shibakoen, Minato-ku, Tokyo

- * Seats are spaced apart in order to prevent the spread of COVID-19. Therefore, depending on the number of visitors, there may be a shortage of seats and some people may be refused admission. We thank you for your understanding in advance.
- * This Annual General Meeting of Shareholders will be conducted live online and questions will be accepted in advance, so please check page 6 and consider using this service.

3. Meeting Agenda

Matters to be reported:

1. The Business Report, Consolidated Financial Statements and results of audits by the Independent Auditor and the Audit Committee on the Consolidated Financial Statements for the Company's 17th Term (April 1, 2021 to March 31, 2022)
2. Non-consolidated Financial Statements for the Company's 17th Term (April 1, 2021 to March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Thirteen (13) Directors

-
- * If you plan to attend in person, please submit the enclosed voting form at the reception desk upon your arrival.
 - * Among the documents to be provided to this notice, the Notes to Consolidated Financial Statements and the Notes to Non-consolidated Financial Statements are posted on the Company's Web site (<https://www.japanpost.jp/en>) pursuant to laws and regulations, as well as Article 16 of the Articles of Incorporation of the Company, and are accordingly not included with the documents attached with this notice. The Consolidated Financial Statements and Non-consolidated Financial Statements, which have been audited by the Audit Committee and Independent Auditor, include the Notes to Consolidated Financial Statements and the Notes to Non-consolidated Financial Statements posted on the Company's Web site.
 - * Any amendments to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements will be disclosed on the Company's Web site (<https://www.japanpost.jp/en/>).
 - * The meeting will be held in Japanese. We allow shareholders to be accompanied by an interpreter (sign-language interpreters included). If you wish to be accompanied by an interpreter, please apply for permission at the reception on the day.
 - * We will not be handing out small gifts to the shareholders at the meeting.

Responses to Prevent the Spread of the Novel Coronavirus Infection at the 17th Annual General Meeting of Shareholders of the Company

The following is an explanation of the responses being implemented to prevent the spread of the novel coronavirus infection at the 17th Annual General Meeting of Shareholders of the Company.

We hope for the understanding and cooperation by all shareholders.

<Request and explanation to shareholders>

- At the venue of General Meeting of Shareholders, we request your cooperation with measures including always wearing a mask and using disinfectant. If you do not cooperate, you may be asked to refrain from entering the venue.
- We ask for your cooperation in taking your temperature when you enter the venue. In addition, attendees found to be with fever may be questioned and assisted by the staff, and may be asked to refrain from entering the venue.
- We will ensure spacing between the seats at the meeting venue. As a result, the number of seats has decreased. Please note that shareholders may be refused entry.
- To enable the meeting to proceed smoothly, please refrain from questions concerning matters other than the purpose of the meeting.

<Company's response>

- Staff will check their physical condition physical condition.
- Staff shall attend with masks on.
- In addition to the reception area, we will install alcohol disinfectant in various places in the venue.

Should there be any major change to the holding and management plan of the General Meeting of Shareholders due to future circumstances, it will be announced on the Company's website (<https://www.japanpost.jp/>) (in Japanese only). Please be sure to check the latest information before coming to the venue.

**Information on live streaming over the internet and accepting questions in advance
(in Japanese only)**

1. Live Internet Streaming

The 17th Annual General Meeting of Shareholders will be streamed live on the Internet so that shareholders who have refrained from attending will be able to view the meeting at home.

<How to view>

To view the proceedings, access the information page below and click on the link, labelled “Annual General Meeting of Shareholders Live Internet Streaming” to access the viewing site.

<Date of meeting>

Friday, June 17, 2022 from 10:00 a.m. (JST)

[Notes]

Please keep the following points in mind.

- You may neither exercise your voting rights nor ask a question via live streaming.
- The proceedings will be streamed from the back of the venue, and due care will be taken not to include images of shareholders attending the meeting. However, please be aware that some shareholder images may inevitably appear in the streaming.
- Comments made by shareholders attending the meeting will also be broadcast as audio. Please be conscious of personal information.
- When viewing the meeting, there may be problems with video and audio for any of various reasons, including your computer environment (function, performance), Internet connection, and concentrated accesses to the website by numbers of shareholders.
- Shareholders will be responsible for the communication charges, etc. incurred when viewing the meeting.
- We strictly prohibit filming or recording the live broadcast, or posting it on the Internet.

2. Accepting questions in advance

We will accept questions from our shareholders regarding matters to be reported and matters to be resolved at the 17th Annual General Meeting of Shareholders.

Details will be announced on the following information page as soon as they are decided.

Information page	https://www.japanpost.jp/ir/stock/meetings/ The Company’s website > Investor Relations > Stock Information > General Meeting of Shareholders
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Instructions for Exercise Method of Voting Rights

A voting right at the General Meeting of Shareholders is an important right of shareholders.

Please refer to the Reference Documents for the General Meeting of Shareholders later in this document (pages 12 to 32) and exercise your voting rights. You may exercise your voting rights by one of the following three methods:

1. By the exercise of voting rights via the Internet, etc.

Please scan the QR code on the voting form using your smartphone, etc., or access the website (<https://www.web54.net/>) and exercise your voting rights following the on-screen instructions.

Exercise due date: No later than 5:15 p.m. on Thursday, June 16, 2022 (JST)

■ Handling duplicate vote

If you exercise your voting rights both by mail and electromagnetic means (via the Internet, etc.), then your electromagnetic means will be the vote that is recorded.

Furthermore, if you exercise your voting rights via the Internet more than once or in duplicate through personal computers, smartphones or mobile phones, the last vote received shall be deemed valid.

2. By submitting the voting form by mail

To exercise your voting right in writing, please indicate your approval or disapproval on the voting form and post it to the Company without a postage stamp.

Exercise due date: To be received no later than 5:15 p.m. on Thursday, June 16, 2022 (JST)

■ Instructions for entry method of the voting form



Please indicate your approval or disapproval for each proposal.

Proposal

Proposal 1: If you approve: Mark a in the box marked “賛”

If you disapprove: Mark a in the box marked “否”

Proposal 2: If you approve all candidates: Mark a in the box marked “賛”

If you disapprove all candidates: Mark a in the box marked “否”

If you disapprove of some candidates: Mark a in the box marked “賛” and write the candidates' number of whom you disapprove.

[Handling of the exercise of voting rights]

In the event that no indication of approval or disapproval on the voting form has been made, this shall be treated as the intent of approval for the Proposal.

3. By attending the General Meeting of Shareholders

Please submit the enclosed voting form to the reception desk of the meeting. (A personal seal will not be required.)

Date and Time: Friday, June 17, 2022 at 10:00 a.m. (The reception of the attendees to the meeting at the reception desk shall start at 9:00 a.m.) (JST)

Place: Ballroom, B2F, The Prince Park Tower Tokyo
4-8-1 Shibakoen, Minato-ku, Tokyo
(Please see the information map at the end)

To Institutional Investors

The electronic voting platform for institutional investors operated by Investor Communications Japan Inc. is available for institutional investors that have applied to use such platform in advance.

[Diverse exercise of voting rights]

Shareholders who will make a diverse exercise of voting rights are requested to notify the Company in writing of their intention to do so and state their reason for this no later than three (3) days before the General Meeting of Shareholders.

Instructions for Exercise of Voting Rights via the Internet, etc.

How to Scan the QR Code of “Smart Vote”

You can log in to the voting website without entering your voting code and password.

1. Please scan the QR code on the lower right of the voting form.

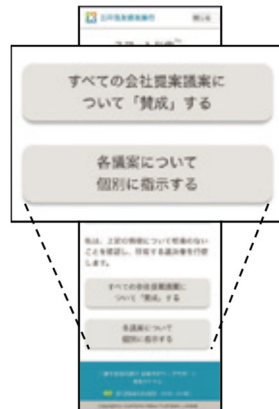
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.



2. Input your approval or disapproval by following the instructions displayed on the screen.

You may exercise your voting rights by “Smart Vote” only once.

If you wish to change your vote after exercising your voting rights, please access the voting website, log in by entering the voting rights exercise code and password indicated on the voting form, and exercise your voting rights again.



* You can access the website for exercising voting rights by scanning the QR code again.

How to Enter the Voting Code and Password

Internet voting website: <https://www.web54.net>

1. Please access the internet voting website.

*** ようこそ、議決権行使ウェブサイトへ! ***

- 本サイトのご利用にあたっては、「[インターネットによる議決権行使について](#)」の記載内容をよくお読みください。ご了承いただいた方は「次へすすむ」ボタンをクリックしてください。
- 高度なセキュリティは、Webブラウザを閉じてください。

Click on “次へすすむ (NEXT).”

次へすすむ

<その他の案内>

- 投票ご通知用の電子伝送ご利用のお届出の履歴や投票番号は[ここ](#)をクリックしてください。
- 投票ご通知の電子伝送を行っている銘柄ごと情報の中で、すでにご登録いただいているメールアドレスなどの変更・電子伝送の中止を希望される方は、[ここ](#)をクリックしてください。
- 住所変更や株主名簿様式の異議請求などの機能送付のご依頼は[ここ](#)をクリックしてください。

2. Enter the “議決権行使コード (voting code)” indicated on the voting form

Enter the “議決権行使コード (voting code)”

Click on “ログイン (Log in).”

3. Enter the “パスワード (password)” indicated on the voting form and click on “次へ (NEXT).”

[Note]

If you received this notice by MyPost, the password column on the right hand side of the voting rights exercise card is displayed as “*****.” Please enter the password you selected when confirming registration of MyPost receipt.

4. Input your approval or disapproval by following the instructions displayed on the screen.

If you have any technical inquiries regarding the operation of a PC, mobile phone or smartphone for voting via the Internet, please contact the following:

Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

Tel: 0120-652-031 (toll-free and available from 9:00 a.m. to 9:00 p.m., only in Japan)

- * If you vote both by post and via the Internet, etc., we will treat only the vote submitted via the Internet, etc. as valid.
- * If you exercise your voting rights via the Internet, etc. multiple times, only the last vote exercised will be treated as valid.
- * The Internet voting website may not be available depending on usage environment of the Internet, etc., services to which you subscribe, or device model you use.
- * The costs incurred when accessing the Internet voting website, including Internet access fees and communication expenses will be borne by the shareholder.

**If you have any technical inquiries regarding the operation of a PC, etc.
for voting via the Internet, etc., please contact the following:**

Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

Tel: 0120-652-031 (toll-free and available from 9:00 a.m. to 9:00 p.m., only in Japan)

**You can also receive this notice in digital format using MyPost. If you desire, please access the
following website from your computer and follow the directions.**

***MyPost is the name of an online postal mail receipt service provided by Japan Post.**

<https://www.mypost.post.japanpost.jp>

Inquiries on “MyPost”

Tel: 0120-343-389 (toll-free and available from 10:00 a.m. to 6:00 p.m. excluding Saturdays, Sundays, holidays and the new year holidays (December 29 - January 3); only in Japan)

About the 17th Term Year-end Dividend

We hereby notice that a resolution was passed by the Board of Directors Meeting held on May 13, 2022 as follows:

1. Year-end Dividend
¥50 per share
2. Effective date
June 20, 2022

A resolution was passed by the Board of Directors Meeting held on May 13, 2022 setting the year-end dividend at ¥50 per share, with the date of entry into force (payment start date) set as June 20, 2022, per the provisions of the Articles of Incorporation.

Since there has not been an interim dividend and the year-end dividend is paid once a year, the annual dividend for the fiscal year under review will be ¥50 per share.

“Annual Dividend Receipt” (“Dividend Calculation Sheet” and “Payment of Dividend via Bank Transfer” for shareholders who have requested dividend payment via account transfer) will be enclosed and delivered with the Notice of Resolution at the 17th Annual General Meeting of Shareholders to be held on June 17, 2022.

Description of main procedures, queries and other matters	Description of main procedures, queries and other matters
<ul style="list-style-type: none">▪ Procedures for designating the method of receiving dividend payments▪ Procedures for change of address, name and other details▪ Procedures for requesting the buyback or additional purchase of shares constituting less than one unit	<ul style="list-style-type: none">▪ Queries about dividends after the payment period has passed▪ Queries about the shipping and return of shipment▪ General inquiries about other stock handling matters
▼	▼
Contact	Contact
Securities companies and other entities where brokerage accounts are opened	2-8-4 Izumi, Suginami-ku Tokyo, 168-0063, Japan Stock Transfer Agency Business Planning Department, Sumitomo Mitsui Trust Bank, Limited 0120-580-840 (toll free in Japan) (Open weekdays except holidays from 9:00 a.m. to 5:00 p.m.)

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reason for Proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 16, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall introduce the system for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 16, paragraph 2 in “Proposed amendments” below will stipulate the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of amendments

The details of amendments are as follows.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter III General Meeting of Shareholders</p> <p><u>Article 16. (Disclosure of Reference Materials, Etc. for General Meetings of Shareholders via Internet and Deemed Provision)</u></p> <p><u>The Company shall be, at the time of convocation of a general meeting of shareholders, deemed to have provided shareholders with information, which shall be entered or represented in the reference materials to the general meeting of shareholders, business reports, financial documents, and consolidated financial statements by disclosing those through the Internet as prescribed in the laws and regulations.</u></p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter III General Meeting of Shareholders</p> <p style="text-align: center;"><u>(Deleted)</u></p> <p><u>Article 16. (Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from</u></p>

Current Articles of Incorporation	Proposed amendments
	<p><u>statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>
<p>Supplementary Provisions <u>(Newly established)</u></p>	<p>Supplementary Provisions</p> <p><u>Article 3. (Transitional Measures for Measures, etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> <li data-bbox="820 510 1398 869">1. <u>The deletion of Article 16 (Disclosure of Reference Materials, Etc. for General Meetings of Shareholders via Internet and Deemed Provision) in the pre-amended Articles of Incorporation and the establishment of Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u> <li data-bbox="820 891 1398 1025">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 16 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <li data-bbox="820 1048 1398 1182">3. <u>These Articles shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal 2: Election of Thirteen (13) Directors

The terms of office of all of the current thirteen (13) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of thirteen (13) directors is proposed on the basis of the decision by the Nomination Committee.

The candidates for Directors are as follows:

Candidate No.	Name	Current position and responsibilities in the Company	
1	MASUDA Hiroya	Director and Representative Executive Officer, President & CEO, Member of the Nomination Committee, Member of the Compensation Committee, Group CEO	Reelection
2	IKEDA Norito	Director	Reelection
3	KINUGAWA Kazuhide	Director	Reelection
4	SENDA Tetsuya	Director	Reelection
5	ISHIHARA Kunio	Outside Director, Member of the Nomination Committee, Member of the Compensation Committee	Reelection Outside Independent
6	Charles Ditmars Lake II	Outside Director	Reelection Outside Independent
7	HIRONO Michiko	Outside Director	Reelection Outside Independent
8	OKAMOTO Tsuyoshi	Outside Director, Chairperson of the Compensation Committee, Member of the Nomination Committee	Reelection Outside Independent
9	KOEZUKA Miharu	Outside Director, Member of the Audit Committee	Reelection Outside Independent
10	AKIYAMA Sakie	Outside Director	Reelection Outside Independent
11	KAIAMI Makoto	Outside Director, Member of the Audit Committee	Reelection Outside Independent
12	SATAKE Akira	Outside Director, Chairperson of the Audit Committee (standing)	Reelection Outside Independent
13	SUWA Takako	-	New election Outside Independent

- Notes: 1. The Company has entered into limited liability agreement with Mr. IKEDA Norito, Mr. KINUGAWA Kazuhide, Mr. SENDA Tetsuya, Mr. ISHIHARA Kunio, Mr. Charles Ditmars Lake II, Ms. HIRONO Michiko, Mr. OKAMOTO Tsuyoshi, Ms. KOEZUKA Miharu, Ms. AKIYAMA Sakie, Mr. KAIAMI Makoto and Mr. SATAKE Akira to limit their liabilities, to the minimum liability amount stipulated by Article 425, paragraph 1 of the Companies Act. If they are reelected as directors, the Company plans to continue the above limited liability agreement with them. Furthermore, the Company plans to enter into limited liability agreement with Ms. SUWA Takako if her appointment is approved.
2. The Company has concluded indemnity agreement with each director as provided for in Article 430-2, paragraph 1 of the Companies Act, and the Company shall compensate for the expenses set forth in item 1 of the same paragraph and the losses set forth in item 2 of the same paragraph within the scope prescribed by laws and regulations. If they are reelected, the Company plans to continue the above indemnity agreement with them. Furthermore, the Company plans to enter into indemnity agreement with Ms. SUWA Takako if her appointment is approved.
3. The Company has entered into a directors and executive officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. The insurance policy covers indemnification for damages and lawsuit expenses, etc. incurred by the insured, including the directors, if they are subject to claims for indemnification for damages arising from their action (including omission) related to their duties as officers of the Company. The insurance policy is to include each candidate as the insured if their appointment is approved. In addition, the Company plans to renew the policy with the same terms at next renewal.

4. Mr. ISHIHARA Kunio, Mr. Charles Ditmars Lake II, Ms. HIRONO Michiko, Mr. OKAMOTO Tsuyoshi, Ms. KOEZUKA Miharu, Ms. AKIYAMA Sakie, Mr. KAIAMI Makoto and Mr. SATAKE Akira are Independent Directors, whose appointment is required by the Tokyo Stock Exchange, Inc. to ensure the protection of general shareholders' interests. Ms. SUWA Takako satisfies the Tokyo Stock Exchange, Inc.'s requirements for Independent Director as well as the Company's own criteria for Independent Directors. The Company thus intends to register her as Independent Director with the Tokyo Stock Exchange, Inc.
5. Ms. HIRONO Michiko's name on her family register is FUJII Michiko.

