

UNOFFICIAL TRANSLATION

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

JAPAN POST INSURANCE

CONVOCAION NOTICE OF THE 16TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Date and Time	Wednesday, June 15, 2022 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m.)
Place	The Prince Park Tower Tokyo Ballroom, Level B2, 8-1, Shibakoen 4-chome, Minato-ku, Tokyo, Japan (Please refer to the map for the venue at the end of this notice.)

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<For preventing the spread of the novel coronavirus infection>

We appreciate your understanding and cooperation regarding the following measures to prevent the spread of the novel coronavirus (COVID-19) infection.

- We request that you exercise your voting rights in advance via the Internet, etc. or by returning the Voting Rights Exercise Form and refrain from coming to the meeting venue.
- We will accept questions from shareholders in advance.
- The meeting will be streamed live on the Internet so that you can view it at home.

▶ Deadline for exercising voting rights by the Internet, etc. Received by Tuesday, June 14, 2022 at 5:15 p.m. Japan time
▶ Deadline for exercising voting rights by the Voting Right Exercise Form Votes shall arrive no later than Tuesday, June 14, 2022 at 5:15 p.m. Japan time

Simply use your smartphone to exercise your voting rights or view this Convocation Notice	
Exercise your voting rights	See the Convocation Notice
Use the QR Code on the bottom right of the Voting Rights Exercise Form.	Use this QR Code or the URL (https://s.srdb.jp/7181/) to access information.

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

JAPAN POST INSURANCE Co., Ltd.
Securities Identification Code: 7181

To Our Shareholders

**Be a trustful partner for people, always being close at hand
and endeavoring to protect their well-being.**

We would like to express our sincere gratitude for your kind support for JAPAN POST INSURANCE Co., Ltd.

Our Medium-term Management Plan announced in May last year, which covers the five-year period from the fiscal year ended March 31, 2022, returns to the root of our management philosophy—“Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being.” It clearly demonstrates our social mission (purpose) that “We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.”

The two main pillars of the Medium-term Management Plan are “reconstruction” and “sustainable growth.”

The fiscal year ending March 31, 2023 is an important milestone year for us, marking the first year of the new Japan Post Insurance sales system that we have established as part of our efforts toward reconstruction. In April, we accepted approximately 13,000 consultants and other staff from Japan Post Co., Ltd., and expanded the sales channels that we manage directly.

The key to sustainable growth is working to help resolve social issues related to sustainability. Referring to the Sustainable Development Goals (SDGs), we have identified priority social issues (“materiality” items) to be addressed, in order to solve a variety of social problems.

We sincerely request the continued support of all of our shareholders.

May 2022

SENDA Tetsuya
Director and President, CEO,
Representative Executive Officer

May 30, 2022

Dear Shareholders:

SENDA Tetsuya
Director and President, CEO,
Representative Executive Officer
JAPAN POST INSURANCE Co., Ltd.
3-1, Otemachi 2-chome, Chiyoda-ku,
Tokyo 100-8794, Japan

**CONVOCAATION NOTICE OF
THE 16TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The 16th Ordinary General Meeting of Shareholders of JAPAN POST INSURANCE Co., Ltd. (the “Company”) will be held for the purposes described below.

In order to stop the spread of COVID-19, we request that all shareholders exercise their voting rights for this General Meeting of Shareholders either by electromagnetic means (on the Internet, etc.) or in writing (on the Voting Rights Exercise Form) in advance, and refrain from coming to the venue on the day of the General Meeting of Shareholders.

Please review the Reference Documents for the General Meeting of Shareholders (pages 9–28) and **exercise your voting rights by no later than 5:15 p.m., Tuesday, June 14, 2022 (Japan time)** in accordance with the “Guidance on the Exercise of Voting Rights” (pages 6–7).