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">1</p> <p style="text-align: center;">MASUDA Hiroya (Dec. 20, 1951)</p> <p>Number of the Company's Shares Owned – shares</p> <p>Tenure as Director 2 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>Attendance at Nomination Committee's meetings 4/4 (100%)</p> <p>Attendance at Compensation Committee's meetings 5/5 (100%)</p> <p>[Reelection]</p>	<p>Apr. 1977 Joined the Ministry of Construction</p> <p>Jul. 1994 Director for Construction Disputes Settlement of Construction Industry Division of Ministry of Construction, Economic Affairs Bureau</p> <p>Apr. 1995 Governor of Iwate Prefecture</p> <p>Aug. 2007 Minister for Internal Affairs and Communications Minister for State for Special Missions of Cabinet Office</p> <p>Apr. 2009 Advisor of Nomura Research Institute, Ltd. Visiting Professor of Graduate School of Public Policy at the University of Tokyo</p> <p>Jan. 2020 Representative Executive Officer, President & CEO of the Company</p> <p>Jun. 2020 Director and Representative Executive Officer, President & CEO of the Company (to present) Director of Japan Post Co., Ltd. (to present) Director of Japan Post Bank Co., Ltd. (to present) Director of Japan Post Insurance Co., Ltd. (to present)</p> <p>[Position and responsibilities] Director and Representative Executive Officer, President & CEO, Member of the Nomination Committee, Member of the Compensation Committee, Group CEO</p> <p>[Significant concurrent positions] Director of Japan Post Co., Ltd., Director of Japan Post Bank Co., Ltd., Director of Japan Post Insurance Co., Ltd.</p> <p>[Reasons for nomination as candidate for Director] Mr. MASUDA Hiroya has held key positions in public administration, including Governor of Iwate Prefecture and Minister for Internal Affairs and Communications, and also possesses sufficient insight related to the Group derived from his experience in having served as Chairman of the Postal Privatization Committee.</p> <p>He has also been leading overall management of Japan Postal Group as Representative Executive Officer, President & CEO of the Company since January 2020.</p> <p>The Company has nominated him as a candidate for reelection as Director given expectations that he will fulfill the responsibilities of making key executive decisions and supervising the execution of duties of executive officers of the Company by utilizing his insight, extensive professional experience and track record.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">2</p> <p style="text-align: center;">IKEDA Norito (Dec. 9, 1947)</p> <p>Number of the Company's Shares Owned 3,100 shares</p> <p>Tenure as Director 6 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>[Reelection]</p>	<p>Apr. 1970 Joined The Bank of Yokohama, Ltd.</p> <p>Jun. 1996 Director of The Bank of Yokohama, Ltd.</p> <p>Apr. 2001 Representative Director of The Bank of Yokohama, Ltd.</p> <p>Jun. 2003 Director of The Bank of Yokohama, Ltd and Representative Director and Chairman of Yokohama Capital Co., Ltd.</p> <p>Dec. 2003 President of The Ashikaga Bank, Ltd. (Representative Director)</p> <p>Jun. 2004 President of The Ashikaga Bank, Ltd. (Chief Executive Officer)</p> <p>Sep. 2008 Special Advisor of A.T. Kearney</p> <p>Feb. 2012 President and Representative Director of the Organization to Support Revitalization of Businesses Affected by the Great East Japan Earthquake.</p> <p>Apr. 2016 Representative Executive Officer, President & CEO of Japan Post Bank Co., Ltd.</p> <p>Jun. 2016 Director, Representative Executive Officer, President & CEO of Japan Post Bank Co., Ltd. (to present) Director of the Company (to present)</p> <p>[Position and responsibilities] Director</p> <p>[Significant concurrent positions] Director, President and Representative Executive Officer of Japan Post Bank Co., Ltd.</p> <p>[Reasons for nomination as candidate for Director] Mr. IKEDA Norito has held key management positions including President of the Ashikaga Bank, Ltd. (Representative Director), and has been a member of the management team of Japan Post Bank Co., Ltd., a major subsidiary of the Company, as Representative Executive Officer, President & CEO since April 2016.</p> <p>The Company has nominated him as a candidate for reelection as Director given expectations that he will fulfill the responsibilities of making key executive decisions while also supervising the execution of duties of executive officers of the Company by utilizing his insight related to the Group's businesses, including banking business, and drawing on his extensive professional experience and track record in corporate management.</p> <p>[Special interest between candidate for Director and the Company] Mr. IKEDA Norito is currently Director, Representative Executive Officer, President & CEO of Japan Post Bank Co., Ltd., which has entered into an agreement concerning group operations with the Company. Under the terms of the agreement, the Company receives payment of brand value usage fees from Japan Post Bank Co., Ltd. The two companies also engage in business transactions such as those involving information sharing services and other aspects of systems access.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">3</p> <p style="text-align: center;">KINUGAWA Kazuhide (May 3, 1957)</p> <p>Number of the Company's Shares Owned 15,200 shares</p> <p>Tenure as Director 2 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>[Reelection]</p>	<p>Apr. 1980 Joined the Ministry of Posts & Telecommunications</p> <p>Oct. 2007 Executive Officer and Senior General Manager of Human Resources Department of Japan Post Insurance Co., Ltd.</p> <p>Oct. 2010 Managing Executive Officer and Senior General Manager of Human Resources Department of Japan Post Insurance Co., Ltd.</p> <p>Apr. 2011 Managing Executive Officer of Japan Post Insurance Co., Ltd.</p> <p>Feb. 2013 Managing Executive Officer and Senior General Manager of Human Resources Department of Japan Post Insurance Co., Ltd.</p> <p>Jul. 2013 Managing Executive Officer of Japan Post Insurance Co., Ltd.</p> <p>Jul. 2014 Senior Managing Executive Officer of Japan Post Insurance Co., Ltd.</p> <p>Jun. 2016 Senior Managing Executive Officer of the Company (to Jan. 2020)</p> <p>Dec. 2019 Director of Japan Post Co., Ltd.</p> <p>Jan. 2020 President & CEO (Representative Executive Officer) of Japan Post Co., Ltd. (to present)</p> <p>Jun. 2020 Director of the Company (to present)</p> <p>[Position and responsibilities] Director</p> <p>[Significant concurrent positions] President & CEO (Representative Executive Officer) of Japan Post Co., Ltd.</p> <p>[Reasons for nomination as candidate for Director] Mr. KINUGAWA Kazuhide has held key management positions in operations that include human resources divisions at Japan Post Insurance Co., Ltd., a major subsidiary of the Company, and at the Company as well. He has also been a member of the management team of Japan Post Co., Ltd., a major subsidiary of the Company, as President & CEO (Representative Executive Officer) since January 2020.</p> <p>The Company has nominated him as a candidate for reelection as Director given expectations that he will fulfill the responsibilities of making key executive decisions while also supervising the execution of duties of executive officers of the Company by utilizing his insight related to the Group's businesses, including the insurance business, and drawing on his extensive professional experience and track record in corporate management.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">4</p> <p style="text-align: center;">SENDA Tetsuya (Apr. 22, 1960)</p> <p>Number of the Company's Shares Owned 5,200 shares</p> <p>Tenure as Director 2 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>[Reelection]</p>	Apr. 1984 Joined the Ministry of Posts & Telecommunications
	Jul. 2011 Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Insurance Co., Ltd.
	Jun. 2013 Managing Executive Officer of the Company (to Jun. 2017)
	Jul. 2013 Managing Executive Officer of Japan Post Insurance Co., Ltd.
	Jun. 2016 Senior Managing Executive Officer of Japan Post Insurance Co., Ltd.
	Nov. 2017 Senior Managing Executive Officer of the Company
	Apr. 2019 Representative Executive Officer and Executive Vice President of Japan Post Insurance Co., Ltd. (to Jan. 2020)
	Aug. 2019 Managing Executive Officer of the Company (to Jun. 2020)
	Jan. 2020 Representative Executive Officer, President & CEO of Japan Post Insurance Co., Ltd.
	Jun. 2020 Director, Representative Executive Officer, President & CEO of Japan Post Insurance Co., Ltd. (to present)
	Director of the Company (to present)
	[Position and responsibilities]
	Director
	[Significant concurrent positions]
	Director, President and Representative Executive Officer of Japan Post Insurance Co., Ltd.
	[Reasons for nomination as candidate for Director]
	Mr. SENDA Tetsuya has held key management positions in operations that include corporate planning divisions and business divisions at Japan Post Insurance Co., Ltd., a major subsidiary of the Company. He has also been a member of the management team of Japan Post Insurance Co., Ltd. as Representative Executive Officer, President & CEO since January 2020.
	The Company has nominated him as a candidate for reelection as Director given expectations that he will fulfill the responsibilities of making key executive decisions while also supervising the execution of duties of executive officers of the Company by utilizing his knowledge of the Group's businesses, including the insurance business, and drawing on his extensive professional experience and track record in corporate management.
	[Special interest between candidate for Director and the Company]
	Mr. SENDA Tetsuya is currently Director, Representative Executive Officer, President & CEO of Japan Post Insurance Co., Ltd., which has entered into an agreement concerning group operations with the Company. Under the terms of the agreement, the Company receives payment of brand value usage fees from Japan Post Insurance Co., Ltd. The two companies also engage in business transactions such as those involving information sharing services and other aspects of systems access.

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">5</p> <p style="text-align: center;">ISHIHARA Kunio (Oct. 17, 1943)</p> <p>Number of the Company's Shares Owned 13,500 shares</p> <p>Tenure as Outside Director 7 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>Attendance at Nomination Committee's meetings 4/4 (100%)</p> <p>Attendance at Compensation Committee's meetings 5/5 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1966 Joined Tokio Marine and Fire Insurance Co., Ltd.</p> <p>Jun. 1995 Director of Tokio Marine and Fire Insurance Co., Ltd.</p> <p>Jun. 1998 Managing Director of Tokio Marine and Fire Insurance Co., Ltd.</p> <p>Jun. 2000 Senior Managing Director of Tokio Marine and Fire Insurance Co., Ltd.</p> <p>Jun. 2001 Director and President of Tokio Marine and Fire Insurance Co., Ltd.</p> <p>Apr. 2002 Director and President of Millea Holdings, Inc.</p> <p>Oct. 2004 Director and President of Tokio Marine & Nichido Fire Insurance Co., Ltd.</p> <p>Jun. 2007 Director and Chairman of the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd.</p> <p> Director and Chairman of the Board of Millea Holdings, Inc.</p> <p>Jul. 2008 Director and Chairman of the Board of Tokio Marine Holdings, Inc.</p> <p>Jun. 2013 Senior Adviser to the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd. (to present)</p> <p>Jun. 2015 Director of the Company (to present)</p> <p>[Position and responsibilities] Outside Director, Member of the Nomination Committee, Member of the Compensation Committee</p> <p>[Significant concurrent positions] Senior Adviser to the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd., Outside Audit & Supervisory Board Member of Tokyu Corporation, Outside Director and Audit and Supervisory Committee Member of NIKON CORPORATION, Outside Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Mr. ISHIHARA Kunio has many years' experience on the management teams of business corporations, having served in positions that include Director and President, and Director and Chairman of the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd., a leading major non-life insurance company in Japan.</p> <p>He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, Nomination Committee and Compensation Committee, based on his insight related to fields such as the insurance business and the systems domain developed throughout his career, and also based on his extensive experience and knowledge in corporate management.</p> <p>The Company has nominated him as a candidate for reelection as Outside Director given expectations that he will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">6</p> <p style="text-align: center;">Charles Ditmars Lake II (Jan. 8, 1962)</p> <p>Number of the Company's Shares Owned – shares</p> <p>Tenure as Outside Director 6 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Aug. 1992 Director for Japan Affairs of Office of the U.S. Trade Representative</p> <p>Jul. 1993 Director for Japan Affairs and Special Counsel to the Deputy U.S. Trade Representative</p> <p>Jan. 1995 Attorney at Dewey Ballantine LLP</p> <p>Jun. 1999 Vice President and Counsel of Japan Branch, American Family Life Assurance Company of Columbus (Aflac Japan)</p> <p>Jul. 2001 Deputy President of Aflac Japan</p> <p>Jan. 2003 President and Representative of Aflac Japan</p> <p>Apr. 2005 Vice Chairman and Representative of Aflac Japan</p> <p>Jul. 2008 Chairman and Representative of Aflac Japan</p> <p>Jan. 2014 President and Member of the Board of Directors of Aflac International Incorporated (to present)</p> <p>Jun. 2016 Director of the Company (to present)</p> <p>Apr. 2018 Chairman and Representative Director of Aflac Life Insurance Japan Ltd. (to present)</p> <p>[Position and responsibilities] Outside Director</p> <p>[Significant concurrent positions] Chairman and Representative Director of Aflac Life Insurance Japan Ltd., President and Member of the Board of Directors of Aflac International Incorporated, Outside Director of Shiseido Company, Limited, Outside Director of Tokyo Electron Ltd.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Mr. Charles Ditmars Lake II has many years' experience of corporate management as Chairman and Representative Director and other senior management positions in Aflac Life Insurance Japan Ltd. He also has professional experience that includes holding key positions in U.S. government agencies and working with a U.S. law firm.</p> <p>He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, based on his insight related to fields such as legal affairs and the insurance business developed throughout his career, and also based on his extensive experience and knowledge in corporate management.</p> <p>The Company has nominated him as a candidate for reelection as Outside Director given expectations that he will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] Mr. Charles Ditmars Lake II is Chairman and Representative Director of Aflac Life Insurance Japan Ltd., which has entered into a comprehensive business alliance agreement etc. with the Company. There are transactions between the said company and the Group related to a solicitation agent agreement and other agreements based on the said business alliance agreement. However, the business entrustment fees, etc. that the said company pays to the Group is immaterial and less than 1% of the average annual consolidated ordinary income of the Company for the past three fiscal years.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">7</p> <p style="text-align: center;">HIRONO Michiko (FUJII Michiko) (Mar. 18, 1961)</p> <p>Number of the Company's Shares Owned 6,100 shares</p> <p>Tenure as Outside Director 6 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Feb. 1989 Joined Venture Link Co., Ltd.</p> <p>Jul. 1993 Joined Plaza Create Co., Ltd.</p> <p>May 1997 Managing Director of PokkaCreate Co., Ltd.</p> <p>Jul. 1998 Senior Vice-President, K.K. MVC</p> <p>Jul. 1998 Vice President of Tully's Coffee Japan Co., Ltd.</p> <p>Mar. 2000 Found 21 Lady Co., Ltd, President</p> <p>Jun. 2002 Representative Director and President of HIROTA Co, Ltd.</p> <p>Mar. 2010 Representative Director and President of Illums Japan Co., Ltd.</p> <p>Nov. 2011 Representative Director, Chairman and President of HIROTA Co, Ltd.</p> <p>Jun. 2014 Outside Director of Japan Post Co., Ltd.</p> <p>Jun. 2016 Director of the Company (to present)</p> <p>[Position and responsibilities] Outside Director</p> <p>[Significant concurrent positions] Outside Director of Nissin Manufacturing Co., Ltd.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Ms. HIRONO Michiko has many years' experience on the management teams of business corporations, having founded 21 Lady Co., Ltd., which engages in the business of comprehensive support for the lifestyle industry, and having engaged in investment development business as its President.</p> <p>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 2014.</p> <p>She furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, based on her extensive experience and knowledge in corporate management developed throughout her career.</p> <p>The Company has nominated her as a candidate for reelection as Outside Director given expectations that she will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">8</p> <p style="text-align: center;">OKAMOTO Tsuyoshi (Sep. 23, 1947)</p> <p>Number of the Company's Shares Owned 4,400 shares</p> <p>Tenure as Outside Director 4 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>Attendance at Nomination Committee's meetings 4/4 (100%)</p> <p>Attendance at Compensation Committee's meetings 5/5 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1970 Joined Tokyo Gas Co., Ltd.</p> <p>Jun. 2002 Executive Officer of Tokyo Gas Co., Ltd.</p> <p>Apr. 2004 Senior Executive Officer of Tokyo Gas Co., Ltd.</p> <p>Jun. 2004 Director, Senior Executive Officer of Tokyo Gas Co., Ltd.</p> <p>Apr. 2007 Representative Director, Executive Vice President of Tokyo Gas Co., Ltd.</p> <p>Apr. 2010 Representative Director, President of Tokyo Gas Co., Ltd.</p> <p>Apr. 2014 Director, Chairman of Tokyo Gas Co., Ltd.</p> <p>Jun. 2016 Outside Director of Japan Post Bank Co., Ltd.</p> <p>Apr. 2018 Director, Senior Corporate Advisor of Tokyo Gas Co., Ltd.</p> <p>Jun. 2018 Director of the Company (to present)</p> <p>Jul. 2018 Senior Corporate Advisor of Tokyo Gas Co., Ltd. (to present)</p> <p>[Position and responsibilities] Outside Director, Chairperson of the Compensation Committee, Member of the Nomination Committee</p> <p>[Significant concurrent positions] Senior Corporate Advisor of Tokyo Gas Co., Ltd., Outside Director of Asahi Kasei Corporation, Outside Director of Mitsubishi Estate Co., Ltd.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Mr. OKAMOTO Tsuyoshi has many years' experience on the management teams of business corporations, having served in positions that include Representative Director, President and Director, Chairman of Tokyo Gas Co., Ltd., an integrated energy company.</p> <p>He has also developed greater insight into the Group's businesses, having assumed the position of Outside Director of Japan Post Bank Co., Ltd., a major subsidiary of the Company, in June 2016.</p> <p>He furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, Nomination Committee, and Compensation Committee, based on his extensive experience and knowledge in corporate management developed throughout his career.</p> <p>The Company has nominated him as a candidate for reelection as Outside Director given expectations that he will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">9</p> <p style="text-align: center;">KOEZUKA Miharuru (Sep. 2, 1955)</p> <p>Number of the Company's Shares Owned 4,300 shares</p> <p>Tenure as Outside Director 4 years</p> <p>Attendance at Board of Directors' meetings 14/15 (93.3%)</p> <p>Attendance at Audit Committee's meetings 20/20 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1979 Joined Takashimaya Company, Limited</p> <p>May 2007 Executive Officer of Takashimaya Company, Limited</p> <p>Mar. 2009 Senior Executive Officer of Takashimaya Company, Limited</p> <p>Feb. 2010 President (Representative Director) of Okayama Takashimaya Co., Ltd.</p> <p>May 2013 Director of Takashimaya Company, Limited</p> <p>Sep. 2013 Senior Managing Director (Representative Director) of Takashimaya Company, Limited Director of Okayama Takashimaya Co., Ltd.</p> <p>Mar. 2016 Director of Takashimaya Company, Limited</p> <p>May 2016 Advisor of Takashimaya Company, Limited</p> <p>Oct. 2016 Representative Director and President of Dear Mayuko Co., Ltd.</p> <p>Mar. 2018 Advisor of Dear Mayuko Co., Ltd.</p> <p>Jun. 2018 Director of the Company (to present)</p> <p>Mar. 2020 Counselor of Takashimaya Company, Limited</p> <p>[Position and responsibilities] Outside Director, Member of the Audit Committee</p> <p>[Significant concurrent positions] Outside Director of Nankai Electric Railway Co., Ltd., Outside Director of Nippon Paint Holdings Co., Ltd.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Ms. KOEZUKA Miharuru has many years' experience on the management teams of business corporations, having served as Senior Managing Director (Representative Director) of Takashimaya Company, Limited, after having held other key positions including those in sales divisions at Takashimaya Company, Limited, which engages in the department store business in Japan and overseas.</p> <p>She has also been involved in auditing the execution of duties of executive officers and directors as a member of the Audit Committee of the Company since June 2018.</p> <p>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 corporate management developed throughout her career.</p> <p>The Company has nominated her as a candidate for reelection as Outside Director given expectations that she will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">10</p> <p style="text-align: center;">AKIYAMA Sakie (Dec. 1, 1962)</p> <p>Number of the Company's Shares Owned 400 shares</p> <p>Tenure as Outside Director 3 years</p> <p>Attendance at Board of Directors' meetings 14/15 (93.3%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1987 Joined Arthur Andersen & Co. (currently Accenture Japan Ltd)</p> <p>Apr. 1994 Found Saki Corporation, Representative Director and President</p> <p>Sep. 2018 Founder (Advisor) of Saki Corporation (to present)</p> <p>Jun. 2019 Director of the Company (to present)</p> <p>[Position and responsibilities] Outside Director</p> <p>[Significant concurrent positions] Founder (Advisor) of Saki Corporation, Outside Director of Sony Group Corporation, Outside Director of ORIX Corporation, Outside Director of Mitsubishi Corporation</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Ms. AKIYAMA Sakie has many years' experience on the management team of a business corporation, having founded Saki Corporation, a company that manufactures industrial inspection robots, and served as its Representative Director and President. She furnishes opinions and recommendations that are beneficial to management of the Company, particularly at meetings of the Board of Directors, based on her insight related to fields such as the technology domain developed throughout her career, and also based on her extensive experience and knowledge in corporate management.</p> <p>The Company has nominated her as a candidate for reelection as Outside Director given expectations that she will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">11</p> <p style="text-align: center;">KAIAMI Makoto (Oct. 5, 1951)</p> <p>Number of the Company's Shares Owned – shares</p> <p>Tenure as Outside Director 2 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>Attendance at Audit Committee's meetings 20/20 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1978 Appointed as a judge</p> <p>Apr. 2000 Division-head Judge of Tokyo District Court</p> <p>Jul. 2007 Associate Vice-Minister of Justice in charge of Litigation Affairs, Minister's Secretariat, Ministry of Justice</p> <p>Jul. 2009 Judge of Tokyo High Court</p> <p>Dec. 2009 President of Wakayama District / Family Court</p> <p>Jan. 2011 President of Nagano District / Family Court</p> <p>Nov. 2012 Division-head Judge of Tokyo High Court</p> <p>Jul. 2014 President of Tokyo Family Court</p> <p>Jun. 2015 President of Tokyo District Court</p> <p>Feb. 2017 Registered as Attorney (to present)</p> <p>Sep. 2018 Joined Otemachi Law Office (to present)</p> <p>Jun. 2020 Director of the Company (to present)</p> <p>[Position and responsibilities] Outside Director, Member of the Audit Committee</p> <p>[Significant concurrent positions] Attorney, Outside Audit & Supervisory Board Member of SEIREN, Co., Ltd., Outside Director of Tokyu Fudosan Holdings Corporation</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Mr. 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.</p> <p>The Company has nominated him as a candidate for reelection as Outside Director given expectations that he will supervise and check the management of the Company.</p> <p>He has not been involved in corporate management other than as an Outside Director and Outside Audit & Supervisory Board Member, but we consider him to be a suitable candidate to perform the duties of Outside Director of the Company for the reasons stated above.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">12</p> <p style="text-align: center;">SATAKE Akira (Dec. 8, 1955)</p> <p>Number of the Company's Shares Owned – shares</p> <p>Tenure as Outside Director 2 years</p> <p>Attendance at Board of Directors' meetings 15/15 (100%)</p> <p>Attendance at Audit Committee's meetings 20/20 (100%)</p> <p>[Reelection] [Outside] [Independent]</p>	<p>Apr. 1979 Joined SUMITOMO CORPORATION</p> <p>Apr. 2011 Executive Officer and General Manager of Planning & Administration Dept., Mineral Resources, Energy, Chemical & Electronics Business Unit of SUMITOMO CORPORATION</p> <p>Apr. 2013 Managing Executive Officer, General Manager of Finance Dept. of SUMITOMO CORPORATION</p> <p>Apr. 2016 Senior Managing Executive Officer of SUMITOMO CORPORATION</p> <p>Jun. 2017 Director and Senior Managing Executive Officer of Sumitomo Precision Products Co., Ltd.</p> <p>Jun. 2018 Director and Executive Vice President of Sumitomo Precision Products Co., Ltd.</p> <p>Apr. 2019 Adviser of SUMITOMO CORPORATION</p> <p>Jun. 2019 Outside Director of Japan Post Insurance Co., Ltd.</p> <p>Jun. 2020 Director of the Company (to present)</p> <p>[Position and responsibilities] Outside Director, Chairperson of the Audit Committee (standing)</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Mr. 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.</p> <p>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.</p> <p>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 has nominated him as a candidate for reelection as Outside Director given expectations that he will supervise and check the management of the Company.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

Name (Date of birth)	Career Summary, Position and Responsibilities in the Company
<p style="text-align: center;">13</p> <p style="text-align: center;">SUWA Takako (May 10, 1971)</p> <p>Number of the Company's Shares Owned – shares</p> <p>[New election] [Outside] [Independent]</p>	<p>Oct. 1995 Joined Unisia Jecs Corporation (currently Hitachi Astemo, Ltd.)</p> <p>Apr. 2004 Representative Director of Daiya Seiki Co., LTD. (to present)</p> <p>Jun. 2018 Outside Director of Japan Post Co., Ltd. (to present)</p> <p>[Position and responsibilities] -</p> <p>[Significant concurrent positions] Representative Director of Daiya Seiki Co., LTD.</p> <p>[Reasons for nomination as candidate for and expected role as Outside Director] Ms. 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.</p> <p>The Company has nominated her as a candidate for election as Outside Director given expectations that she will supervise and check the management of the Company, based on her insight related to fields such as the technology domain, developed throughout her career, and also based on her extensive experience and knowledge in corporate management.</p> <p>[Special interest between candidate for Director and the Company] There is no special interest between the candidate and the Company.</p>

- Notes: 1. Attendance at Board of Directors' meetings, Nomination Committee's meetings, Audit Committee's meetings, and Compensation Committee's meetings refers to attendance in the fiscal year ended March 31, 2022. In case where a person has assumed office in the middle of the fiscal year, attendance after assuming office is stated.
2. Tenure refers to the number of years served as of the date of the conclusion of this Annual General Meeting of Shareholders.
3. Mr. Charles Ditmars Lake II will retire as Outside Director of Tokyo Electron Ltd. on June 21, 2022.
4. Tokyo Gas Co., Ltd., at which Mr. OKAMOTO Tsuyoshi serves as Senior Corporate Advisor, received a cease and desist order from the Consumer Affairs Agency in July 2017, which was during Mr. OKAMOTO's tenure as Director and Chairman. The order was issued because a leaflet for an event held in November 2016 contained misleading representation of advantages prohibited under the Act against Unjustifiable Premiums and Misleading Representations.
5. Takashimaya Company, Limited, at which Ms. KOEZUKA Miharu had served as Director from May 2013 to May 2016, received cease and desist order and payment surcharge order by Japan Fair Trade Commission in July 2018 and in October 2018 for its acts violating Article 3 of the Anti-monopoly act (Prohibition of Undue Restriction on Business Activities) in taking orders of office wears and uniforms and setting shipping charges for products up to fiscal 2018, including the term when she served the company as Director.
6. Sumitomo Precision Products Co., Ltd. at which Mr. SATAKE Akira served as Director and Executive Vice President until June 2019, was found, on January 29, 2019, to have overcharged for expenses relating to its contract for defense equipment with the Ministry of Defense (MOD). Mr. SATAKE Akira fulfilled his responsibilities by directing a thorough investigation in the process of the discovery of this fact.
7. Ms. SUWA Takako will retire as Outside Director of Japan Post Co., Ltd. on June 22, 2022.
8. Since incidents were identified in which the switching of policies with respect to Japan Post Insurance products was carried out in a manner that may have caused disadvantages to customers, not in line with their intentions, the Company and Japan Post Co., Ltd. were imposed on administrative dispositions by the Minister of Internal Affairs and Communications and the Financial Services Agency, and Japan Post Insurance Co., Ltd. was imposed on the same by the Financial Services Agency on December 2019 based on the Insurance Business Act, etc. Mr. ISHIHARA Kunio, Mr. Charles Ditmars Lake II, Ms. HIRONO Michiko, Mr. OKAMOTO Tsuyoshi, Ms. KOEZUKA Miharu, Ms. AKIYAMA Sakie who served as Outside Directors of the Company, Mr. SATAKE Akira who served as Outside Director of Japan Post Insurance Co., Ltd. and Ms. SUWA Takako who served as Outside Directors of Japan Post Co., Ltd. at the time of revelation of such incidents have been fulfilling their duties such as presenting their proposals on our daily operations from the viewpoint of group governance, internal control and legal compliance and also giving instructions for thorough inspection and prevention of such incidents after such incidents came to light. Since then, Mr. ISHIHARA Kunio and the other 7 outside officers stated above have been receiving reports on the progress of the business improvement plan at Board of Directors' meetings of the Company, Japan Post Insurance Co., Ltd.

or Japan Post Co., Ltd. on a periodic basis and monitoring the contents of various measures and the progress thereof appropriately.

Reference: 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.

If Directors are elected as proposed in Proposal 2, the following table will represent the key skills and experience possessed by each Director.

		Key skill and experience						
		Corporate management	Legal/ Compliance	Financial affairs/ Accounting	Human resources/ Labor management	IT/ DX/ Technology	Business knowledge (finance, insurance, etc.)	Community contribution/ Public policy
Directors	MASUDA Hiroya	●					●	●
	IKEDA Norito	●					●	●
	KINUGAWA Kazuhide	●					●	●
	SENDA Tetsuya	●					●	●
Outside Directors	ISHIHARA Kunio	●				●	●	
	Charles Ditmars Lake II	●	●				●	●
	HIRONO Michiko	●		●			●	●
	OKAMOTO Tsuyoshi	●			●			●
	KOEZUKA Miharu	●	●					
	AKIYAMA Sakie	●				●		
	KAIAMI Makoto		●		●			
	SATAKE Akira	●	●	●				
	SUWA Takako	●				●		●

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

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

The Company shall designate Independent Directors as specified by the Tokyo Stock Exchange among those who do not fall under any of the following categories.

1. Person who has been an 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 other than director compensation (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 the Company (if the shareholder is a corporation other than the government, an Executive (or other) thereof)
7. Executive (or other) of a corporation of which the Company 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 (other than persons of low importance)
 - (1) Persons who fall under any of the categories 1. – 8. above
 - (2) Executives of subsidiaries of the Company
10. Executive (or other) of another company in which an Executive (or other) of the Japan Post Group serves as an outside director/ outside auditor
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, a person who executes business thereof, or an equivalent person).

(Notes)

1. Terms appearing in “Japan Post Holdings Co., Ltd. Standards for the Independence of Outside Directors” are defined as follows.

The Group	Japan Post Holdings Co., Ltd. and its subsidiaries
Executive	Executive as defined in Article 2, paragraph 3, item 6 of the Ordinance for Enforcement of the Companies Act
Executive (or other)	Executive or a person who was previously an Executive
Party for whom the Group is a major business partner	Party who has received an average annual payment in the past three fiscal years from the Japan Post Group that is 2% or more of the average annual consolidated gross sales of the past three fiscal years of the said party
Major business partner of the Group	Party whose average annual payment to the Japan Post Group in the past three fiscal years is 2% or more of the average annual consolidated ordinary income of the past three fiscal years of the Company
Large amount of monetary consideration	Individuals: Monetary consideration of an average annual amount in the past three fiscal years is ¥10 million or more Organization: Monetary consideration in the event that the average annual payment in the past three fiscal years from the Japan Post Group to a party is more than 2% of the average annual consolidated gross sales of the past three fiscal years of the said party
Major shareholder	Major shareholder as provided in Article 163, paragraph 1 of the Financial Instruments and Exchange Act
Large creditor	Financial institution or other major creditor that is essential for the Company’s financing, which the Company is dependent on to the extent that it cannot be replaced with another party
Large amount of donations	Donations of an average annual amount in the past three fiscal years of ¥10 million or more

2. Regarding attribute information of Independent Directors, entry of the said attribute information will be omitted if the transaction or donation concerning the said Independent Director falls under any of the “insignificance criteria” below, because they are considered to have no effect on the independence of the said Independent Director.

(1) Business transactions

- 1) Average annual payment in the past three fiscal years by the Group to the business partner is less than 1% of the average annual consolidated gross sales in the past three fiscal years of the said business partner.
- 2) Average annual payment in the past three fiscal years to the Group by the business partner is less than 1% of the average annual consolidated gross ordinary income of the Company in the past three fiscal years.

(2) Donations

Average annual donations given by the Group in the past three fiscal years is less than ¥5 million.

Business Report

(April 1, 2021 – March 31, 2022)

1. Items Relating to the Company's Current State

(1) Progress and Results of the Group's Businesses and Others

Contents of Major Businesses of the Group

The main business entities of the Japan Post Group (hereinafter referred to as the "Group") are Japan Post Co., Ltd. (hereinafter referred to as, "Japan Post Co."), Japan Post Bank Co., Ltd. (hereinafter referred to as, "Japan Post Bank"), and Japan Post Insurance Co., Ltd. (hereinafter referred to as, "Japan Post Insurance"). These business entities are engaged in the postal and domestic logistics business, the post office business, the international logistics business, the banking business, and the life insurance business.

Financial and Economic Environment

Looking at the economic climate in Japan during the fiscal year ended March 31, 2022, there were signs of recovery as various measures began to bear fruit and overseas economic conditions improved despite some weakness due to the harsh conditions caused by the novel coronavirus disease (COVID-19). The risk of an economic downturn, however, has quickly risen since February 2022 on account of Russia's invasion of Ukraine.

Despite differences between countries and regions, the global economy was on an overall recovery trend because the economies of advanced countries strengthened, which drove improvements in other overseas economies, as the harsh conditions caused by COVID-19 eased. However, economic uncertainty throughout the world has increased since February 2022 on account of Russia's invasion of Ukraine because of concerns that Europe's strong dependency on Russian energy could have a major negative impact on its economy, rising resource prices, and supply chain disruptions.

In financial and capital markets, the yield on ten-year Japanese government bonds was generally stable around 0% because of quantitative and qualitative monetary easing, but it has risen along with both U.S. and European long-term interest rates since January 2022. The Nikkei Stock Average trended downward on concerns about the stronger yen due to falling U.S. interest rates and the COVID-19 pandemic, but it started to rise toward the end of August 2021 in response to signs that the pandemic had peaked and gains by U.S. stocks and recovered to the ¥30,000 range in September. Various concerns, including a new coronavirus variant, subsequently weighed down the index, and it temporarily fell to the ¥24,000 range in March 2022 on account of Russia's invasion of Ukraine.

In the logistics industry, there is fierce competition as companies work to capture market share by improving products and services at a time when the e-commerce market continues to grow. In the postal business, the volume of mail continues to decline due to diffusion of digital technology. In addition, unit personnel expenses are rising mainly as a result of the revision of the minimum wage.

In the banking industry, during the fiscal year ended March 31, 2022, real deposits at banks nationwide increased year on year for the 23rd consecutive year and loans also rose year on year for the 11th consecutive years. The financial system remains stable as a whole, despite the significant impact of the spread of COVID-19 persisting on economic and financial aspects in Japan and overseas.

In the life insurance industry, customer needs are becoming more diverse, and customers are growing more selective, which mainly reflect society becoming even more super-aged and changes in lifestyles.

Progress and Results of the Group's Businesses

The Group announced its medium-term management plan JP Vision 2025 (2021–2025) in May 2021. Considering changes in society that the Group operates in, including declining birth rate, graying society, and diffusion of digital technology, the Group aims to create a co-creation platform that supports both customers and local communities and is working to meld its real post office network and digital (digital post offices) by promoting DX*. In addition to expanding and reinforcing its core businesses (postal and domestic logistics business, banking business, and life insurance business), including universal services, the Group is working to generate new growth by transforming its business portfolio due to the expansion of the real estate business and promotion of new businesses, and other endeavors. In July 2021, the Group established JP Digital Co., Ltd., so that it could focus on promoting the Group's cross-sectional, unified DX measures and training Group DX personnel.

In June 2021, the Company, Japan Post Co., and Japan Post Insurance concluded an agreement with Aflac Incorporated and Aflac Life Insurance Japan Ltd. regarding further developing a “Strategic Alliance based on a Capital Relationship” to create a “Co-creation Platform” to support customers and local communities.”

The Group also continued to work on various measures based on the business improvement plan it formulated in January 2020 with respect to issues concerning solicitation quality of Japan Post Insurance products. While being monitored by the JP Reform Execution Committee (April 2020–March 2022), which consists of outside external experts and verifies various measures from a fair and neutral perspective, the Group is implementing improvement measures to regain the trust of customers and in December 2021, the Group obtained an evaluation by the committee that it was generally making steady progress as planned in implementing the business improvement plan.

As the Group's holding company, the Company worked on Group management with the aim of improving the corporate value of the Group. This included steadily promoting the expansion of income and management efficiency, etc. of group companies, as well as making efforts to achieve the Group's goals, such as securing universal service in postal services, postal savings and life insurance services, and providing steady services preserving and using the post office network.

The Company made efforts to ascertain the status of formulation and promotion of compliance programs for each group company and their internal audit structure and audit status. The Company also handled indirect operations outsourced from group companies, consolidation of which helps increase efficiency, and worked to improve the management and operation of its hospital businesses. For the hotel business, of the numerous the Kanpo-no-Yado lodging facilities that the Group owns, the businesses related to 32 such facilities were sold in April 2022.

Moreover, in order to contribute to ensuring the utility and public nature of the services each group company offers and the realization of a sustainable society and creation of the future, the entire Group has been working together to implement ESG (environment, social and governance) initiatives based on the Sustainable Development Goals, a set of international goals adopted by the United Nations, and provide reconstruction aid to disaster areas. In April 2021, the Company and Japan Post Co. concluded an agreement with Tokyo Electric Power Company Holdings, Inc. regarding strategic collaboration to promote efforts to become carbon neutral.

About countermeasures for COVID-19, the Company continued the necessary efforts to prevent its infections and maintain operations and services, etc.

* DX means establishment of competitive advantage by a corporation through efforts to respond to drastic changes in the business environment, reform their products, services and business models based on needs of customers and society by utilizing data and digital technology and transform their operation itself, organization, processes and corporate culture and custom.

As a result of these initiatives, in the fiscal year under review, the Group posted consolidated ordinary income of ¥11,264.7 billion (a year-on-year decrease of 3.88%), consolidated net ordinary income of ¥991.4 billion (a year-on-year increase of 8.45%), and net income attributable to Japan Post Holdings of ¥501.6 billion (a year-on-year increase of 19.95%).

(Reference) Business Results for the Fiscal Year Ended March 31, 2022

Consolidated ordinary income	¥11,264.7 billion	(Year-on-year decrease of 3.88%)
Consolidated net ordinary income	¥991.4 billion	(Year-on-year increase of 8.45%)
Net income attributable to Japan Post Holdings	¥501.6 billion	(Year-on-year increase of 19.95%)

Postal and Domestic Logistics Business

Japan Post Co. reviewed its services in accordance with the enforcement of the Act for Partial Amendments to the Postal Act and the Act on Correspondence Delivery by Private Business Operators (Act No. 70 of 2020), by suspending delivery of regular mail and Yu-mail on Saturdays and postponing delivery days. In implementing these changes, Japan Post Co. provided sufficient notice to users so that there was no confusion in the provision of services.

In addition to working to maintain the use of mail through efforts such as offering New Year's greeting card services that make use of smartphones and activities promoting the pleasure of using letters, Japan Post Co. improved customer convenience through collaboration with other companies, such as launching sales of Yu-Packet Post shipping sticker that make it possible to use mailboxes without attaching a delivery form by using a QR code and launching, in collaboration with Rakuten Group Inc., "Omatome-app" that allows users to specify consolidated delivery of products from multiple stores on Rakuten Ichiba, in order to steadily capture the growing EC market and flea-market market. Furthermore, in July 2021, Japan Post Co. founded JP Rakuten Logistics, Inc., which both Japan Post Co. and Rakuten Group Inc. have invested in, in order to build a shared logistics center, joint delivery system, and pick-up services.

Furthermore, in September 2021, Japan Post Co. concluded a basic agreement with SAGAWA EXPRESS CO.,LTD., regarding collaboration to grow both companies' businesses in order to co-create logistic services. More specifically, several services including Hikyaku Yu-Packet Express, Hikyaku Global Post Express, and frozen package delivery were announced, and Japan Post Co. would look to collaborate with a wide range of companies and continue to actively develop new solutions to various logistics and social problems in an open environment with an eye toward creating a sustainable society.

At the same time, based on the fundamental idea that "compliance is the most important management task," Japan Post Co. worked to eliminate internal crimes including abandonment and concealment of postal mail, etc., as well as protect customer information, among other things.

As a result of these initiatives, in the fiscal year under review, the postal and domestic logistics business, on a consolidated basis of the Company, posted ordinary income of ¥2,043.6 billion (a year-on-year decrease of 1.36%) and net ordinary income of ¥103.8 billion (a year-on-year decrease of 17.92%). The postal and domestic logistics business, on a consolidated basis of Japan Post Co., posted operating income of ¥2,041.2 billion (a year-on-year decrease of 1.31%) and net operating income of ¥102.2 billion (a year-on-year decrease of 17.35%).

With regard to the volume of items handled for the fiscal year ended March 31, 2022, the volume of mail handled decreased 2.53% year on year to 14,857.86 million, the volume of Yu-pack handled fell 9.37% year on year to 988.57 million and the volume of Yu-Mail parcels handled increased 1.42% year on year to 3,346.30 million.

Post office business

Japan Post Co. decided to start with operations aimed at regaining customers' trust for Japan Post Insurance products, investment trusts, and affiliated financial products (variable annuity insurance, medical insurance for which underwriting criteria were loosened and personal accident insurance), which Japan Post Co. voluntarily stopped selling at post offices, etc., and have continued to work on these operations since October 2020.

As for these initiatives, Japan Post Co. proposed financial assets only if desired by customers, and in the fiscal year under review, from April 2021, Japan Post Co. have shifted to a new sales stance that continue to build trust with customers through sales activities by confirming the envisioned needs of customers and then providing information on and proposing financial products that meet the needs of customers as Japan Post Co. continue to conduct business operations to regain trust.

Regarding eradicating inappropriate solicitation, Japan Post Co. continued to implement initiatives to improve solicitation quality and increase the sophistication of solicitation management, which includes conducting multi-layered verification for new policy applications, building a solicitation quality data management foundation, and reinforcing guidance for sales personnel and risk management. In addition, from the perspective of offering a more finely-tuned response to customer needs that are growing more

diverse, Japan Post Co. worked for establishment new Japan Post Insurance sales system starting in April 2022, specifically, introduction of a customer assignment system for the purpose of further enhancing professional response to customers.

Moreover, Japan Post Co. worked to optimize the post office network through such measures as opening new post offices in shopping centers, etc. and reviewing the placement of existing post offices. In order to enhance the value of the post office network, Japan Post Co. moved forward with opening post offices with individuality and diversity that meet the needs of local communities and customers while collaborating with local public entities and other companies, which included, for example, conducting administrative work comprehensively contracted by local public entities, accepting procedural work for regional financial institutions at post office counters, and realizing integrated operation of train stations and post offices.

Furthermore, based on the fundamental idea that “compliance is the most important management task,” Japan Post Co. worked on not only the above-mentioned insurance solicitation issues but also the elimination of internal crimes, such as embezzlement of funds, protection of customer information, and measures against money laundering, financing of terrorism, etc.