- 1. Date and Time:** Wednesday, June 15, 2022 at 10:00 a.m. Japan time
(Reception starts at 9:00 a.m.)
- 2. Place:** The Prince Park Tower Tokyo
Ballroom, Level B2, 8-1, Shibakoen 4-chome, Minato-ku, Tokyo, Japan
* As a measure to prevent the spread of COVID-19, the number of seats at the General Meeting of Shareholders will be limited in order to ensure space between attendees, and thus admission to the meeting may be denied. Thank you very much for your understanding in advance.
- 3. Meeting Agenda:**
- Matters to be reported:**
1. Contents of the Business Report and Consolidated Financial Statements, and the Audit Reports of the Consolidated Financial Statements by the Independent Auditor and the Audit Committee (from April 1, 2021 to March 31, 2022)
 2. Report on the contents of the Non-consolidated Financial Statements (from April 1, 2021 to March 31, 2022)
- Matter to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Ten (10) Directors

- In case of attendance by proxy, one other shareholder who holds voting rights at this Ordinary General Meeting of Shareholders may attend as proxy by submitting written proof of proxy rights.
- If you vote both via the Internet and by mail, your vote via the Internet will be treated as effective.
- If you vote more than once via the Internet, your last vote will be treated as effective.
- Of the documents required to be provided in this convocation notice, the following have been posted on **our website** in accordance with relevant laws and regulations and Article 15 of the Articles of Incorporation of the Company and are therefore not included in the attachments of this convocation notice.
 - (1) Consolidated Statement of Changes in Net Assets and Notes to the Consolidated Financial Statements
 - (2) Non-consolidated Statement of Changes in Net Assets and Notes to the Non-consolidated Financial StatementsConsolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit Committee or an Independent Auditor include (1) and (2) mentioned above that are posted on **our website**.
- Any updates to the Reference Documents for the General Meeting of Shareholders, Business Report, and Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on **our website**. Website of the Company <https://www.jp-life.japanpost.jp/>

We will announce any significant changes to be made in the style and operation of the General Meeting of Shareholders due to future circumstances on our website. Please make sure to check the latest information before coming to the venue.

Information regarding Advance Acceptance of Questions and Live Streaming via the Internet

Advance acceptance of questions

We will accept questions from shareholders regarding matters to be reported and matter to be resolved at the 16th Ordinary General Meeting of Shareholders.

<Acceptance period>

From Monday, May 30, 2022 at 10:00 a.m. to Thursday, June 9, 2022 at 5:00 p.m. Japan time

<How to ask a question>

To submit a question, please access the question form from the link under the “Information on Advance Acceptance of Questions” on the “Information page” described below (in Japanese).

Live Streaming via the Internet

The 16th Ordinary General Meeting of Shareholders will be streamed live on the day of the meeting via the Internet so that shareholders who refrained from attending can view the meeting at home.

<Time and date of release>

Wednesday, June 15, 2022 at 10:00 a.m. Japan time

<How to watch the live stream>

Please access the streaming site from the link under the “Internet Live Streaming Information” on the “Information page” described below (in Japanese).

[Notes]

We appreciate your understanding in advance on the following matters:

- You cannot exercise voting rights or participate in the Q&A session via the online live stream.
- Although we will consider the privacy of attending shareholders and avoid showing shareholders in an identifiable form by filming the meeting from the back of the venue, there may be cases where shareholders may be unavoidably included.
- Since the statements and remarks made by attending shareholders are also streamed as audio, please take care to avoid any comments that could be linked to your personal information.
- Please note that there may be video or audio problems while viewing due to factors such as the network environment, computer functions, or concentrated access by many shareholders.
- Communication fees, etc. for viewing shall be borne by shareholders.
- We strictly prohibit the filming, recording, or saving of any video or audio of the live streaming or publication on social media, etc.

Information page	https://www.jp-life.japanpost.jp/IR/stock/meeting.html Our website - Investor Relations - Stock Information - General Meeting of Shareholders
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Guidance on the Exercise of Voting Rights

For those not attending the Ordinary General Meeting of Shareholders

Exercise of voting rights via the Internet

**Voting
Deadline**

No later than Tuesday, June 14, 2022 at 5:15 p.m. Japan time



Please refer to the procedures on the next page to enter your approval or disapproval of the proposals no later than the voting deadline.

For Institutional Investors

The Electric Voting Platform, operated by ICJ Co., Ltd., is available for institutional investors that have applied in advance to use the platform.

Exercise of voting rights by mail

**Voting
Deadline**

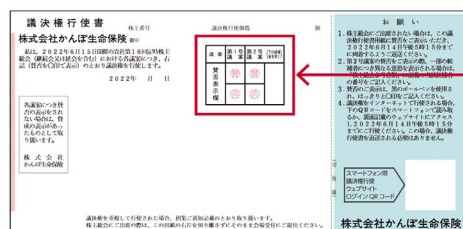
Votes shall arrive no later than Tuesday, June 14, 2022 at 5:15 p.m. Japan time



Please indicate your approval or disapproval of the proposals on the enclosed voting rights exercise form and return it by post to reach us no later than the above voting deadline.

How to fill out your Voting Rights Exercise Form

Please indicate your approval or disapproval of the proposals inside this box



Proposal 1	In case you approve	→	Please circle the “approval” “賛” column
	In case you disapprove	→	Please circle the “disapproval” “否” column
Proposal 2	In case you approve all the candidates	→	Please circle the “approval” “賛” column
	In case you disapprove all the candidates	→	Please circle the “disapproval” “否” column
	In case you disapprove certain candidates	→	Please circle the “approval” “賛” column and fill in the candidate number(s) of the candidate(s) you disapprove

If there is no indication of approval or disapproval for the proposals, it will be deemed as an indication of approval.

For those attending the Ordinary General Meeting of Shareholders

Please submit your Voting Rights Exercise Form at the reception.

**Date and
Time**

Wednesday, June 15, 2022 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m.)

Place

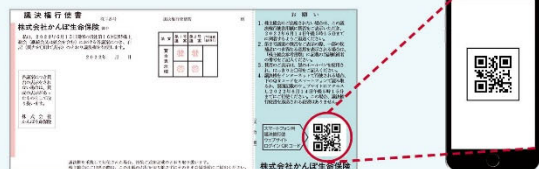
The Prince Park Tower Tokyo

Ballroom, Level B2, 8-1, Shibakoen 4-chome, Minato-ku, Tokyo, Japan

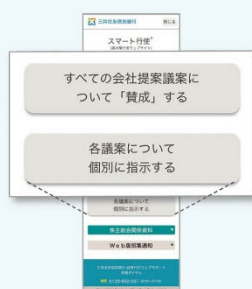
Access procedures via the Internet

For shareholders using smartphones or tablets (“smart exercise”)

1 Scan the QR code on the bottom right of the Voting Rights Exercise Form



2 Enter information according to on-screen guidance



You can only use the QR code once to exercise your voting rights.

To exercise your voting rights again, follow the procedure as described in “For shareholders using a PC” on the right

For shareholders using a PC

1 Access the voting website

<https://www.web54.net>

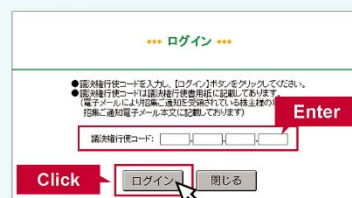


You can access the voting website also by scanning the QR code.



Click “Next.”

2 Login



Enter the “Voting Rights Exercise Code” printed on the enclosed Voting Rights Exercise Form and click “Login.”

Follow the on-screen guidance and enter information as necessary.

NOTE

- Communication fees and other fees incurred in using the voting website shall be borne by shareholders.
- The voting website might not be accessible depending on the Internet environment, the service subscribed or the model used.

If you are not sure how to operate your PC or smartphone when exercising voting rights online, please contact the help desk on the right.

[Administrator of Shareholder Registry]
Stock Transfer Agency Department,
Sumitomo Mitsubishi Trust Bank, Limited

☎ 0120-652-031

(toll free in Japan)(Open from 9:00 a.m. to 9:00 p.m.)