As a result of these initiatives, in the fiscal year under review, the post office business, on a consolidated basis of the Company, generated ordinary income of ¥1,158.5 billion (a year-on-year decrease of 9.87%*) and net ordinary income of ¥24.7 billion (a year-on-year decrease of 37.90%*). The post office business, on a consolidated basis of Japan Post Co., generated operating income of ¥1,151.7 billion (a year-on-year decrease of 7.37%) and net operating income of ¥24.5 billion (a year-on-year decrease of 34.87%).

* From the fiscal year under review, it was changed the business segmentation of Japan Post Information Technology Co.,Ltd. and System Trust Laboratory Co., Ltd. to “Post office business,” and figures for the previous fiscal year have been reclassified in accordance with this change in segmentation.

International Logistics Business

Japan Post Co. continued working to improve the management of the subsidiary Toll Holdings Limited (hereinafter referred to as “Toll”), and completed the sale of the Express Business^{*1}, which continued to generate a loss, in August 2021.

Furthermore, Japan Post Co. has moved forward with a transition to a business model centered on Asia, including Japan, by promoting measures to increase efficiency, such as streamlining the Australian business and the expansion of businesses that focuses on countries and business in Asia, particularly those projected to see growth.

Additionally, Japan Post Co. continued utilizing JP Toll Logistics Co.,Ltd. to work toward expanding the B-to-B business^{*3} mainly focused on contract logistics^{*2}.

*1 The express business is the business that provides freight delivery services that utilize a network of roads, railways, the sea and the air domestically in Australia and New Zealand.

*2 Contract logistics refers to services for increasing the efficiencies of transport, inventory and shipping operations under a contract which a third party not involved in buying or selling enters into with a specific shipper to provide services.

*3 B-to-B business stands for Business-to-Business and refers to commercial transactions between companies and business that companies provides to other companies.

As a result of these initiatives, in the fiscal year under review, the international logistics business, on a consolidated basis of the Company, posted ordinary income of ¥687.8 billion (a year-on-year decrease of 8.29%) and a net ordinary income of ¥21.2 billion (net ordinary loss of ¥7.0 billion in the previous fiscal year). The international logistics business, on a consolidated basis of Japan Post Co., generated operating income of ¥687.5 billion (a year-on-year decrease of 8.31%) and net operating income (EBIT) of ¥28.7 billion (a year-on-year increase of 721.17%).

Overall, in the fiscal year under review, Japan Post Co. generated consolidated operating income of ¥3,656.9 billion (a year-on-year decrease of 4.70%) and consolidated net operating income of ¥148.2 billion (a year-on-year decrease of 4.38%).

Banking Business

Japan Post Bank worked to implement the five key strategic points stipulated in the medium-term management plan (“Innovating retail business into a new form by realizing complementarity between the physical and the digital,” “Business reforms and productivity increases through the active utilization of digital technology,” “Enhancing funds flows to regional communities and the regional relationship function through various frameworks,” “Deepening market operations and risk management with an awareness of stress tolerance,” and “Strengthening the management base to become a more trusted bank”) and made steady progress in firming up the foundation for each strategy.

Japan Post Bank also used these efforts to innovate the business model, enhance business sustainability, and promote ESG-based management that balances improvements in corporate value with solutions to social problems.

Regarding “innovating retail business into a new form by realizing complementarity between the physical and digital,” in order to expand the digital service strategy, Japan Post Bank added several new functions to “Yucho Bank Book App,” which makes it possible to check current balance, deposits, and withdrawals at any time using a smartphone and these new functions make it possible to purchase and sell investment trusts, change address of the account holder, and send money, which improves the convenience of the service.

Furthermore, to promote the asset-formation support business, Japan Post Bank not only worked to further train employees to provide advice regarding asset formation tailored to each customer in the face-to-face channel but also launched online consultations that make it possible for customers to consult with Japan Post Bank directly-operated office employees while at home or some other location using a smartphone or computer. In addition, regarding “Discretionary Investment Service^{*1},” which involved examining collaboration with the Daiwa Securities Group, Japan Post Bank applied for approval to launch related services based on the Postal Service Privatization Act, received approval in March 2022, and have waived all fees related to purchasing investment trusts via the digital channel since January 2022.

Japan Post Bank also promoted new business, which included launching overdraft services to handle customers’ sudden expenditures and temporary fund needs and home loans for individuals (Flat 35) in May 2021 and started to handle Rakuten Card–Japan Post Bank Design cards in collaboration with Rakuten Card Co., Ltd., in December 2021.

Turning to “conducting business reforms and productivity improvement through the active utilization of digital technology,” Japan Post Bank worked to increase the efficiency of customer counter operations while expanding customer choices for the business channel, which included promoting the installation of ATMs that automatically issue new bankbooks, introducing tablet-based counters at some directly operated offices in advance, and expanding functions for the bankbook app.

As for “enhancing fund flows to regional communities and regional relationship function through various frameworks,” Japan Post Bank newly joined 7 (39 in total) regional vitalization funds in order to circulate customers’ precious funds within the community. Japan Post Bank also moved forward with preparations to create new investment funds through Japan Post Investment Corporation, which Japan Post Bank is doing to contribute to regional vitalization and SDGs.

As for “deepening market operations and risk management with an awareness of stress tolerance,” Japan Post Bank expanded the balance of risk assets, mainly in the investment grade area, while being aware of strengthening return to risk ratio and stress tolerance, amid the severe investment environment, such as the continuing low interest rate environment in Japan. Among the risk assets, in strategic investment areas^{*2}, Japan Post Bank made efforts to make selective investments in quality projects.

Turning to “strengthening the management base to become a more trusted bank,” Japan Post Bank is working to reform the corporate culture and thoroughly introduce and strengthen compliance, which involves, for example, collaborating with Japan Post Co. and the Company, analyzing the cause of internal

crimes and other problems by post office managers, and formulating and implementing preventive measures, as ways to strengthen internal control system.

In addition to the above five key strategic points, Japan Post Bank worked to lessen the environmental burden and promote work-style reforms and more-advanced governance as measures to promote ESG management. In particular, Japan Post Bank not only worked on various endeavors, for example, introducing renewable energy for energy use, but also strove to reduce the environmental burden of the whole of society by increasing the balance of ESG-oriented investments, conducting constructive dialogues with entities invested in, and taking other steps. In addition to promoting diversity management through efforts such as increasing the percentage of managers who are women and achieving 100% of eligible men taking childcare leave, Japan Post Bank encouraged independent career development by, for example, expanding solicitation courses offered through the in-house Career Challenge System, and moved forward with efforts to strengthen digital services, market investment operations, etc., and train human resources in growth fields.

*1 “Discretionary Investment Service” is a service in which an investment management business operator makes all or some investment decisions on behalf of their customer pursuant to a discretionary investment contract and carries out trading, management, etc. necessary for making investments for the customer based on the investment decisions.

*2. Strategic investment areas are investment areas consisting of private equity funds (funds which invest in unlisted companies with growth potential), real estate funds, etc. in which strategic investment is made.

As a result of these initiatives, in the fiscal year under review, the banking business, on a consolidated basis of the Company, posted ordinary income of ¥1,977.6 billion (a year-on-year increase of 1.58%) and net ordinary income of ¥490.8 billion (a year-on-year increase of 24.52%).

Life Insurance Business

Japan Post Insurance continued to work to regain the trust of customers related to the quality of solicitation of Japan Post Insurance products that came to light in fiscal 2019. As part of measures to prevent recurrences, Japan Post Insurance steadily worked to create a healthy corporate culture and establish an appropriate sales promotion scheme, to strengthen proper solicitation management systems, and to reinforce governance by the Board of Directors, etc., which was laid out in the business improvement plan submitted to the Financial Services Agency.

Furthermore from April 2021, Japan Post Insurance switched to a new sales style that promotes the creation of trust with customers through sales activities. More specifically, as undertaking activities so that “customers use Japan Post Insurance’s insurance services after understanding and being satisfied with them, Japan Post Insurance is fundamentally switching from the former style of product-focused proposals to a new style based on principles, such as the solicitation policy^{*1} and Standard of Japan Post Insurance Sales^{*2}, in an appropriate solicitation process. Furthermore, to build trust with customers and fulfill Japan Post Insurance’s mission as an insurance company, Japan Post Insurance formulated the Japan Post Insurance Commitment in September 2021 and implement and adhere to that commitment because it is important that each employee involved Japan Post Insurance sales conduct sales activities and promote proposals to customers with security and understanding.

In addition to the above initiatives to regain trust, Japan Post Insurance worked primarily to reinforce the business foundation, which consisted of building “New Japan Post Insurance sales system,” “Enhancing insurance services,” and “Deepening and Increasing the sophistication of asset management,” and “Improving the customer experience (CX) value^{*3}.”

As for “Establishing New Japan Post Insurance sales system,” Japan Post Insurance gradually transferred operations related to deposits, etc. handled by consultant (employees who mainly visit customers’ homes) to post office counters starting from October 2021 and had consultants shifting their focus on the insurance proposals and follow ups, and also consolidated activity centers step by step starting from January 2022.

In terms of “Enhancing insurance services,” to meet the coverage needs of customers of all generations in the age of the 100-year life, Japan Post Insurance started to both offer ordinary term insurance and special endowment insurance with longer terms for young to middle-aged adult customers from April 2021 and handle ordinary endowment insurance with longer terms for corporate clients from October of the same year.

Turning to “Deepening and Increasing the sophistication of asset management,” Japan Post Insurance continues to invest in profit-focused assets within a risk buffer based on ALM, with the goal of securing stable asset management returns in the continuing low interest rate environment. As for promoting diversification of asset management, as part of Japan Post Insurance’s efforts to expand overseas credit management, continues to work on in-house management of US corporate bonds and also continues with in-house management of equities, alternative investment, etc. These asset management initiatives are being carried out based on an ERM^{*4} framework to ensure financial soundness and improve risk return balance. Furthermore, in the area of ESG investments, Japan Post Insurance makes investments that offer warmth typical of Japan Post insurance, and related priority issues include “Improving Well-being,” “Developing local communities and society,” and “Contributing to environmental protection.”

To improve the customer experience (CX) value, Japan Post Insurance worked to impress customers so that they feel secure to have purchased Japan Post insurance products by fundamentally revising insurance services and increasing customer convenience and solicitation quality. As for concrete initiatives, to increase the convenience of insurance procedures in response to greater demand for non-face-to-face channels due to the COVID-19 pandemic, Japan Post Insurance expanded web services (my page) for policyholders, such as a making it possible to complete procedures over the internet to request policyholder loans since May 2021 and procedures related to hospitalization and surgery insurance claims since October of the same year if certain conditions are met, and downloading premium payment receipts since that the same month.

*1 Solicitation policy is a policy founded on the principle-based, customer-oriented idea of offering coverage based on high ethics that takes into consideration the mission of life insurance and other factors.

*2 Standard of Japan Post Insurance Sales are a principles of action for undertaking true customer-oriented sales activities that are based on the solicitation policy.

*3 The customer experience (CX: an abbreviation for Customer Experience) value means not only the functional value, such as the price and performance of products and services but also all values experienced by customers, including the emotional and psychological values, such as satisfaction brought about throughout the entire process, from follow-up before and after customers take out an insurance policy to the insurance payment.

*4 ERM stands for Enterprise Risk Management and refers to a form of risk management based a holistic view, which includes latent and material risks, and that encompasses a company's entire operations by comparing and contrasting the company's risks with the equity of the company's shareholders and other indicators.

As a result of these initiatives, in the fiscal year under review, the life insurance business, on a consolidated basis of the Company, posted ordinary income of ¥6,454.2 billion (a year-on-year decrease of 4.89%) and net ordinary income of ¥356.1 billion (a year-on-year increase of 3.00%).

Issues to Be Addressed

In the Group medium-term management plan JP Vision 2025, the Group set the vision of forming “Co-creation Platform” that supports customers and local communities. In addition to providing integrated services throughout the Group utilizing its post office network, the Group’s greatest strength, the Group would provide support so that customers living in local communities could realize safe, pleasant, and rich lives that offer security by working with an unprecedented wide range of companies and other entities.

As a holding company, the Company works to offer the required support and resolve management issues faced by the Group while deepening collaboration among the various Group companies.

To ensure the properness of operations, with the goal of further strengthening corporate governance, the Company continues to promote the enhancement of internal controls in the entire group. Also, with improvement of compliance standards as the main challenge, necessary support and guidance is provided to each group company. In particular, the Company continues to work to steadily implement the business improvement plan developed in response to problems with the quality of solicitation of Japan Post Insurance products.

In addition, during the fiscal year under review, several scandals came to light, including the abandonment and concealment of mail, embezzlement of funds by post office managers, failure of post office managers to separate work and non-work activities when distributing business calendars, and the improper handling of customer information such as using it for purposes other than the intended purposes. Based on these facts, the Group would thoroughly implement measures to prevent reoccurrence of these issues so that the Group could regain the trust of customers. At the same time, the Group would not only continue but also strengthen efforts related to preventing internal crimes, employee misconduct, and improper sales activities; protecting personal information; and implementing measure to prevent money laundering.

The Group would fulfill the Group’s duty to ensure universal services for postal mail, savings, and insurance and contribute to local communities while making use of the system of subsidies and contributions. The Group would also work to implement a basic management policy which was formulated for each group company in order to provide stable services by further utilizing and maintaining the post office network.

In accordance with the Postal Service Privatization Act, the Group would make required preparations to dispose of the shares of Japan Post Bank and Japan Post Insurance held by the Company as early as possible, while taking into consideration the condition of business at both companies, impact on fulfilling the Group’s obligation to secure universal services, and other factors.

The Group would also work to further enhance corporate value by having the entire group promote ESG initiatives based on “the Sustainable Development Goals”. More specifically, in light of the moves toward achieving carbon neutrality by 2050 advocated by the Japanese Government, the Group would work to reduce the environmental burden through the Group’s business services by, for example, increasing the number of electric vehicles (EVs) across the Group to reduce CO2 emissions and gradually switching to power that boasts a low carbon emissions factor.

Furthermore, in recognition that human resources are the most important management resource for the Group, which provides services that are highly dependent on humans, the Group would promote diversity management that leverages the diverse skills and individuality of employees by offering training, etc., to improve comprehensive consulting services for customers and planned training for female employees with the goal of promoting them to management and building a workplace environment that makes it possible to balance work and life.

In preparation for a crisis such as a natural disaster and pandemic of an infectious disease, the Group would also put in place a crisis management system and, when a crisis occurs, respond swiftly and appropriately to ensure business continuity. Under the circumstances of the COVID-19 pandemic in particular, the Group is committed to securing of the safety of employees and continuation of business operation through measures to prevent infection and spread of infection, with the aim of fulfilling the Group’s social mission as a group of a highly public nature.

Issues to be addressed by each operating segment are as follows.

Postal and Domestic Logistics Business

Japan Post Co. would implement the following measures to respond to a decline in the volume of mail and increase in demand for delivery services.

1) Integrated review of products and operation systems and addition of high value to services

In addition to working to maintain mail use by, for example, launching services tied to SNSs that make use of smartphones and communicate the pleasure of paper for New Year's cards and other items, Japan Post Co. would provide services that offer highly convenient drop-off and pick-up and try to expand revenue through various efforts such as expanding logistics solutions that make use of sales warehouses and strengthening services between companies in order to steadily capture share of the growing EC and flea-market markets.

2) Convenience and productivity improvement through active use of cutting-edge technology

As the volume of mail continues to decline, Japan Post Co. would move forward with a shift in resources to the field of parcels, a growth market, and work to improve productivity by deepening efforts to control costs in response to work volume, promoting DX, and implementing other measures.

At the same time, Japan Post Co. would use data obtained through telematics technology to ensure the safety of employees, support delivery, and review delivery routes and areas for mail and move forward with improving the efficiency of the collection and delivery of Yu-Packs and other items through automated route creation by AI and reducing manpower and streamlining work at post offices by, for example, introducing automated guided vehicles (AGV).

Moreover, in collaboration with other companies, Japan Post Co. would work to build a highly efficient delivery system as well as a new logistics platform that makes services such as highly convenient pick-up possible, and conduct a series of test and experiments of robotics (piece-picking robots, etc.) and more advanced delivery (drones, delivery robots, etc.) with an eye toward future commercialization.

Post office business

Japan Post Co. would implement the following measures.

1) Reform into a system to realize comprehensive consulting services

In April 2022, New Japan Post Insurance sales system was established and the Group would realize "comprehensive consulting services" that combine expertise and breadth by maximizing the abilities of highly mobile and specialized consultants who are concurrently seconded to Japan Post Insurance and customer counter employees who respond to a variety of customer needs. As for customer counter employees, they would not only actively talk to customers and propose a wide range of financial products at counters but also conduct follow-ups, primarily at post office counters and by phone and mail.

2) Enhancing value of the post office network utilizing post offices as a real presence

To enhance the value of the post office network and realize sustainable growth, it is probably important to leverage existing real post offices and enhance the value of the post office network while promoting greater digitalization. In the business operation of the post office counter, Japan Post Co. would not only improve the efficiency of operations by moving forward with digitalization but also leverage the resources created through these efforts to win business from local public entities and enhance the value of the post office network by strengthening collaboration with regional financial institutions and other entities, developing partnerships with other companies, and creating unique, diverse post offices that meet the needs of communities and customers.

3) Efforts toward expansion of the real estate business

In addition to leasing JP Towers and other properties, Japan Post Co. would lease housing, daycare facilities, and senior care facilities to make effective use of land located in residential areas. From the perspective of expanding new earnings opportunities and making effective use of the owned real estate, Japan Post Co. would also work to transform the real estate business into an earning pillars by promoting Hiroshima Station South Gate Project, Toranomom-Azabudai District Category 1 Urban Redevelopment Project, Umeda 3-chome Project, and similar projects.

International Logistics Business

Japan Post Co. would work to cut costs by promoting measures to increase efficiency of the Australian business, etc., and transition to a business model centered on the market in Asia, a growth region, which includes working to expanding B-to-B business, which is centered on contract logistics through the use of JP Toll Logistics Co.,Ltd. , and promoting business expansion in Asia, particularly in countries and businesses projected to experience growth. Japan Post Co. would strengthen and thoroughly implement business management of TOLL.

Banking Business

Japan Post Bank is advancing ESG management based on its medium-term management plan to achieve sustainable management appropriate for the rapidly changing social environment. In fiscal 2021, Japan Post Bank steadily promoted five key strategic points and firmed up the foundation for those. In fiscal 2022, Japan Post Bank would accelerate efforts related to each of these key strategies and start on the path to achieving the vision.

1) Innovating retail business into a new form by realizing complementarity between the physical and the digital

Giving the greatest priority to safety and security, Japan Post Bank would expand digital services that all users could make easy use of while strengthening employees skilled in digital technology

As for details, Japan Post Bank would work to not only continually improve the functions and ease of use of digital services, such as the bankbook app, but also build apps for household accounting and household finance consulting. Japan Post Bank would also leverage the Group's post office network throughout Japan and move forward with active proposals and close support of various digital services. In addition, Japan Post Bank would focus on building an open "Co-creation Platform" that provides optimal services through collaboration with various businesses, starting with the bankbook app and apps for household accounting and household finance consulting.

Furthermore, in the asset-formation support business, Japan Post Bank would meet customer needs and propose the optimal product and channel based on customer-oriented business operations and through mutual complementation of the face-to-face channel and digital channel.

For the face-to-face channel, Japan Post Bank has been carefully selecting products for the lineup of over-the-counter investment trust products that are easy for customers to understand since April 2022 and would propose savings-type investments, mainly to beginner investors. Furthermore, Japan Post Bank launched a "Discretionary Investment Service (Japan Post Fund Wrap)" in May 2022. In addition to working to further enhance the online consulting environment, for the digital channel, Japan Post Bank would improve the investment trust Web page and apps, revising the channel to make it easy for customers to use.

In May 2022, Japan Post Bank launched the brand debit-card "Japan Post Bank Debit," which is tied to a cash card. Japan Post Bank would also make preparations for launching new services, including "Trust and inheritance services."

2) Business reforms and productivity increases through the active utilization of digital technology

Efforts would be made to improve the efficiency of customer counter operations by expanding channels customers could choose from by, for example, introducing tablets at counters at all directly-operated Japan Post Bank offices and launching an "JP Bank account opening app" that makes it possible to open new accounts using a smartphone. At the operation center, Japan Post Bank would promote automation of general business operations that meld digital technology, which includes making

preparations for expanding the BPMS* function and offices and establishing a system for inheritance-related operations.