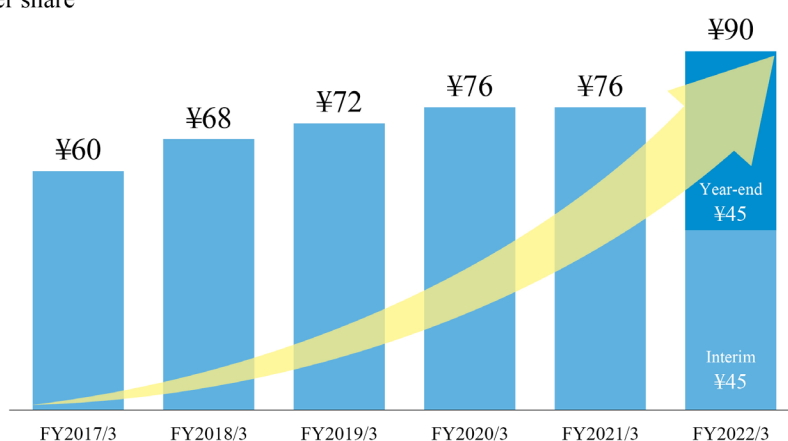
Dividends

We would like to inform you that the Board of Directors has passed the resolution to distribute cash dividends at its meeting held on May 13, 2022 as follows:

1 **Year-end dividends** ¥45 per share

2 **Effective date** June 16, 2022

Dividend per share



Shareholders receiving dividends at a post office counter

We recommend shareholders use direct deposit in order to receive dividends quickly, safely and securely.

Using direct deposit ensures receipt of dividends in your designated account on the payment commencement date.

- ◆ When receiving dividends through a securities company: Dividends are paid to your securities account.
- ◆ When receiving dividends through your bank account: Dividends are paid to a designated bank account.

To change the method of dividend receipt, please take necessary procedures at your securities company.

Reference Documents for the General Meeting of Shareholders

Proposal and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso to Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 15, Paragraph 1 stipulates that information contained in the reference documents for the general meeting of shareholders and other material shall be provided electronically.
- (2) The proposed Article 15, Paragraph 2 establishes a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the disclosure via the Internet of the reference documents for the General Shareholders’ Meeting and other information, and the deemed provision of information (Article 15 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date and other matters shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Disclosure via the Internet of the Reference Documents for the General Shareholders’ Meeting, etc., and the Deemed Provision of Information)</u></p> <p><u>Article 15. The Company shall be deemed to have provided the shareholders with the necessary information with respect to the matters to be stated or indicated in the reference documents for the General Shareholders’ Meeting, the Business Report, the financial statements and the consolidated financial statements, by disclosing such information via the Internet in accordance with applicable laws and regulations.</u></p> <p><Newly established></p>	<p><Deleted></p> <p><u>(Measures for Electronic Provision of Information, etc.)</u></p> <p><u>Article 15.</u></p> <p><u>1. The Company shall, when convening a General Shareholders’ Meeting, provide information contained in the reference documents for the General Shareholders’ Meeting, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ministry of Justice Ordinance in the paper copy to be sent to shareholders who have requested it by the record date for vesting voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
<Newly established>	<p data-bbox="810 226 1107 255"><u>Supplementary Provisions</u></p> <ol data-bbox="810 264 1407 1151" style="list-style-type: none"> <li data-bbox="810 264 1407 703">1. <u>The deletion of Article 15 (Disclosure via the Internet of the Reference Documents for the General Shareholders' Meeting, etc., and the Deemed Provision of Information) of the Articles of Incorporation before the amendment and the establishment of Article 15 (Measures for Electronic Provision of Information, etc.) of the Articles of Incorporation after the amendment shall come into effect on September 1, 2022, the date of enforcement of the amended provisions stipulated in the proviso to Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the "Effective Date").</u> <li data-bbox="810 712 1407 994">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 (Disclosure via the Internet of the Reference Documents for the General Shareholders' Meeting, etc., and the Deemed Provision of Information) of the Articles of Incorporation before the amendment shall remain in force with respect to a General Shareholders' Meeting to be held on a date within six months from the Effective Date.</u> <li data-bbox="810 1003 1407 1151">3. <u>These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or three months from the date of the General Shareholders' Meeting set forth in the preceding paragraph, whichever is later.</u>

Proposal 2: Election of Ten (10) Directors

The terms of office of all nine (9) Directors elected at the 15th Ordinary General Meeting of Shareholders will expire at the conclusion of this General Meeting of Shareholders. It is therefore proposed to increase the number of Outside Directors by one (1) and to elect ten (10) Directors pursuant to the decision by the Nomination Committee in order to strengthen the supervisory function of the Board of Directors by increasing the ratio of Independent Outside Directors.