Through these efforts, Japan Post Bank would continue to try to reduce the volume of operations handled at counters, etc., and work to further improve productivity by strengthening training while shifting personnel to fields that Japan Post Bank plans to reinforce.

In addition, Japan Post Bank aims to improve management efficiency through cuts in fixed expenses while strengthening investment priority fields such as strategic IT investments.

3) Enhancing funds flows to regional communities and the regional relationship functions through various frameworks

In order to circulate customers' precious funds within the community, Japan Post Bank would increase the supply of equity funds, in particular, and work to contribute to the revitalization of local communities.

More specifically, Japan Post Bank would not only promote investments in regional revitalization funds and investment and business management companies but also contribute to the development of regional economies through efforts such as investing in the Japan Post Investment Regional Development and Impact Fund I, ILP.

In collaboration with regional financial institutions, Japan Post Bank would provide a wide range of support for regional revitalization throughout Japan by, for example, working to link ATMs and jointly conducting tax and public fund administrative procedures as part of a "regional financial platform."

4) Deepening market operations and risk management with an awareness of stress tolerance

Japan Post Bank is also managing portfolios to generate return to risk ratio and stress tolerance while fully keeping in mind market changes due to changes in the fiscal policy of the U.S. and other countries triggered by the war in Ukraine and concerns of inflation.

In particular, Japan Post Bank would not only build up Japan Post Bank's balance of risk assets, particularly credit assets (Japanese and overseas bonds, etc.) in investment grade areas, but also, for strategic investment fields, maintain carefully selected investments of risk assets in leading funds from a medium- and long-term perspective.

Furthermore, Japan Post Bank would move forward with conducting more advanced risk management, such as increasing the sophistication of stress tests, enhancing monitoring, and reducing foreign currency liquidity risk.

5) Strengthening the management base to become a more trusted bank

While continuing to work to reform Japan Post Bank's corporate culture, Japan Post Bank would collaborate with Japan Post Co. and the Company and maintain efforts to further enhance Japan Post Bank's compliance system, one part of Japan Post Bank's efforts to strengthen internal control system, which includes preventing internal crimes, the leak and loss of customer information, and similar issues.

In addition to the above five key strategic points, Japan Post Bank would work to reduce of environmental footprint and promote work-style reforms and more-advanced governance as measures to promote ESG management. More specifically, Japan Post Bank would not only continue to promote a switch to renewable energy for the energy Japan Post Bank uses but also raise the fiscal 2025 target for ESG investments from ¥2 trillion to ¥4 trillion and strive to reduce the environmental burden of overall society through fund management operations. Japan Post Bank would also increase Japan Post Bank's investments in human resources, such as securing and training human resources in fields Japan Post Bank is working to strengthen and actively promoting the creation of an environment in which diverse human resources could be used and health management, and aim to maximize human capital by supporting career development of employees and making human resources visible.

* BPMS is a system for managing processes automatically by conducting system-based control of workflows such as launching RPA automatically and requiring human verifications, etc.

Life Insurance Business

Japan Post Insurance would implement the following measures to fulfill Japan Post Insurance's social mission as a life insurance company.

1) Measures aimed at reconstruction

In April 2022, New Japan Post Insurance sales system was established with specialty and extensiveness and would realize comprehensive consulting services across the entire Group.

In the retail field, a Japan Post Insurance Services Department would be established within Japan Post Insurance, and for consultants seconded to the department from Japan Post Co., there will be a system so that they could focus solely on proposing Japan Post Insurance and cancer insurance products and conducting after-sales follow-ups and Japan Post Insurance takes direct responsibility for managing them. Furthermore, by introducing a customer assignment system, Japan Post Insurance would increase regular contact and conduct high-quality customer-focused follow-ups in order to appropriately respond to changes in the needs of customers for any of various reasons, such as change in life stages.

When implementing these measures, Japan Post Insurance formulated the “the Vision of Japan Post Insurance Sales Activities (Retail)” in March 2022. In this, we tout the ideas of increasing the number of customers through customers' trust and satisfaction, getting proper management to take root and supporting the growth of employees by operating mechanisms and systems closely tied to frontline operations, and continuing to evolve while being sensitive to the social and business environment and would try to transition to a culture that grows both markets and human resources by sharing this world view with all employees and implementing it. With an eye toward realizing this world view, the whole company would unite, draw closer to frontline management in order to promote growth of management, the foundation, and work to resolve problems related to frontline operations.

Similarly, in the field of corporate sales, too, Japan Post Insurance would create and expand true trust with customers by continuing to draw close to managers and providing broader, higher quality services that match customers' ideas, which is based on the corporate sales vision of each employee continuing to take on the challenge of evolving with customers and local communities.

As for reinforcing the business foundation, Japan Post Insurance would work to enhance insurance services, deepen and increase the sophistication of asset management, and boosting efficiency and sophistication of business operations.

Japan Post Insurance would progress the development of insurance services that respond to the coverage needs of customers of all generations in the age of the 100-year life and work to further enhance insurance services.

More specifically, to meet customers' needs for medical coverage, Japan Post Insurance would offer extensive medical coverage by launching the new medical rider “Motto-Sono- hi-kara Plus.” in April 2022. In addition to offering balanced coverage with low premiums to meet the needs of young to middle-aged adults and expanding products that meet the needs of middle-aged to elderly adults that take into account the age of the 100-year life, Japan Post Insurance would work to research products that help customers stay healthy.

As for asset management, Japan Post Insurance aims to ensure the stable investment returns based on ALM and within an ERM framework and deepen and increase the sophistication of asset management in terms of both investment fields, such as alternative investments, and portfolio construction, while appropriately responding to the expected introduction of new capital regulations based on economic value in 2025.

As for investment profit-focused assets, in the Medium-Term Management Plan (2021–2025), Japan Post Insurance projects that the weight of such assets in the overall portfolio to increase to 18%–20%. Turning to alternative investments, Japan Post Insurance would gradually increase the balance of investments appropriate for risk tolerance and investment opportunities while working to achieve strategic and regional diversification in the four fields of private equity, real estate funds, infrastructure equity, and hedge funds.

As for ESG investments, Japan Post Insurance would move forward with strengthening engagement with entities invested in with an eye toward achieving greenhouse gas emission reduction targets, aggressively making investments to achieve the target total energy output from renewable energy sources at entities invested in, a KPI in the medium-term management plan, and conducting impact investments to solve social issues.

Furthermore, Japan Post Insurance would work to improve customer service, increase efficiency, and reduce expenses by promoting digitalization, introduce new mechanisms to manage costs to further increasing the sophistication of business expense management, and promote cost cuts. The management resources created by this would be shifted to customer support and fields that reinforce DX promotion and other efforts, and Japan Post Insurance would work to increase the efficiency and sophistication of business operations.

2) Measures aimed at sustainable growth

To enhance customer experience (CX) value, Japan Post Insurance would implement a sweeping review of insurance services from the perspective of boosting customer experience value and improve customer convenience and solicitation quality to ensure customers feel truly glad they chose Japan Post Insurance. Japan Post Insurance would also expand Japan Post Insurance's customer base by customers who are satisfied with the customer experience value to communicate the experience to their family members, friends, regions and society as a whole.

More specifically, Japan Post Insurance would work to provide optimal proposals attuned to each and every customer, provide simplified procedures that could be completed on the spot, provide finely-tuned support as a unified team, and enhance Japan Post Insurance's follow-up practice focused on connection with customers.

In order to provide optimal proposals attuned to each and every customer, Japan Post Insurance would make aspects such as customer needs and required coverage visible using digital technology and introduce a system so that even family members living far away could also participate in meetings. In addition, regarding providing simplified procedures that could be completed on the spot, Japan Post Insurance would make it possible so that customers could choose to submit applications and submit claims in any of various ways, such as online or in person, by making use of digital technology to meet the needs of customers. More specifically, Japan Post Insurance would conduct agile development* method and gradually introduce on a trial basis in some areas to make it possible to obtain consent and make notifications via devices, such as a customer's own smartphone. Furthermore, Japan Post Insurance would work to achieve goals such as expanding the use of Internet for hospitalization and surgery insurance claims and making it possible to complete various procedures on the spot by, for example, including a chat function so that specialized staff (customer center) could offer real-time support for hospitalization and surgery insurance claims from the customer's account page. In regard to providing finely-tuned support as a unified team, Japan Post Insurance would build a database that consolidates customers' policy information, inquiry information, etc., for each customer and create an environment in which all employees who take care of customers, such as consultants, customer counter employees at post offices, and specialized staff, are able to provide finely-tuned and friendly support as a unified team. Furthermore, in order to "enhance Japan Post Insurance's follow-up practice focused on connection with customers," Japan Post Insurance would conduct careful follow-ups through online conferences and various other means and follow-ups at the best time for each customer through email, SNSs, etc., in addition to face-to-face customer care through visits to meet wide-ranging customer needs, and thereby aim to win trust of customers including people around them.

* Agile development is one of the methods to develop a system that aims to shorten the development period before the start of service and flexibly respond to changes in specifications and requirements during the development by proceeding with the development while repeating designing and testing in a short period of time.

The Group would make every effort to achieve sound results for the initiatives outlined above and hopes that in doing so it fully meets the expectations of the Group's shareholders.

To all the Group's shareholders, the Group greatly appreciate shareholders' understanding and support and look forward to shareholders' continued support in the future.

(2) Trends of Assets and Profit and Loss Accounts of the Group and the Company

a. The Group's trends of assets and profit and loss accounts

(Millions of yen)

Classification	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Ordinary income	12,774,999	11,950,185	11,720,403	11,264,774
Net ordinary income	830,696	864,457	914,164	991,464
Net income attributable to Japan Post Holdings	479,419	483,733	418,238	501,685
Comprehensive income	291,836	(2,225,078)	3,567,160	(805,187)
Net assets	14,788,654	12,616,774	16,071,067	14,688,981
Total assets	286,170,709	286,098,449	297,738,131	303,846,980

Notes: 1. Figures are rounded down to the nearest million yen.

2. The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations since the beginning of the fiscal year under review, and each figure for the fiscal year is the figure after applying the accounting standard, etc.

b. The Company's trends of assets and profit and loss accounts

(Millions of yen)

Classification	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating income	274,551	289,447	167,933	284,688
Dividend income	203,163	219,083	97,209	203,393
Japan Post Co., Ltd.	–	–	–	–
Japan Post Bank Co., Ltd.	166,851	166,851	83,425	166,851
Japan Post Insurance Co., Ltd.	36,312	52,231	13,783	36,541
Other subsidiaries, etc.	–	–	–	–
Subsidiaries	–	–	–	–
Net income	220,791	397,647	(2,129,989)	325,460
Net income per share	(Yen) 54.61	(Yen) 98.35	(Yen) (526.79)	(Yen) 85.59
Total assets	8,079,602	8,129,402	5,997,547	5,848,650
Shares of Japan Post Co., Ltd.	970,761	869,470	825,892	799,184
Shares of Japan Post Bank Co., Ltd.	5,780,141	5,780,141	3,550,602	3,550,602
Shares of Japan Post Insurance Co., Ltd.	890,039	604,580	604,580	332,391
Shares of other subsidiaries, etc.	59,195	59,195	59,136	55,051
Shares of subsidiaries	59,195	59,195	59,136	55,051

Notes: 1. Figures are rounded down to the nearest million yen.

2. Japan Post Bank Co., Ltd. operates banking business, and Japan Post Insurance Co., Ltd. operates life insurance business.
3. The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations since the beginning of the fiscal year under review, and each figure for the fiscal year is the figure after applying the accounting standard, etc.

(3) The Group's Principal Offices

a. The Company

Company name	Office name	Location	Date of establishment
Japan Post Holdings Co., Ltd.	Head Office	2-3-1, Otemachi, Chiyoda-ku, Tokyo	October 1, 2007

b. Postal and domestic logistics business, post office business and international logistics business

Company name	Office name	Location	Date of establishment
Japan Post Co., Ltd.	Head Office	2-3-1, Otemachi, Chiyoda-ku, Tokyo	October 1, 2007

Note: Japan Post Co., Ltd., as of the end of this fiscal year, in addition to the above office, has established 13 regional offices and 23,726 post offices (including 3,676 contracted post offices).
Also, there are 40 temporarily closed post offices (including 10 contracted post offices) due to the Great East Japan Earthquake.

c. Banking business

Company name	Office name	Location	Date of establishment
Japan Post Bank Co., Ltd.	Head Office	2-3-1, Otemachi, Chiyoda-ku, Tokyo	October 1, 2007

Note: Japan Post Bank Co., Ltd., as of the end of this fiscal year, in addition to the above office, has established 13 regional headquarters and 235 branches.

d. Life insurance business

Company name	Office name	Location	Date of establishment
Japan Post Insurance Co., Ltd.	Head Office	2-3-1, Otemachi, Chiyoda-ku, Tokyo	October 1, 2007

Note: Japan Post Insurance Co., Ltd., as of the end of this fiscal year, in addition to the above office, has established 13 regional headquarters and 82 branches.

(4) The Group's Employees

(Persons)

Classification	As of March 31, 2021	As of March 31, 2022	Increase (decrease)
Postal and domestic logistics business	100,599	98,887	(1,712)
Post office business	97,285	96,471	(814)
International logistics business	21,887	13,584	(8,303)
Banking business	12,451	12,219	(232)
Life insurance business	8,252	8,144	(108)
Other	3,138	2,807	(331)
Other of the Company	2,039	1,994	(45)
Total	243,612	232,112	(11,500)

Note: The number of employees represents the number of persons actually at work, excluding non-regular employees (including the indefinite-term employees (associates, etc.) based on the indefinite-term employment conversion system).

(5) The Group's Principal Lenders

None.

(6) The Group's Capital Investment Activities

a. Total capital investments

(Millions of yen)

Classification	Amount
Postal and domestic logistics business	38,238
Post office business	35,199
International logistics business	20,468
Banking business	44,685
Life insurance business	31,958
Other	49,331
Total	219,882

Note: Figures are rounded down to the nearest million yen.

b. Establishment of principal facilities, etc.

(Millions of yen)

Classification	Description	Amount
Postal and domestic logistics business	Renovations of aging post office buildings and other structures and facilities	14,666
Post office business	Real estate development in front of Osaka Station	14,301
Banking business	Development related to Japan Post Bank Total Information System	29,187
Other	Daito-shi Sanyo-cho Project	17,021

Note: Figures are rounded down to the nearest million yen.

(7) Parent and Principal Subsidiaries

a. Parent

None.

b. Principal subsidiaries

(As of March 31, 2022)

Name	Location	Major business	Capital stock	The Company's ownership ratio of voting rights	Other
Japan Post Co., Ltd.	Chiyoda-ku, Tokyo	Postal and domestic logistics business, post office business (including bank agent and life insurance solicitation), and international logistics business	¥400,000 million	100.00%	—
Japan Post Bank Co., Ltd.	Chiyoda-ku, Tokyo	Banking business	¥3,500,000 million	89.00%	—
Japan Post Insurance Co., Ltd.	Chiyoda-ku, Tokyo	Life insurance business	¥500,000 million	49.90%	—

Note: The ratio of voting rights is rounded down to the second decimal place.

(8) The Group's Acquisition and Transfer of Business

Toll Holdings Limited, a subsidiary of the Company, transferred its express business to affiliates of Allegro Funds Pty Ltd. on August 31, 2021.

The Company transferred the business related to 32 facilities of the "Kanpo no Yado" lodging facilities it owns to Chateraise Holdings Co., Ltd., Nozawa World Co, Ltd. and Hita Tenryo-Sui Co., Ltd. on April 1, 2022 and to MYSTAYS HOTEL MANAGEMENT Co., Ltd., Yakushima Tokutei Mokuteki Kaisya, Fuji G.K. and Ren G.K. on April 5, 2022.

2. Directors and Executive Officers of the Company

(1) Status of the Directors and Executive Officers of the Company

(As of March 31, 2022)

Name	Position and responsibilities	Significant concurrent positions	Others
MASUDA Hiroya	Director, Representative Executive Officer, President & CEO Member of the Nomination Committee Member of the Compensation Committee (In charge of) Group CEO	Director of Japan Post Co., Ltd. Director of Japan Post Bank Co., Ltd. Director of Japan Post Insurance Co., Ltd. Visiting Professor of Graduate School of Public Policy at the University of Tokyo	
IKEDA Norito	Director	Director, Representative Executive Officer, President & CEO of Japan Post Bank Co., Ltd.	
KINUGAWA Kazuhide	Director	President & CEO (Representative Executive Officer) of Japan Post Co., Ltd.	
SENDA Tetsuya	Director	Director, Representative Executive Officer, President & CEO of Japan Post Insurance Co., Ltd.	
MIMURA Akio	Director (Outside Director) Chairperson of the Nomination Committee	Honorary Company Fellow and Honorary Chairman of NIPPON STEEL CORPORATION Chairman of Japan Chamber of Commerce and Industry Chairman of Tokyo Chamber of Commerce and Industry Director of Development Bank of Japan Inc. (Outside Director) Director of INCJ, Ltd. (Outside Director) Director of Tokio Marine Holdings, Inc. (Outside Director) Director of Nisshin Seifun Group Inc. (Outside Director)	
ISHIHARA Kunio	Director (Outside Director) Member of the Nomination Committee Member of the Compensation Committee	Senior Adviser to the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd. Audit & Supervisory Board Member of Tokyu Corporation (Outside Audit & Supervisory Board Member) Director and Audit and Supervisory Committee Member, of NIKON CORPORATION (Outside Director) Audit & Supervisory Board Member, Mitsubishi Research Institute, Inc. (Outside Audit & Supervisory Board Member)	
Charles Ditmars Lake II	Director (Outside Director)	Chairman and Representative Director of Aflac Life Insurance Japan Ltd. President and Member of the Board of Directors of Aflac International Incorporated Corporate Director of Tokyo Electron Limited (Outside Director) Director of Shiseido Company, Limited (Outside Director)	
HIRONO Michiko	Director (Outside Director)	Director of Nissin Manufacturing Co., Ltd. (Outside Director)	

(As of March 31, 2022)

Name	Position and responsibilities	Significant concurrent positions	Others
OKAMOTO Tsuyoshi	Director (Outside Director) Chairperson of the Compensation Committee Member of the Nomination Committee	Senior Corporate Advisor, Tokyo Gas Co., Ltd. Director of Asahi Kasei Corporation (Outside Director) Director of Mitsubishi Estate Co., Ltd. (Outside Director)	
KOEZUKA Miharuru	Director (Outside Director) Member of the Audit Committee	Director, Nankai Electric Railway Co., Ltd. (Outside Director) Director of the Board, Nippon Paint Holdings Co., Ltd. (Outside Director)	
AKIYAMA Sakie	Director (Outside Director)	Founder of Saki Corporation (Advisor) Director of Sony Group Corporation (Outside Director) Director of ORIX Corporation (Outside Director) Director of Mitsubishi Corporation (Outside Director)	
KAIAMI Makoto	Director (Outside Director) Member of the Audit Committee	Attorney Audit & Supervisory Board Member of SEIREN, Co., Ltd (Outside Audit & Supervisory Board Member) Director of Tokyu Fudosan Holdings Corporation (Outside Director)	
SATAKE Akira	Director (Outside Director) Chairperson of the Audit Committee		
IZUKA Atsushi	Representative Executive Officer, Executive Vice President (In charge of) Group CFO and the Internal Control	Director of TOENEC CORPORATION (Outside Director)	
KAWAMOTO Hiroaki	Senior Managing Executive Officer (In charge of) Group CRCO, the Compliance Department, the Liaison Office, the Risk Management Department, the Customer Satisfaction Promotion Department, the Group Conduct Management Office (Senior General Manager of the Group Conduct Management Office), the Olympics and the Paralympics Department, and Special assignment	Senior Managing Executive Officer of Japan Post Co., Ltd.	
ONO Taneki	Senior Managing Executive Officer (In charge of) the New Business Planning Office and Special assignment	Senior Managing Executive Officer of Japan Post Co., Ltd.	Became Senior Managing Executive Officer of the Company on April 1, 2021
YAMASHIRO Yasuhiko	Senior Managing Executive Officer (In charge of) In sub-charge of the Group Real Estate Management Department and the Facility Management Department	Senior Managing Executive Officer of Japan Post Co., Ltd.	Became Senior Managing Executive Officer of the Company on July 1, 2021

(As of March 31, 2022)

Name	Position and responsibilities	Significant concurrent positions	Others
FUKUMOTO Kenji	Managing Executive Officer (In charge of) the Hospitals Management Department, the Hotels Management Department, the Corporate Planning Department (government relations), and Special assignment	Managing Executive Officer of Japan Post Co., Ltd.	
FURUSATO Hiroyuki	Managing Executive Officer (In charge of) Group CIO and the Group IT Management Department	Managing Executive Officer of Japan Post Co., Ltd.	
SHIMA Toshitaka	Managing Executive Officer (In charge of) the Secretaries Office, the General Affairs Department, and the Human Resources Department	Managing Executive Officer of Japan Post Co., Ltd.	
KINOSHITA Noriko	Managing Executive Officer (In charge of) the Public Relations Department, in sub-charge of the Olympics and the Paralympics Department, and Special assignment	Managing Executive Officer of Japan Post Co., Ltd.	
NISHIGUCHI Akihito	Managing Executive Officer (In charge of) the Corporate Planning Department, the IR Office, the Legal Affairs Department, and in sub-charge of the New Business Planning Office	Managing Executive Officer of Japan Post Co., Ltd.	
KATO Nobuyasu	Managing Executive Officer (In charge of) the Internal Audit Department	Managing Executive Officer of Japan Post Co., Ltd.	Became Managing Executive Officer of the Company on June 18, 2021
SHOMURA Tsutomu	Managing Executive Officer (In charge of) Group CISO, the Group IT Management Department (information security), and the Group Cyber Security Office	Managing Executive Officer of Japan Post Co., Ltd.	
ASAI Tomonori	Managing Executive Officer (In charge of) the Accounting & Finance Division	Managing Executive Officer of Japan Post Co., Ltd.	
NAKATA Hirohito	Managing Executive Officer (In charge of) the JP Strategic Foresight Laboratory and Special assignment		Became Managing Executive Officer of the Company on June 24, 2021
TATEBAYASHI Satoru	Managing Executive Officer (In charge of) Special assignment	Senior Managing Executive Officer (Representative Director) of Japan Post Co., Ltd.	Became Managing Executive Officer of the Company on June 18, 2021
TANAKA Susumu	Managing Executive Officer (In charge of) Special assignment	Director and Representative Executive Vice President of Japan Post Bank Co., Ltd.	

(As of March 31, 2022)

Name	Position and responsibilities	Significant concurrent positions	Others
TANIGAKI Kunio	Managing Executive Officer (In charge of) Special assignment	Executive Vice President of Japan Post Bank Co., Ltd.	
ICHIKURA Noboru	Managing Executive Officer (In charge of) Special assignment	Director and Representative Executive Officer Vice President of Japan Post Insurance Co., Ltd.	
OGATA Kenji	Managing Executive Officer (In charge of) Special assignment	Managing Executive Officer of Japan Post Co., Ltd.	
SAKURAI Makoto	Executive Officer (In charge of) In sub-charge of the Hotel Business Department (Senior General Manager of the Hotel Business Department)		
IZUMI Mamiko	Executive Officer (In charge of) In sub-charge of the General Affair Department (Senior General Manager of the General Affair Department)	Executive Officer of Japan Post Co., Ltd.	
KAZAMATSURI Makoto	Executive Officer (In charge of) In sub-charge of the Corporate Planning Division (Senior General Manager of the Corporate Planning Department) and in sub-charge of the Legal Affairs Department	Executive Officer of Japan Post Co., Ltd.	
YOKOYAMA Akihiko	Executive Officer (In charge of) In sub-charge of the Group Real Estate Management Department	Executive Officer of Japan Post Co., Ltd.	
KAWANO Youichi	Executive Officer (In charge of) In sub-charge of the Accounting & Finance Department (Senior General Manager of the Accounting & Finance Department)		
IIDA Yasuhisa	Executive Officer (In charge of) Group CDO and the DX Project Office	Executive Officer of Japan Post Co., Ltd.	Became Executive Officer of the Company on April 1, 2021
MITANI Masanobu	Executive Officer (In charge of) In sub-charge of the Public Relations Department	Executive Officer of Japan Post Co., Ltd.	Became Executive Officer of the Company on April 1, 2021
ITAGAKI Tadayuki	Executive Officer (In charge of) In sub-charge of the Group Real Estate Management Department		Became Executive Officer of the Company on June 18, 2021
TAKEMOTO Tsutomu	Executive Officer (In charge of) In sub-charge of the Facility Management Department		Became Executive Officer of the Company on July 1, 2021

(As of March 31, 2022)

Name	Position and responsibilities	Significant concurrent positions	Others
SUNAYAMA Naoki	Executive Officer (In charge of) In sub-charge of the New Business Planning Office		Became Executive Officer of the Company on February 1, 2022

- Notes: 1. Director Mr. SATAKE Akira possesses suitable knowledge relating to finance and accounting, which he has gained through serving in such roles as Director and Executive Vice President of Sumitomo Precision Products CO., LTD., etc.
2. With the aim of further enhancing the effectiveness of the Audit Committee's activities, the Company appointed Mr. SATAKE Akira as standing member of the Audit Committee.
3. The Company's outside directors, Mr. MIMURA Akio, Mr. ISHIHARA Kunio, Mr. Charles Ditmars Lake II, Ms. HIRONO Michiko, Mr. OKAMOTO Tsuyoshi, Ms. KOEZUKA Miharu, Ms. AKIYAMA Sakie, Mr. KAIAMI Makoto and Mr. SATAKE Akira are such Independent Directors as provided for by Tokyo Stock Exchange, Inc.
4. Director HIRONO Michiko's name on her family register is FUJII Michiko.
5. Director, Representative Executive Officer, President & CEO Mr. MASUDA Hiroya retired as Visiting Professor of Graduate School of Public Policy at the University of Tokyo on March 31, 2022.
6. Major change in officers during this fiscal year is as follows:

Name	Position after change	Position before change	Date of change
IIZUKA Atsushi	Representative Executive Officer, Executive Vice President	Senior Managing Executive Officer	June 18, 2021
SHOMURA Tsutomu	Managing Executive Officer	Executive Officer	June 18, 2021
ASAI Tomonori	Managing Executive Officer	Executive Officer	June 18, 2021
TANIGAKI Kunio	Managing Executive Officer	Senior Managing Executive Officer	November 1, 2021

Directors and Executive Officers of the Company that Resigned during this Fiscal Year

Name	Position and responsibilities	Significant concurrent positions	Others
INASAWA Toru	Senior Managing Executive Officer (In charge of) Special assignment		Resigned from Senior Managing Executive Officer of the Company on June 24, 2021
HAYASHI Toshiyuki	Managing Executive Officer (In charge of) Special assignment		Resigned from Managing Executive Officer of the Company on June 30, 2021
OTAKA Kozo	Executive Officer (In charge of) In sub-charge of the Facility Management Department		Resigned from Executive Officer of the Company on June 30, 2021
IWASAKI Yoshifumi	Representative Executive Officer, Executive Vice President (In charge of) the Group Real Estate Management Department and the Facility Department		Resigned from Representative Executive Officer, Executive Vice President of the Company on March 31, 2022

Name	Position and responsibilities	Significant concurrent positions	Others
TANAKA Hiroyuki	Executive Officer (In charge of) In sub-charge of the New Business Planning Office (Senior General Manager of the New Business Planning Office)		Became Executive Officer of the Company on June 18, 2021 Resigned from Executive Officer of the Company on March 31, 2022
MEGURO Kenji	Executive Officer (In charge of) In sub-charge of the Group IT Management Department (Senior General Manager of the Group IT Management Department)		Resigned from Executive Officer of the Company on March 31, 2022

Note: The position, responsibilities, and significant concurrent positions stated above are the ones held at the time of resignation.

(2) Compensation for the Directors and Executive Officers of the Company

(Millions of yen)

Classification	Number of persons paid (Persons)	Compensation, etc.		
			Basic remuneration	Performance-linked stock compensation
Director	9	90	90	-
Executive Officer	34	792	642	149
Total	43	882	732	149

Notes: 1. Figures are rounded down to the nearest million yen.

- The Company does not pay compensation for being a director of the Company to 1 director who concurrently hold office as an executive officer and 3 directors who concurrently hold positions at major subsidiaries and solely execute business at the respective subsidiary. Also, the Company does not pay compensation for being an executive officer of the Company to 7 executive officers who concurrently hold positions at major subsidiaries and solely execute business at the respective subsidiaries.
- The retirement benefits or bonuses for officers are not paid.
- Performance-linked stock compensation is the expense recorded in the fiscal year under review. There are no performance-linked compensation or non-monetary compensation other than the above-mentioned stock compensation.
- With regard to performance-based stock compensation, the points awarded to executive officers are calculated by multiplying basic points based on the duties of an executive officer and individual evaluation points based on the execution of their responsibilities by a coefficient that changes based on company performance each fiscal year (achievement status of management plans, etc.). Individual evaluations are made by individually evaluating the results and status of initiatives in the business that executive officer is responsible for. With regard to indicators related to company performance, in order to enable comprehensive judgment of the degree of achievement of management, the Compensation Committee has set indicators from multiple different categories, using “consolidated net income attributable to Japan Post Holdings” and “consolidated ordinary income ratio” as financial indicators, as well as “progress and implementation of the medium-term management plan ‘JP Vision 2025’ and the ‘Commitments to Regain Customers’ Trust” and “occurrence of serious administrative incidents and misconduct in the Group and operation of compliance systems” as non-financial indicators, that are suitable for the business format and content of the Company.

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

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

[Target and results of performance-based compensation indicators for the fiscal year under review]

Performance indicators	Target	Actual
Net income attributable to Japan Post Holdings	340,000 million yen or more	501,685 million yen
Ratio of consolidated ordinary income	6.887% or more	8.801%
Progress and implementation of the medium-term management plan “JP Vision 2025” and the “Commitments to Regain Customers’ Trust”		The medium-term management plan, including its ESG targets (reducing greenhouse gas emissions and increasing the ratio of female managers), is mostly progressing as planned. Activities for restoring trust in the Company were evaluated as having achieved a certain level of success.
Occurrence of serious administrative incidents and misconduct in the Group and operation of compliance systems		There were incidents that were revealed or occurred, including abandonment and concealment of postal mail, etc., embezzlement of funds by the head of a post office, etc. and improper handling of customer information in the distribution of business calendars.

Amount of Compensation, etc. paid to the Directors and Executive Officers of the Company and Decision on the Method of Calculating the Amount

The Compensation Committee establishes the “Policy regarding decision on the amount of compensation for each director and executive officer” as follows, and the amount of compensation paid to all the directors and executive officers of the Company is determined on the basis of this policy.

1. Compensation Structure

- (1) Only the executive officer compensation is paid to the executive officers who concurrently hold office as a director.
- (2) Fixed compensation is paid to the directors of the Company on the basis of their responsibilities, considering the scope and weight of their responsibility in management and other activities.
- (3) Compensation paid to the Company’s executive officers shall comprise basic compensation (fixed compensation) based on their responsibilities and performance-linked stock compensation as a mechanism to function as a sound incentive for the sustained growth of the Company.

2. Director’s Compensation

Fixed compensation of a certain amount is paid to directors on the basis of their responsibilities considering their major role as a management supervisor, and the amount of the compensation needs to be reasonable in light of the weight of their responsibilities as directors and the current situation of the Company.

3. Executive Officer’s Compensation

Compensation for the Company’s executive officers is paid out as basic compensation (fixed compensation) following a predefined standard based on their responsibilities and performance-linked stock compensation that considers the extent to which the management plan has been achieved, considering the differences in responsibilities for each position.

The level of basic compensation is commensurate with the extent of the executive officer’s responsibilities and the current situation of the Company; provided, however that in the case of executive officers who take charge of fields that demand special knowledge and skill, if the amount of the basic compensation based on his/her responsibilities is considerably lower than the standard level of compensation generally received by officers in charge of such field in other companies, the amount of the basic compensation will be determined taking into account the compensation level of other companies as a standard.

Stock compensation shall be paid out in the form of stock based on the total number of points accumulated at retirement and a cash amount obtained from the realization of a certain percentage of such stock, from the perspective of providing a sound incentive for the sustained growth of the Company. The points are calculated every year by multiplying (i) the sum of basic points determined based on roles and responsibilities and evaluation points determined based on individual evaluations by (ii) a coefficient that fluctuates based on the extent to which the management plan has been achieved.

In the case that a national government official who has been seconded to the Company takes up the position of an executive officer, a retirement benefit may be provided. The retirement benefit shall be determined in accordance with the rules for retirement benefits for employees by adding the period of his/her service as a national government official to the length of his/her service in the Company at the time of his/her retirement (excluding the case where he/she returns to the capacity of national government official after retirement from the Company).

4. Other

In case any of the Company’s Directors or Executive Officers serve concurrently as Director(s), Audit & Supervisory Board Member(s), Executive Officer(s) of a group company, the said Director(s) or Executive Officer(s) will receive compensation from the company at which they perform their main duties.

Reason Why the Compensation Committee Judges that the Individual Compensation, etc. of Executive Officers is in Accordance with the Policy

The Company’s Compensation Committee has conducted a multifaceted examination regarding the appropriateness, etc., of the compensation levels according to the responsibilities and positions of the directors and executive officers, and has set out the “Officer Compensation Standards,” which stipulates the amounts of basic compensation for each position, and the “Officer Stock Payment Regulations,” which stipulate the performance-linked stock compensation for executive officers.

Based on these standards and regulations, the amount of basic compensation and points to be granted for stock compensation, etc. for each individual are determined by the Compensation Committee, and the committee has determined that the respective details are in line with the above policy.

(3) Limited Liability Agreements

Name	Summary of Limited Liability Agreement
IKEDA Norito	In accordance with Article 427, paragraph 1 of the Companies Act and the Articles of Incorporation, the Company may enter into an agreement with directors (limiting to non-executive directors as stipulated in such article and provision) to limit their liability under Article 423, paragraph 1 of the said Act. The limit of liability under such agreement shall be the total amount of each item provided in the Article 425, paragraph 1 of the said Act.
KINUGAWA Kazuhide	
SENDA Tetsuya	
MIMURA Akio	
ISHIHARA Kunio	
Charles Ditmars Lake II	
HIRONO Michiko	
OKAMOTO Tsuyoshi	
KOEZUKA Miharuru	
AKIYAMA Sakie	
KAIAMI Makoto	
SATAKE Akira	

Note: The names in the above list are those of directors who executed limited liability agreement as of March 31, 2022.

(4) Indemnity Agreements

Indemnity Agreements with Directors and Executive Officers of the Company in office

Name	Summary of the indemnity agreements
MASUDA Hiroya	The directors have concluded an indemnity agreement with the Company as provided for in Article 430-2, paragraph 1 of the Companies Act, and the Company shall compensate for the expenses set forth in item 1 of the same paragraph and the losses set forth in item 2 of the same paragraph within the scope prescribed by laws and regulations.
IKEDA Norito	
KINUGAWA Kazuhide	
SENDA Tetsuya	
MIMURA Akio	
ISHIHARA Kunio	
Charles Ditmars Lake II	
HIRONO Michiko	
OKAMOTO Tsuyoshi	
KOEZUKA Miharuru	
AKIYAMA Sakie	
KAIAMI Makoto	
SATAKE Akira	
IIZUKA Atsushi	
IWASAKI Yoshifumi	
TANIGAKI Kunio	
INASAWA Toru	
KAWAMOTO Hiroaki	
ONO Taneki	

Name	Summary of the indemnity agreements
YAMASHIRO Yasuhiko	
FUKUMOTO Kenji	
FURUSATO Hiroyuki	
SHIMA Toshitaka	
KINOSHITA Noriko	
NISHIGUCHI Akihito	
KATO Nobuyasu	
SHOMURA Tsutomu	
ASAI Tomonori	
HAYASHI Toshiyuki	
NAKATA Hirohito	
TATEBAYASHI Satoru	
TANAKA Susumu	
ICHIKURA Noboru	
OGATA Kenji	
SAKURAI Makoto	
IZUMI Mamiko	
OTAKA Kozo	
KAZAMATSURI Makoto	
MEGURO Kenji	
YOKOYAMA Akihiko	
KAWANO Youichi	
IIDA Yasuhisa	
MITANI Masanobu	
ITAGAKI Tadayuki	
TANAKA Hiroyuki	
TAKEMOTO Tsutomu	
SUNAYAMA Naoki	

Fulfillment of the indemnity agreements

None.

(5) Directors and Executive Officers Liability Insurance

Scope of insureds	Summary of the Directors and Executive Officers liability insurance
All of the Directors, Executive Officers, and Audit & Supervisory Board Members of the Company and the Company's subsidiary, Japan Post Co., Ltd.	The policy covers the insured, being officers of the company (including executive officers) for claims for damages and litigation expenses, etc. incurred by the insured due to receiving claims for damages arising from action (including omission) carried out in regard to their duties as officers. However, criminal acts such as bribery, and damages to officers who committed intentionally illegal acts are excluded from the scope of indemnification as a measure to ensure that the appropriate execution of duties by officers, etc. is not impaired. Insurance premiums are paid in full by the companies in which the officers perform their duties.

3. Outside Directors

(1) Concurrent Positions and Other Statuses of Outside Directors

(As of March 31, 2022)

Name	Concurrent Positions and Other Status
MIMURA Akio	Honorary Company Fellow & Chairman Emeritus of NIPPON STEEL CORPORATION Chairman of Japan Chamber of Commerce and Industry Chairman of Tokyo Chamber of Commerce and Industry Director of Development Bank of Japan Inc. (Outside Director) Director of INCJ, Ltd. (Outside Director) Director of Tokio Marine Holdings, Inc. (Outside Director) Director of Nisshin Seifun Group Inc. (Outside Director)
ISHIHARA Kunio	Senior Adviser to the Board of Tokio Marine & Nichido Fire Insurance Co., Ltd. Audit & Supervisory Board Member of Tokyu Corporation (Outside Audit & Supervisory Board Member) Director and Audit and Supervisory Committee Member of NIKON CORPORATION (Outside Director) Audit & Supervisory Board Member of Mitsubishi Research Institute, Inc. (Outside Audit & Supervisory Board Member)
Charles Ditmars Lake II	Chairman and Representative Director of Aflac Life Insurance Japan Ltd. President and Member of the Board of Directors of Aflac International Incorporated Corporate Director of Tokyo Electron Limited (Outside Director) Director of Shiseido Company, Limited (Outside Director)
HIRONO Michiko	Director of Nissin Manufacturing Co., Ltd. (Outside Director)
OKAMOTO Tsuyoshi	Senior Corporate Advisor of Tokyo Gas Co., Ltd. Director of Asahi Kasei Corporation (Outside Director) Director of Mitsubishi Estate Co., Ltd. (Outside Director)
KOEZUKA Miharuru	Director of Nankai Electric Railway Co., Ltd. (Outside Director) Director of the Board, Nippon Paint Holdings Co., Ltd. (Outside Director)
AKIYAMA Sakie	Founder of Saki Corporation (Advisor) Director of Sony Group Corporation (Outside Director) Director of ORIX Corporation (Outside Director) Director of Mitsubishi Corporation (Outside Director)
KAIAMI Makoto	Attorney Audit & Supervisory Board Member of SEIREN, Co., Ltd (Outside Audit & Supervisory Board Member) Director of Tokyu Fudosan Holdings Corporation (Outside Director)
SATAKE Akira	

Note: There is no relationship to be disclosed between the Company and corporations at which the outside directors hold concurrent positions.

(2) Major Activities of Outside Directors

Name	Term of office	Attendance at Board of Directors' meetings, etc.	Statement and other activities at Board of Directors' meetings, etc.
MIMURA Akio	8 years and 9 months	Attended 13 of 15 Board of Directors' meetings and all four Nomination Committee meetings during this fiscal year.	Mr. MIMURA Akio has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that he has cultivated throughout his career. In addition, he performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.
ISHIHARA Kunio	6 years and 9 months	Attended all 15 Board of Directors' meetings, all four Nomination Committee meetings, and all five Compensation Committee meetings during this fiscal year.	Mr. ISHIHARA Kunio has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that he has cultivated throughout his career. In addition, he performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.
Charles Ditmars Lake II	5 years and 9 months	Attended all 15 Board of Directors' meetings during this fiscal year.	Mr. Charles Ditmars Lake II has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that he has cultivated throughout his career. In addition, he performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.