Candidates for Directors are as follows:

No.	Name	Current positions and responsibilities at the Company	
1	Re-elected SENDA Tetsuya	Director and President, CEO, Representative Executive Officer Nomination Committee Member	
2	Re-elected ICHIKURA Noboru	Director and Deputy President, Representative Executive Officer	
3	Re-elected NARA Tomoaki	Director, Audit Committee Member (standing)	
4	Re-elected MASUDA Hiroya	Director, Nomination Committee Member, Compensation Committee Member	
5	Re-elected SUZUKI Masako	Outside Director, Compensation Committee Chair, Audit Committee Member	Outside Independent
6	Re-elected SAITO Tamotsu	Outside Director, Audit Committee Chair, Nomination Committee Member	Outside Independent
7	Re-elected HARADA Kazuyuki	Outside Director, Nomination Committee Chair, Compensation Committee Member	Outside Independent
8	Re-elected YAMAZAKI Hisashi	Outside Director, Audit Committee Member	Outside Independent
9	Newly elected TONOSU Kaori		Outside Independent
10	Newly elected TOMII Satoshi		Outside Independent

Outside: Candidate for Outside Director

Independent: Candidate for Independent Officer

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	<p>SENDA Tetsuya (Apr. 22, 1960)</p> <p>Re-elected</p> <p>Director and President, CEO, Representative Executive Officer Nomination Committee Member</p> <p>Number of years and months in office as a Director 2 years</p> <p>Status of attendance at the Board of Directors 100% (13/13 meetings)</p> <p>Status of attendance at the Nomination Committee 100% (5/5 meetings)</p>	<p><u>Reasons for the election as candidate for Director</u> He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the corporate planning, business process and other departments of the Company, and has also taken part in the management of the Company as President, CEO, Representative Executive Officer. We nominate him as Director because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.</p> <p>Apr. 1984 Joined the Ministry of Posts and Telecommunications</p> <p>Oct. 2007 Senior General Manager of Customer Service Department of the Company</p> <p>Oct. 2008 Senior General Manager of Tokyo Service Center of the Company</p> <p>Apr. 2010 General Manager of Business Process Planning Department of the Company</p> <p>Jul. 2010 Senior General Manager of Business Process Supporting Department of the Company</p> <p>Apr. 2011 Senior General Manager of Corporate Planning Department of the Company</p> <p>Jul. 2011 Executive Officer and Senior General Manager of Corporate Planning Department of the Company</p> <p>Oct. 2011 Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.</p> <p>Jun. 2013 Managing Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Jul. 2013 Managing Executive Officer of the Company</p> <p>Jun. 2016 Senior Managing Executive Officer of the Company</p> <p>Nov. 2017 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Apr. 2019 Deputy President, Representative Executive Officer of the Company</p> <p>Aug. 2019 Managing Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Jan. 2020 President, CEO, Representative Executive Officer of the Company</p> <p>Jun. 2020 Director and President, CEO, Representative Executive Officer of the Company (current position)</p> <p>Jun. 2020 Director of Japan Post Holdings Co., Ltd. (current position)</p> <p>Significant concurrent positions: Director of Japan Post Holdings Co., Ltd.</p>	6,900 shares

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
2	<p>ICHIKURA Noboru (Jun. 10, 1958)</p> <p>Re-elected</p> <p>Director and Deputy President, Representative Executive Officer</p> <p>Number of years and months in office as a Director 2 years</p> <p>Status of attendance at the Board of Directors 100% (13/13 meetings)</p>	<p><u>Reasons for the election as candidate for Director</u> He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the finance and other departments of Japan Post Holdings Co., Ltd., the parent company of the Company, and has also taken part in the management of the Company as Deputy President, Representative Executive Officer. We nominate him as Director because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.</p> <p>Apr. 1983 Joined the Japan Tobacco and Salt Public Corporation</p> <p>Jun. 2009 Executive Officer and Senior General Manager of IPO Planning Office of Japan Post Holdings Co., Ltd.</p> <p>Aug. 2009 Executive Officer, Senior General Manager of IPO Planning Office and General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.</p> <p>Jan. 2010 Executive Officer and General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.</p> <p>Oct. 2010 Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Sep. 2013 Executive Officer and Senior General Manager of Accounting Department of Japan Post Holdings Co., Ltd.</p> <p>Nov. 2013 Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Jun. 2014 Managing Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Jun. 2016 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.</p> <p>Jun. 2020 Director and Deputy President, Representative Executive Officer of the Company (current position)</p> <p>Jun. 2020 Managing Executive Officer of Japan Post Holdings Co., Ltd. (current position)</p> <p>Significant concurrent positions: Managing Executive Officer of Japan Post Holdings Co., Ltd.</p>	2,000 shares