Name	Term of office	Attendance at Board of Directors' meetings, etc.	Statement and other activities at Board of Directors' meetings, etc.
HIRONO Michiko	5 years and 9 months	Attended all 15 Board of Directors' meetings during this fiscal year.	Ms. HIRONO Michiko has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that she has cultivated throughout her career. In addition, she performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.
OKAMOTO Tsuyoshi	3 years and 9 months	Attended all 15 Board of Directors' meetings, all four Nomination Committee meetings, and all five Compensation Committee meetings during this fiscal year.	Mr. OKAMOTO Tsuyoshi has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that he has cultivated throughout his career. In addition, he performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.
KOEZUKA Miharu	3 years and 9 months	Attended 14 of 15 Board of Directors' meetings, all 20 Audit Committee meetings during this fiscal year.	Ms. KOEZUKA Miharu has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that she has cultivated throughout her career. In addition, she performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.
AKIYAMA Sakie	2 years and 9 months	Attended 14 of 15 Board of Directors' meetings during this fiscal year.	Ms. AKIYAMA Sakie has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that she has cultivated throughout her career. In addition, she performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.

Name	Term of office	Attendance at Board of Directors' meetings, etc.	Statement and other activities at Board of Directors' meetings, etc.
KAIAMI Makoto	1 year and 9 months	Attended all 15 Board of Directors' meetings and all 20 Audit Committee meetings during this fiscal year.	Mr. KAIAMI Makoto has been in the legal profession for many years and can be expected supervise and check the management of the Company based on the experience and insight as a legal expert that he has cultivated throughout his career. In addition, he performs an appropriate role as an outside director of the Company, providing supervision and advice on business execution, including offering useful opinions and suggestions on the Company's management based on his knowledge and experience in the legal profession.
SATAKE Akira	1 year and 9 months	Attended all 15 Board of Directors' meetings and all 20 Audit Committee meetings during this fiscal year.	Mr. SATAKE Akira has been involved in corporate management for many years and can be expected supervise and check the management of the Company based on the experience and insight as a management expert that he has cultivated throughout his career. In addition, performs his role as an outside director of the Company appropriately, supervising and providing advice on business execution, including offering useful opinions and suggestions on the Company's management from a management viewpoint.

Notes: 1. The terms of office stated above are the current terms as of March 31, 2022.

2. The terms of office stated above have been rounded down to eliminate periods less than one month.
3. Since incidents were identified in which the switching of policies with respect to Japan Post Insurance products was carried out in a manner that may have caused disadvantages to customers, not in line with their intentions, the Company and Japan Post Co., Ltd. were imposed on administrative dispositions by the Ministry of Internal Affairs and Communications and the Financial Services Agency, and Japan Post Insurance Co., Ltd. was imposed on the same by the Financial Services Agency on December 2019 based on the Insurance Business Act, etc. Each Outside Director has been fulfilling his/her duties such as presenting proposals on our daily operations from the viewpoint of group governance, internal control and legal compliance at the Board of Directors' meetings and also giving instructions for thorough inspection and prevention of such incidents after such incidents came to light. Since then, each outside officer has been receiving reports on the progress of the business improvement plan at Board of Directors' meetings of the Company on a periodic basis and monitoring the contents of various measures and the progress thereof appropriately.

(3) Compensation for Outside Directors

(Millions of yen)

	Number of persons paid (Persons)	Compensation paid by the Company	Compensation paid by the parent of the Company
Total amount	9	90	—

Notes: 1. Figures are rounded down to the nearest million yen.

2. The retirement benefits or bonuses are not paid.

based on a resolution of the Board of Directors on October 6, 2021 according to Article 39, paragraph 1 of the Company's Articles of Incorporation as provided for in the provision of Article 459, paragraph 1, item (i) of the Companies Act. In addition, the Board of Directors resolved on April 25, 2022 to cancel shares of treasury stock based on the provisions of Article 178 of the Companies Act and plans to cancel 110,072,529 shares of treasury stock on May 20, 2022.

5. Matters Concerning Stock Acquisition Rights

None.

6. Matters Concerning the Independent Auditor

(1) Status of Independent Auditor

(Millions of yen)

Name	Compensation, etc. for this fiscal year	Other
KPMG AZSA LLC Designated Limited Liability Partner AZAMI Kazuhiko Designated Limited Liability Partner MAENO Atsuji Designated Limited Liability Partner TOYAMA Takahiro	229	The Company pays consideration to the independent auditor for the preparation of comfort letters, which is a service other than those stipulated in Article 2, paragraph 1 of the Certified Public Accountants Act (non-auditing services).

Notes: 1. Figures are rounded down to the nearest million yen.

2. Within the accounting audit contract between the Company and accounting auditor, the compensation paid for the audit under the Companies Act and the compensation paid for the audit under the Financial Instruments and Exchange Act are not distinguished, and as such the total amount is presented because these categories cannot be distinguished effectively.
3. The Audit Committee has reviewed the appropriateness of the contents of the audit plan, the status of execution of the accounting audit and the calculation basis of the estimated compensation amount of the independent auditor. As the aforementioned was judged to be appropriate as a result, the compensation amount and other amounts payable to the independent auditor have been agreed.
4. Total amount of money and other economic benefits to be paid by the Company and its subsidiaries is ¥992 million.

(2) Limited Liability Agreements

None.

(3) Indemnity Agreements

None.

(4) Other Matters Concerning the Independent Auditor

■ Policy regarding decisions to dismiss or not to reappoint an independent auditor

The Audit Committee shall dismiss the independent auditor if the independent auditor is deemed to fall under any of the items of Article 340, paragraph 1 of the Companies Act. Also, the Audit Committee comprehensively evaluates the independent auditor's execution of its duty and, if deemed necessary, shall determine a proposal for the dismissal or non-reappointment of the independent auditor to be submitted to the general meeting of shareholders.

■ Audit of financial statements of major subsidiaries of the Company by certified public accountants or audit corporations other than the Independent Auditor of the Company

None.

7. Systems to Ensure the Properness of Operations

The Board of Directors has resolved, as outlined below, the “Fundamental Policy for Establishment of Internal Control Systems” as the basic policy to establish the systems to ensure the properness of operations.

1. System to ensure the properness of operations in the Group which consists of the Company and its subsidiaries
 - (1) The Company has concluded agreements on the Japan Post Group’s operation and management (“JP Group Management Agreements”) with Japan Post Co., Ltd., Japan Post Bank Co., Ltd., and Japan Post Insurance Co., Ltd. (hereinafter collectively referred to as the “Three Business Companies”). The Company seeks from them the application for prior approval or reporting (prior consultation or reporting with respect to Japan Post Bank Co., Ltd. and Japan Post Insurance Co., Ltd.) concerning matters necessary to achieve proper and smooth operation of the Group (including important matters that may seriously affect the management of the Group).
 - (2) Among information recognized through (1) above or other methods, important matters that may seriously affect the management of the Group are promptly reported to the Management Meeting and Board of Directors.
 - (3) In order for intragroup transactions be appropriately carried out without having significant effect on the soundness of each group companies, the Company states the basic policy regarding intragroup transactions as well as matters to be complied by each group companies in JP Group Management Agreements.
2. System to ensure that executive officers and employees of the Company, and directors, executive officers and employees of its subsidiaries execute their duties in accordance with laws and regulations and the Articles of Incorporation
 - (1) The Company establishes the management philosophy, management policy and Charter of Corporate Conduct of the Group and strives to disseminate them so that officers and employees of each group company comply with laws and regulations in every aspect of business operations. Also, the Company develops a basic framework of a compliance system in JP Group Management Agreements.
 - (2) The Company establishes a department supervising the Group compliance and makes efforts to promote compliance. Concurrently, the Company establishes the Compliance Committee and Group Compliance Committee, which discuss compliance policy on Group management, its specific application, and coping with various problems including issues related to sales and operations, and reports important matters to the Management Meeting, Audit Committee, and Board of Directors.
 - (3) The Company strives to be thorough with compliance through preparation of a compliance manual mentioning explanations about laws and regulations related to the Company’s business activities and implementation of training regarding laws and regulations as well as internal regulations officers and employees must comply with. Also, in JP Group Management Agreements, the Company requires the Three Business Companies to be thorough with compliance through preparation of a compliance manual and implementation of training.
 - (4) As for antisocial elements, which threaten the order and the safety of civil society, in accordance with the Charter of Corporate Conduct of the Group, the Group as a whole is resolved to fight against them, not to have any relations with them, and to exclude them. Also, the Company regularly cooperates with each group company and outside professional institutions such as police and firmly copes with illegal activities and unreasonable demands.
 - (5) To secure the properness of the Group’s financial statements and other relevant information, the Company establishes rules on establishment, operation, evaluation, and reporting of internal controls over financial reporting in JP Group Management Agreements. Also, the Company establishes a department supervising the establishment of internal controls over financial reporting and a department independently evaluating internal controls over financial reporting, makes efforts to secure the reliability of the Group’s financial reporting, and reports important matters, if necessary, to the Management Meeting, Audit Committee and Board of Directors.

- (6) In addition to establishing a reporting rule in case of violations of laws and regulations and internal rules, the Company establishes internal hotline inside and outside the Company and disseminates the use of them to officers and employees.
 - (7) The internal audit division, which is independent of the other divisions audited, executes effective internal audit, including the situation of compliance with laws and regulations. Also, the Company requires the Three Business Companies to execute effective internal audit in JP Group Management Agreements, monitors the situation of execution of internal audit and internal audit system, and reports the results to the Management Meeting, Audit Committee and Board of Directors.
3. Policies and other systems on management of risk of the Company and its subsidiaries
- (1) The Company provides in JP Group Management Agreements, fundamental principles of risk management and basic matters which are to be complied with in risk management such as risks subject for management as the basic policy of Group's risk management.
 - (2) The Company establishes a department supervising risk management of the Group, grasps the situation of risks in the Group, and analyzes and manages the risks. Concurrently, the Company implements correction of the handling and management method of outstanding risks. Also, the Company reports the situation of execution of risk management of the Group to the Management Meeting, Audit Committee and Board of Directors.
 - (3) Regarding the risk management of the Company, the Company establishes and executes classification of risks, management methods, and management system in accordance with its risk management policy and risk management rules. Also, the Management Meeting deliberates important matters regarding risk management.
 - (4) To swiftly and properly cope with risks and take corrective measures in case of the occurrence of such risks that seriously affect the management, the Company establishes rules regarding crisis management system and crisis handling measures in JP Group Management Agreements.
4. System for the storage and management of information related to the execution of duties by executive officers
- In the Management Meeting Regulations and the Document Management Rules, the Company clarifies method and system for the storage and management of information related to the execution of duties by executive officers such as the minutes of the Management Meeting and approval documents and strives to properly store and manage such information. Concurrently, according to requests by the Audit Committee and the internal audit division, the Company provides the requested documents for reading and copying.
5. System to ensure that executive officers of the Company, and directors and executive officers of its subsidiaries efficiently execute their duties
- (1) The Management Meeting consisting of executive officers is held every week as a rule and discusses matters delegated by the Board of Directors and matters to be discussed by the Board of Directors. Also, the Company establishes a special committee as an advisory body to the Management Meeting, if necessary.
 - (2) The Company establishes the Organization Rules and Management Authority Rules, clarifies roles of each organization, and management authorities and responsibilities of executive officers, and strives to make execution of duties by executive officers efficient.
 - (3) For the purpose of promoting an efficient and effective Group management, the Company establishes a Group Steering Committee so that important matters concerning Group management may be discussed and information shared on an issue-by-issue basis.

6. Matters concerning employees who assist the Audit Committee in fulfilling its duties

The Company establishes an Office of Audit Committee to assist the Audit Committee in fulfilling its duties and place exclusive employees with necessary knowledge and ability to assist the Audit Committee.

7. Matters concerning the independence of employees who assist the Audit Committee from the executive officers

Employment, transfer, evaluation, and discipline of employees belonging to the Office of Audit Committee require prior consent of the Audit Committee or a member thereof designated by the Audit Committee.

8. Matters concerning to ensure the effectiveness of instructions for employees who assist the Audit Committee

Employees of the Office of Audit Committee follow orders and instructions of the Audit Committee or the members thereof designated by the Audit Committee, and perform their duties such as conducting investigations and receiving reports.

9. System to report to the Audit Committee

- (1) The executive officer supervising internal controls periodically reports the situation of execution of his/her duties concerning internal controls of the Group to the Audit Committee.
- (2) The executive officer supervising the internal audit division periodically reports the situation of execution of internal audit of the Group and results to the Audit Committee, and promptly reports matters that may seriously affect the management to the members of the Audit Committee. In this case, if the Audit Committee deems it necessary, the Audit Committee shall request the executive officer responsible for the internal audit division to conduct an investigation or give specific instructions on the execution of duties.
- (3) An executive officer in charge of the Compliance Division periodically reports to the Audit Committee regarding the situation of promoting Group's compliance and occurrences of compliance violations.

Also, the Group's material compliance violation cases (including cases which may result in a material compliance violation) revealed through internal hotline and other means are promptly reported to the members of the Audit Committee.

- (4) Executive officers and employees promptly report matters that may seriously affect the management of the Group to the members of the Audit Committee.
 - (5) Executive officers and employees report the situation of execution of their duties of the Group upon the Audit Committee's request.
 - (6) Person engaged in the reporting to the Audit Committee or the members of the Audit Committee shall not be treated disadvantageously by reason of being engaged in such reporting.
10. Matters concerning procedures for advance payments or reimbursement arising from execution of duties relating to the Audit Committee and policy regarding the handling of expenses or debts arising from other such execution of duties

If any member of the Audit Committee requests necessary expenses to the Company for seeking opinion to lawyers, certified public accountants and other outside professionals, or entrusting investigations, appraisals, and other administrations in executing the Audit Committee's duties, executive officers and employees shall not refuse the request except where the Company proves that such requested expenses are unnecessary for the Audit Committee to execute its duties.

11. Other systems to ensure effective auditing by the Audit Committee

- (1) The representative executive officers periodically exchange opinions and make efforts to foster mutual understanding with the Audit Committee about important management matters including the basic policy of the Company's management, issues to be addressed, and the situation of functioning of the internal control systems.
- (2) The Audit Committee receives explanations on audit plan from the independent auditor in advance, periodically receives audit reports, and makes efforts to cooperate through exchange of opinions, if necessary, to always grasp important points of financial audit.
- (3) In executing its duties, the Audit Committee makes efforts to cooperate with audit committees or Audit & Supervisory Board Members of the Three Business Companies by periodically exchanging information and opinion.
- (4) Appointment of key personnel of the internal audit division requires prior consent of the Audit Committee.
- (5) Drawing up of the medium-term audit plan and audit plans for the fiscal year, etc., which are parts of the internal audit plan, requires prior consent of the Audit Committee.

The operating status of "systems to ensure the properness of operations" is as follows:

1) Overall internal control systems

- For the purpose of further fortifying the internal control and corporate governance of the Group, the Company has established an "Internal Control General Meeting" where necessary issues regarding internal control or corporate governance are being discussed.
- The Company confirms whether the internal control system is effectively functioning through reporting the operational status of the "Fundamental Policy for Establishment of Internal Control Systems" by Executive Officer in charge of Internal Control Division to the Internal Control General Meeting, the Board of Directors' meetings, etc. (Board of Directors' meeting, Audit Committee and Management Meeting; the same shall apply hereinafter) on a quarterly basis.

2) Group operation system

- The Company has concluded agreements on the Japan Post Group's operation and management ("JP Group Management Agreements") with Japan Post Co., Ltd., Japan Post Bank Co., Ltd., and Japan Post Insurance Co., Ltd. (hereinafter collectively referred to as the "Three Business Companies"), whereby a consensus has been reached on basic matters related to the Group's common philosophy, policies and other aspects of Japan Post Group's management, and a system is in place for approving or consulting, or reporting, necessary matters for achieving proper and smooth operation of the Group.
- In addition, the items in reports on orders from regulatory authorities and reports on sales and operations are operated appropriately.
- In accordance with the JP Group Management Agreements, the Company receives reports of important intragroup transactions from the Three Business Companies, and verifies that intragroup transactions are carried out appropriately after conducting its own inspection.

3) Compliance system

- The Group acknowledges compliance as one of the highest management issues and each group company has built an effective compliance framework by establishing a Compliance Committee, and a Compliance Department that is independent from departments related to business execution, among others.
- In addition, the Company established the Group Compliance Committee for various purposes such as information sharing and deliberating about the compliance policy on Group management, its specific application, and coping with various problems including issues related

to sales and operations such as internal crimes including a financial crime by the head of a post office, and reports important matters to the Board of Directors, etc.

- Each group company draws up a “Compliance Program,” a plan for specific actions to promote compliance, every fiscal year and the initiatives and progress are reported quarterly to the Board of Directors’ meetings, etc.
- Each group company has prepared and distributed a “Compliance Handbook,” and is taking initiatives to enhance awareness of compliance to officers and employees through training programs and other means.
- Reporting rules are in place for compliance violations, while an internal hotline, external hotline and improper financial product sales hotline have been set up both inside and outside the Company. The use of such hotline is made known to executive officers and employees by publishing information materials periodically and other means. The Group is operating and spreading information about the improper financial product sales hotline dedicated to financial product sales handled by group companies such as Japan Post Insurance products, investment trusts, etc., so that reports including events which are not clearly deemed as compliance violations, etc. may also be received through the hotline.
- The Group has expanded the scope of persons who may report issues in line with the revisions to the Whistleblower Protection Act and is working to strengthen the protection of whistleblowers. Furthermore, the Group is working to reform the whistleblower system such as by introducing a “One-Stop Consultation and Reporting Platform” as a portal site to provide a secure environment and improved convenience and establishing an “External Specialist Team,” in which outside lawyers can handle the entire process from receipt of reports to investigation and notification of the results of the investigation.
- The Group is working to establish a group-wide system for anti-money laundering and counter-terrorist financing, and to this end, based on the Fourth Round Mutual Evaluation Report by FATF (published on August 30, 2021), the Group Compliance Committee and other groups have reviewed the progress of “ongoing customer due diligence,” “transactions monitoring,” and “due diligence on entities’ beneficial ownership,” which are common issues for all Group companies.

4) System for exclusion of antisocial forces

- The Group has posted “Japan Postal Group Charter of Corporate Conduct,” and “Declaration by Top Management (“Basic Rules on Dealings with Antisocial Forces”)” on the website of each group company, and internally and externally declares to prevent possible damages by eliminating any and all relationships with antisocial forces.
- With regard to responding to antisocial forces, the Group has established an office for managing its response to antisocial forces and mainly conducted integrated management of related information, preparation of the response manual and guidance of introduction of a clause regarding the exclusion of “boryokudan” (organized crime group) in agreements. Also, in liaison with each group company and outside professional institutions, the Group is implementing elimination and exclusion of the relationships with such forces as an organization in its entirety.

5) Risk management system

- In accordance with the Basic Policy for Group Risk Management, the Company reports the situation of risk management in the Group and the Company on a quarterly basis to the Board of Directors’ meetings, etc.
- Through the Japan Post Group Operational Risk Management Liaison Committee, etc., the Company also shares information on risks at each group company.
- The Company selected risks of business, etc. of the Group on which the management team of the Company places a particular focus and disclosed them in its annual securities report.

- In addition, as part of measures to sophisticate the risk management framework of the Group, the Company worked to establish and operate the risk appetite framework (RAF).
- In accordance with the rules regarding crisis management systems and crisis response measures provided in JP Group Management Agreements, the Company implements checking on the effectiveness of crisis management system of each group company, reporting and sharing of information in the event of a disaster, and checking on the system of communication in the event of an emergency, and the Company reports the situation of development and training of crisis management systems to the Japan Post Group Crisis Management Committee.
- Furthermore, various measures have been implemented after deciding on the unified response policy within the Group to the spread of COVID-19.

6) Internal audit system

- In accordance with the audit plan, internal audits are conducted and results are reported to the Board of Directors' meetings, etc.
- The status of corrective actions and improvement of the internal audit findings are checked, and the results are reported quarterly to the Board of Directors.
- The auditing activities of the Three Business Companies are recognized and evaluated quarterly, and reported to the Board of Directors.
- The Company conducts preliminary monitoring interview activities (onsite monitoring activities) to understand the actual frontline operation at post offices, etc.