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
3	<p>NARA Tomoaki (Feb. 5, 1961)</p> <p>Re-elected Director Audit Committee Member (standing)</p> <p>Number of years and months in office as a Director 1 year</p> <p>Status of attendance at the Board of Directors 100% (10/10 meetings)</p> <p>Status of attendance at the Audit Committee 100% (12/12 meetings)</p>	<p><u>Reasons for the election as candidate for Director</u> He has considerable knowledge and experience in the life insurance business, as he has held prominent positions in the investment, business process and risk management and other departments of the Company, and also has a career in the management of the Company as Senior Managing Executive Officer. We nominate him as Director because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.</p> <p>Apr. 1984 Joined the Ministry of Posts and Telecommunications</p> <p>Oct. 2007 General Manager of the Company</p> <p>Dec. 2007 Head of Office of Task Force Payment Services Improvement of the Company</p> <p>Jun. 2010 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Head of Office of Task Force Payment Services Improvement of the Company</p> <p>Oct. 2010 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Senior General Manager of Payment Services Office of the Company</p> <p>Jan. 2012 Executive Officer, Senior General Manager of Claim Settlement Planning and Management Department and Senior General Manager of Payment Services Office and Senior General Manager of Representative Office for Future Claim Payment Processing of the Company</p> <p>Feb. 2013 Executive Officer of the Company</p> <p>Jul. 2013 Executive Officer and Senior General Manager of Investment Planning Department of the Company</p> <p>Jun. 2017 Managing Executive Officer of the Company</p> <p>Jun. 2020 Senior Managing Executive Officer of the Company</p> <p>Jun. 2021 Director of the Company (current position)</p> <p>Significant concurrent positions: None</p>	4,900 shares

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
4	<p>MASUDA Hiroya (Dec. 20, 1951)</p> <p>Re-elected</p> <p>Director</p> <p>Nomination Committee Member, Compensation Committee Member</p> <p>Number of years and months in office as a Director 2 years</p> <p>Status of attendance at the Board of Directors 100% (13/13 meetings)</p> <p>Status of attendance at the Nomination Committee 100% (5/5 meetings)</p> <p>Status of attendance at the Compensation Committee 100% (7/7 meetings)</p>	<p><u>Reasons for the election as candidate for Director</u> He has extensive knowledge of the Japan Post Group, having served as the chairman of the Postal Privatization Committee, as well as having held government positions including the Governor of Iwate Prefecture and the Minister of Internal Affairs and Communications. He has also taken part in the management of the entire Japan Post Group as Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd., the parent company of the Company. We nominate him as Director because we expect him to continue to play a significant role in making decisions on the execution of our important operations, and in supervising the execution of duties by Executive Officers by drawing on his considerable experience and achievements.</p> <p>Apr. 1977 Joined the Ministry of Construction Apr. 1995 Governor of Iwate Prefecture Aug. 2007 Minister for Internal Affairs and Communications Aug. 2007 Minister of State for Decentralization Reform, Cabinet Office, Government of Japan Apr. 2009 Adviser, Nomura Research Institute, Ltd. Apr. 2009 Visiting Professor, Graduate School of Public Policy, The University of Tokyo Jan. 2020 Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd. Jun. 2020 Director of the Company (current position) Jun. 2020 Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd. (current position) Jun. 2020 Director of Japan Post Co., Ltd. (current position) Jun. 2020 Director of Japan Post Bank Co., Ltd. (current position)</p> <p>Significant concurrent positions: Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd. Director of Japan Post Co., Ltd. Director of Japan Post Bank Co., Ltd.</p>	-