7) System of internal controls over financial reporting

- In accordance with the Financial Instruments and Exchange Act, the Company designs, implements and operates internal controls over financial reporting of the Group, and in order to secure reliability of such financial reporting, it performs assessments of internal controls regarding financial reporting pursuant to the "On the Setting of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" (Business Accounting Council). Also, the Company reports assessment plans for the fiscal year, its progress status, results of evaluation of the effectiveness of internal controls over financial reporting of the Group to the Board of Directors' meetings, etc.

8) Information preservation and management system

- The Company provides rules and measures for preservation and management of various types of information in the Document Management Rules.
- The Company appropriately operates the "Integrated Document Management System" which digitizes processes from document approvals to retention.
- Minutes for Management Meeting, special committee, etc. are accurately recorded and prepared, information being appropriately preserved and managed.

9) System for efficient execution of duties

- The Management Meeting is held every week as a rule and deliberates matters delegated by the Board of Directors and matters to be discussed by the Board of Directors. Also, the Company periodically holds Group Steering Committee and discusses issues pertaining to important matters in the Group management.
- In addition, the Group Steering Committee shares and holds discussions not only on reports on management information concerning routine items but also on reports from each company on

matters such as the status of voices of customers and employees offered to each company, the status of occurrence of operational risks, results of analysis of data posted on SNSs, etc.

- The Company establishes the Organization Rules and Management Authority Rules, clarifies roles of each organization, management authorities and responsibilities of executive officers, and strives to ensure efficient execution of duties by executive officers.

10) System relating to the Audit Committee

- Executive officers who are in charge of internal control departments such as the Internal Audit Division and Compliance Division periodically report to the Audit Committee, while officers and employees report information necessary for the Audit Committee audit, whenever necessary. Furthermore, if the Audit Committee deems it necessary, the Audit Committee will require the executive officer in charge of the internal audit division to conduct investigations or give the officer specific instructions on execution of their duty. In addition, appointment of key personnel of the internal audit division and drawing up of the medium-term audit plan and audit plans for the fiscal year, etc. require prior consent of the Audit Committee.
- In order to assist the Audit Committee in fulfilling its duties, the Company has established an executive office independent from execution departments and has posted the necessary personnel. Also, regarding the expenses necessary in executing duties of the Audit Committee, the Company appropriates the necessary amounts in the budget so that activities of the Audit Committee may be conducted without constraints.
- Representative executive officers and the Audit Committee periodically exchange opinions regarding important management matters and are making efforts to deepen mutual understandings. The Audit Committee makes efforts to cooperate with the independent auditor and audit committees or Audit & Supervisory Board Members of the Three Business Companies by periodically exchanging information and opinion.

8. Policy on Exercise of Authority if Articles of Incorporation Allow Distribution of Surplus by Resolution of the Board of Directors

The Company considers returning profits to shareholders to be an important management issue and sets out its basic policy to continuously provide stable return to shareholders, in accordance with the results of operation.

With regard to dividends of surplus, the Company has aimed to pay stable dividends with an annual dividend of around ¥50 per share until the end of the fiscal year ending March 31, 2026 in order to realize a steady return of profits to shareholders while paying attention to capital efficiency and remembering to enhance internal reserves.

In order to ensure flexible management operations, the decision-making body concerning dividends from surplus is set to be the Board of Directors as per the provisions of the Articles of Incorporation. In addition, it is stipulated that dividends from surplus be paid with March 31 and September 30 of each year as record dates.

The full-year dividend for the fiscal year under review will be 50 yen per share for common stock, based on a comprehensive determination of earnings and other matters.

Internal reserves will be utilized mainly for investments to capture growth opportunities and capital policies with awareness on capital efficiency, aiming at enhancement of corporate value.

In accordance with Article 11 of the Act on Japan Post Holdings Co., Ltd., payment of dividends from surplus or other appropriation of surplus (excluding disposition of loss) of the Company shall not be effective without approval of the Minister of Internal Affairs and Communications.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

(As of March 31, 2022)

(Millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Cash and due from banks	68,502,665	Deposits	191,731,173
Call loans	2,510,000	Payables under repurchase agreements	22,032,546
Receivables under resale agreements	11,958,586	Policy reserves and others	58,196,072
Monetary claims bought	436,845	Reserve for outstanding claims	402,608
Trading account securities	11	Policy reserves	56,533,454
Money held in trust	10,762,356	Reserve for policyholder dividends	1,260,009
Securities	193,172,232	Payables under securities lending transactions	3,751,134
Loans	8,693,923	Borrowed money	5,942,886
Foreign exchanges	213,924	Foreign exchanges	697
Other assets	3,183,566	Bonds	300,000
Tangible fixed assets	3,105,104	Other liabilities	3,455,867
Buildings	1,038,414	Reserve for bonuses	127,237
Land	1,608,472	Liability for retirement benefits	2,223,051
Construction in progress	165,308	Reserve for employee stock ownership plan trust	515
Other tangible fixed assets	292,909	Reserve for management board benefit trust	1,139
Intangible assets	224,931	Reserve for reimbursement of deposits	58,813
Software	197,692	Reserve for price fluctuations	972,606
Goodwill	8,905	Deferred tax liabilities	364,257
Other intangible assets	18,333		
Asset for retirement benefits	69,639	Total liabilities	289,157,998
Deferred tax assets	1,019,228		
Reserve for possible loan losses	(6,036)	Net assets	
		Capital stock	3,500,000
		Capital surplus	1,458,718
		Retained earnings	6,138,069
		Treasury stock	(96,106)
		Total shareholders' equity	11,000,681
		Net unrealized gains (losses) on available-for-sale securities	1,731,180
		Net deferred gains (losses) on hedges	(479,930)
		Foreign currency translation adjustments	(112,443)
		Accumulated adjustments for retirement benefits	169,902
		Total accumulated other comprehensive income	1,308,709
		Non-controlling interests	2,379,590
		Total net assets	14,688,981
Total assets	303,846,980	Total liabilities and net assets	303,846,980

Consolidated Statement of Income
(For the fiscal year ended March 31, 2022)

(Millions of yen)

Items	Amount	
Ordinary income		11,264,774
Postal business income	2,688,197	
Banking business income	1,976,004	
Life insurance business income	6,454,191	
Other ordinary income	146,379	
Ordinary expenses		10,273,309
Operating expenses	7,398,205	
Personnel expenses	2,429,768	
Depreciation and amortization	255,361	
Other ordinary expenses	189,973	
Net ordinary income		991,464
Extraordinary gains		29,440
Gains on sales of fixed assets	21,639	
Compensation for transfer	1,185	
Insurance claim income	4,383	
Other extraordinary gains	2,232	
Extraordinary losses		106,504
Losses on sales and disposal of fixed assets	4,609	
Losses on impairment of fixed assets	11,280	
Provision for reserve for price fluctuations	67,789	
Losses on sale of businesses	10,898	
Other extraordinary losses	11,926	
Provision for reserve for policyholder dividends		73,113
Income before income taxes		841,287
Income taxes current	221,456	
Income taxes deferred	1,322	
Total income taxes		222,779
Net income		618,508
Net income attributable to non-controlling interests		116,823
Net income attributable to Japan Post Holdings		501,685

Consolidated Statement of Changes in Net Assets

(For the fiscal year ended March 31, 2022)

(Millions of yen)

	Shareholders' equity					Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock		
Balance at the beginning of the fiscal year	3,500,000	4,085,191	4,374,229	(831,661)		11,127,759
Cumulative effects of changes in accounting policies			(4,972)			(4,972)
Restated balance at the beginning of the fiscal year	3,500,000	4,085,191	4,369,257	(831,661)		11,122,787
Changes in the fiscal year						
Cash dividends		(202,193)				(202,193)
Deficit disposition		(1,267,127)	1,267,127			-
Net income attributable to Japan Post Holdings			501,685			501,685
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders		(76,336)				(76,336)
Purchases of treasury stock				(345,450)		(345,450)
Disposals of treasury stock				189		189
Cancellation of treasury stock		(1,080,816)		1,080,816		-
Net changes in items other than shareholders' equity in the fiscal year						
Net changes in the fiscal year	-	(2,626,473)	1,768,812	735,555		(122,105)
Balance at the end of the fiscal year	3,500,000	1,458,718	6,138,069	(96,106)		11,000,681

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	2,893,921	(329,275)	(104,433)	206,389	2,666,601	2,276,705	16,071,067
Cumulative effects of changes in accounting policies						(13)	(4,985)
Restated balance at the beginning of the fiscal year	2,893,921	(329,275)	(104,433)	206,389	2,666,601	2,276,692	16,066,081
Changes in the fiscal year							
Cash dividends							(202,193)
Deficit disposition							-
Net income attributable to Japan Post Holdings							501,685
Changes in equity of Japan Post Holdings due to transactions with non-controlling shareholders							(76,336)
Purchases of treasury stock							(345,450)
Disposals of treasury stock							189
Cancellation of treasury stock							-
Net changes in items other than shareholders' equity in the fiscal year	(1,162,740)	(150,654)	(8,009)	(36,487)	(1,357,892)	102,898	(1,254,994)
Net changes in the fiscal year	(1,162,740)	(150,654)	(8,009)	(36,487)	(1,357,892)	102,898	(1,377,099)
Balance at the end of the fiscal year	1,731,180	(479,930)	(112,443)	169,902	1,308,709	2,379,590	14,688,981

NON-CONSOLIDATED FINANCIAL STATEMENTS

Non-consolidated Balance Sheet

(As of March 31, 2022)

(Millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	276,859	Current liabilities	24,210
Cash and deposits	142,756	Accounts payable	16,237
Inventories	317	Accrued expenses	1,042
Prepaid expenses	774	Income taxes payable	151
Short-term loan	53,704	Accrued consumption taxes	3,185
Accounts receivable	36,153	Reserve for bonuses	1,371
Income taxes receivable	37,289	Others	2,221
Others	5,867	Long-term liabilities	83,719
Reserve for possible loan losses	(4)	Reserve for retirement benefits	24,130
Non-current assets	5,571,791	Reserve for management board benefit trust	315
Tangible fixed assets	156,328	Reserve for compensation for accidents in the course of duty	16,022
Buildings	43,093	Deferred tax liabilities	35,926
Structures	2,185	Others	7,323
Machinery and equipment	602	Total liabilities	107,929
Vehicles	63	Net assets	
Tools and fixtures	18,352	Shareholders' equity	5,683,084
Land	91,737	Capital stock	3,500,000
Construction in progress	294	Capital surplus	1,953,718
Intangible assets	19,461	Capital reserve	875,000
Software	18,229	Other capital surplus	1,078,718
Others	1,232	Retained earnings	325,471
Investments and other assets	5,396,001	Other retained earnings	325,471
Investment securities	147,465	Retained earnings brought forward	325,471
Stocks of subsidiaries and affiliates	4,737,230	Treasury stock	(96,106)
Money held in trust	412,160	Valuation and translation adjustments	57,636
Long-term loan	62,329	Net unrealized gains (losses) on available-for-sale securities	57,636
Claims provable in bankruptcy	63	Total net assets	5,740,721
Long-term prepaid expenses	1,445	Total liabilities and net assets	5,848,650
Prepaid pension costs	36,898		
Others	172		
Reserve for possible loan losses	(63)		
Allowance for investment loss	(1,700)		
Total assets	5,848,650		

Non-consolidated Statement of Income
(For the fiscal year ended March 31, 2022)

(Millions of yen)

Items	Amount	
Operating income		284,688
Brand royalty income	13,040	
Dividend income from subsidiaries and affiliates	203,393	
Income from business consignment	45,262	
Subsidy income equivalent to deposit insurance premiums	243	
Income from hospital business	14,020	
Income from hotel business	8,728	
Operating expenses		81,142
Expenses for business consignment	45,000	
Expenses for hospital business	17,708	
Expenses for hotel business	16,414	
Administrative expenses	2,019	
Net operating income		203,545
Other income		15,904
Interest income	275	
Dividend income	9,998	
Rent income	2,804	
Subsidy income	1,958	
Others	867	
Other expenses		1,697
Rent expenses	1,312	
Provision of allowance for doubtful accounts	2	
Others	382	
Net ordinary income		217,753
Extraordinary gains		91,572
Gains on sales of fixed assets	1,072	
Gains on sales of stocks of subsidiaries and affiliates	87,530	
Others	2,968	
Extraordinary losses		9,949
Losses on sales and disposal of fixed assets	295	
Losses on impairment of fixed assets	3,876	
Expenses related to transfer of business	4,717	
Others	1,060	
Income before income taxes		299,376
Income taxes current	(26,084)	
Total income taxes		(26,084)
Net income		325,460

Non-consolidated Statement of Changes in Net Assets

(For the fiscal year ended March 31, 2022)

(Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings
					Retained earnings brought forward	
Balance at the beginning of the fiscal year	3,500,000	875,000	3,628,856	4,503,856	(1,267,127)	(1,267,127)
Cumulative effects of changes in accounting policies					11	11
Restated balance at the beginning of the fiscal year	3,500,000	875,000	3,628,856	4,503,856	(1,267,115)	(1,267,115)
Changes in the fiscal year						
Cash dividends			(202,193)	(202,193)		
Deficit disposition			(1,267,127)	(1,267,127)	1,267,127	1,267,127
Net income					325,460	325,460
Purchases of treasury stock						
Disposals of treasury stock						
Cancellation of treasury stock			(1,080,816)	(1,080,816)		
Net changes in items other than shareholders' equity in the fiscal year						
Net changes in the fiscal year	-	-	(2,550,137)	(2,550,137)	1,592,587	1,592,587
Balance at the end of the fiscal year	3,500,000	875,000	1,078,718	1,953,718	325,471	325,471

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the fiscal year	(831,661)	5,905,066	7,903	7,903	5,912,969
Cumulative effects of changes in accounting policies		11			11
Restated balance at the beginning of the fiscal year	(831,661)	5,905,078	7,903	7,903	5,912,981
Changes in the fiscal year					
Cash dividends		(202,193)			(202,193)
Deficit disposition		-			-
Net income		325,460			325,460
Purchases of treasury stock	(345,450)	(345,450)			(345,450)
Disposals of treasury stock	189	189			189
Cancellation of treasury stock	1,080,816	-			-
Net changes in items other than shareholders' equity in the fiscal year			49,733	49,733	49,733
Net changes in the fiscal year	735,555	(221,993)	49,733	49,733	(172,259)
Balance at the end of the fiscal year	(96,106)	5,683,084	57,636	57,636	5,740,721

Report of Independent Auditor on Consolidated Financial Statements (Copy)

[English Translation of the Auditor's Report Originally Issued in the Japanese Language]

Independent Auditor's Report

May 11, 2022

The Board of Directors
Japan Post Holdings Co., Ltd.

KPMG AZSA LLC
Tokyo Office

AZAMI Kazuhiko
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

MAENO Atsuji
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

TOYAMA Takahiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of JAPAN POST HOLDINGS Co., Ltd. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group") as at March 31, 2022 and for the year from April 1, 2021 to March 31, 2022 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties with regard to the design,

implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The audit procedures shall be selected and applied as determined by the auditor.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its subsidiaries which are required to be disclosed pursuant to the provisions for the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Report of Independent Auditor on Non-consolidated Financial Statements (Copy)
[English Translation of the Auditor's Report Originally Issued in the Japanese Language]

Independent Auditor's Report

May 11, 2022

The Board of Directors
Japan Post Holdings Co., Ltd.

KPMG AZSA LLC
Tokyo Office

AZAMI Kazuhiko
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

MAENO Atsuji
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

TOYAMA Takahiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of JAPAN POST HOLDINGS Co., Ltd. ("the Company") as at March 31, 2022 and for the year from April 1, 2021 to March 31, 2022 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of JAPAN POST HOLDINGS Co., Ltd. for the period, for which the financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the non-consolidated financial statements and the supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements and the supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements and the supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit committee is responsible for overseeing the executive officers and the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The audit procedures shall be selected and applied as determined by the auditor.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and disclosures in the financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which are required to be disclosed pursuant to the provisions for the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

Audit Report of Audit Committee (Copy)

[English Translation of the Audit Report Originally Issued in the Japanese Language]

Audit Report

We, the Audit Committee of Japan Post Holdings Co., Ltd., have audited the execution of duties by directors and executive officers at the end of, and during, its 17th business year, the period from April 1, 2021 to March 31, 2022. Our audit method and results are as follows.

1. Auditing Method and Details Thereof

The Audit Committee periodically received reports on the resolutions of the Board of Directors and the status of establishment and operation of the system (Internal Control System) developed under such resolutions with regard to matters referred to in Article 416, paragraph 1, item 1, sub-items (b) and (e) of the Companies Act and requested explanations when necessary from directors and executive officers as well as employees, etc., and expressed our opinions to them. At the same time, the Audit Committee performed audits by the following method:

- (i) In accordance with the auditing policies, etc. established by the Audit Committee, working closely with the internal audit division and other related organizations, the Audit Committee attended important meetings, received reports from directors, executive officers, and other related persons on the matters regarding the execution of their duties and requested explanations when necessary, inspected important written approvals and other documents, and examined the status of business operations and assets of the Company. As for the subsidiaries of the Company, the Audit Committee communicated and exchanged information with the directors, audit committee members, and audit & supervisory board members of the subsidiaries and received reports from the subsidiaries regarding their business when necessary.
- (ii) The Audit Committee monitored and inspected whether the independent accounting auditor performed proper audits while assuring said auditor's independence, and received reports from the independent accounting auditor on the execution of its duties, requesting explanations when necessary. The Audit Committee was also informed by the independent accounting auditor that the "System to ensure proper execution of its duties" (as set forth in items of Article 131 of the Ordinance on Accounting of Companies) has been developed in accordance with the "Quality Control Standards for Audits" (Business Accounting Council, October 28, 2005) and others, requesting explanations when necessary.

Through the above method, the Audit Committee reviewed the business report and its supplementary schedules, the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and their supplementary schedules in addition to the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes for said business year.

2. Audit Results

(1) Audit Results of Business Report, etc.

- (i) In our opinion, the business report and its supplementary schedules fairly present the situation of the Company in accordance with laws and regulations as well as the Articles of Incorporation.
- (ii) We found no wrongful act or material fact in violation of laws and regulations, or the Articles of Incorporation regarding the execution of duties by directors and executive officers.
- (iii) In our opinion, the resolutions of the Board of Directors with respect to the internal control system are appropriate. We found no matter that needed to be addressed regarding the content of the business report or the execution of duties by the directors and executive officers, with respect to the internal control system.

The Audit Committee will continue to pay close attention to thorough enhancement of customer-oriented business operations regarding the solicitation quality of Japan Post Insurance products described in the business report. In addition, the Audit Committee will also continue to pay close attention that appropriate measures are taken to prevent the recurrence of the large amount of money crime committed by post office heads and employees of Japan Post Co., and the improperly handled cases, such as the use of customer information for purposes other than the intended purposes that was discovered in connection with the distribution problem of business calendars.

(2) Audit Results of the Financial Statements and its Supplementary Schedules

In our opinion, the auditing method of KPMG AZSA LLC, the Accounting Auditor, and the results of its audit are appropriate.

(3) Audit Results of the Consolidated Financial Statements

In our opinion, the auditing method of KPMG AZSA LLC, the Accounting Auditor, and the results of its audit are appropriate.

May 11, 2022

Audit Committee of Japan Post Holdings Co., Ltd.

Member of the Audit Committee
SATAKE Akira (Seal)

Member of the Audit Committee
KOEZUKA Miharuru (Seal)

Member of the Audit Committee
KAIAMI Makoto (Seal)

Note: Members of the Audit Committee SATAKE Akira, KOEZUKA Miharuru and KAIAMI Makoto are outside directors as stipulated in Article 2, item 15, and Article 400, paragraph 3 of the Companies Act.

Information Map of the General Meeting of Shareholders

Place **Ballroom, B2F, The Prince Park Tower Tokyo**
 4-8-1 Shibakoen, Minato-ku, Tokyo

- * Please note that the Prince Park Tower Tokyo is located some distance away from The Tokyo Prince Hotel.
- * Please do not come to the venue by car.
- * We will not be handing out small gifts to the shareholders at the meeting.

Should there be any major change to the holding and management of the General Meeting of Shareholders due to future circumstances, it will be announced on the Company’s website. Please check it to confirm.