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
5	<p>SUZUKI Masako (Feb. 4, 1954)</p> <p>Re-elected Outside Director, Independent Officer</p> <p>Outside Director Compensation Committee Chair, Audit Committee Member</p> <p>Number of years and months in office as a Director 6 years</p> <p>Status of attendance at the Board of Directors 100% (13/13 meetings)</p> <p>Status of attendance at the Audit Committee 100% (16/16 meetings)</p> <p>Status of attendance at the Compensation Committee 100% (7/7 meetings)</p>	<p><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p>We expect her to fulfill supervisory and monitoring functions over management based on her experience and insight as a management expert nurtured through her career in the management of companies in the field of deploying human resource and health support services including Pasona Group Inc. Since taking office as Director of the Company in June 2016, she has been deeply engaged in discussion at the Board of Directors, the Audit Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We nominate her as Outside Director because we expect her to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.</p> <p>Jul. 1983 Joined Temporary Center Inc. Apr. 1999 Executive Officer of Pasona Inc. Sept. 2004 Senior Managing Director of Pasona Inc. Dec. 2007 Senior Managing Director of Pasona Group Inc. Jun. 2010 Director, Vice President of Benefit One Inc. Aug. 2010 Director of Pasona Group Inc. May 2012 Auditor of Benefit one Health care Inc. Jan. 2016 President and Representative Director of Benefit one Health care Inc.</p> <p>Jun. 2016 Director of the Company (current position) Jun. 2018 Director, Executive Vice President of Benefit One Inc. Jul. 2019 Executive Advisor of Pasona Group Inc. (current position) Dec. 2019 President and Representative Director of Pasona Force Inc. (current position)</p> <p>Significant concurrent positions: Executive Advisor of Pasona Group Inc. President and Representative Director of Pasona Force Inc.</p>	3,200 shares

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
6	<p>SAITO Tamotsu (Jul. 13, 1952)</p> <p>Re-elected Outside Director, Independent Officer</p> <p>Outside Director Audit Committee Chair, Nomination Committee Member</p> <p>Number of years and months in office as a Director 5 years</p> <p>Status of attendance at the Board of Directors 100% (13/13 meetings)</p> <p>Status of attendance at the Nomination Committee 100% (5/5 meetings)</p> <p>Status of attendance at the Audit Committee 100% (16/16 meetings)</p>	<p><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p>We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of IHI Corporation, a company operating internationally. Since taking office as Director of the Company in June 2017, he has been deeply engaged in discussion at the Board of Directors, the Nomination Committee, the Audit Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We nominate him as Outside Director because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.</p> <p>Apr. 1975 Joined Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Jun. 2006 Executive Officer, Vice President of Aero-Engine & Space Operations of Ishikawajima-Harima Heavy Industries Co., Ltd.</p> <p>Jul. 2007 Executive Officer, Vice President of Aero-Engine & Space Operations of IHI Corporation</p> <p>Jan. 2008 Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation</p> <p>Apr. 2008 Director, Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation</p> <p>Apr. 2009 Director, Managing Executive Officer, President of Aero-Engine & Space Operations of IHI Corporation</p> <p>Apr. 2010 Director of IHI Corporation</p> <p>Apr. 2011 Executive Vice President of IHI Corporation</p> <p>Apr. 2012 President, Chief Executive Officer of IHI Corporation</p> <p>Apr. 2016 Chairman of the Board, Chief Executive Officer of IHI Corporation</p> <p>Apr. 2017 Chairman of the Board of IHI Corporation</p> <p>Jun. 2017 Director of the Company (current position)</p> <p>Jun. 2018 Outside Director of Oki Electric Industry Co., Ltd. (current position)</p> <p>Apr. 2020 Director of IHI Corporation</p> <p>Jun. 2020 Senior Counselor of IHI Corporation (current position)</p> <p>Jun. 2021 Outside Director of Furukawa Electric Co., Ltd. (current position)</p> <p>Significant concurrent positions: Senior Counselor of IHI Corporation Outside Director of Oki Electric Industry Co., Ltd. Outside Director of Furukawa Electric Co., Ltd. Outside Director of KAJIMA CORPORATION (to be appointed on June 28, 2022)</p>	1,300 shares

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
7	<p>HARADA Kazuyuki (Jan. 22, 1954)</p> <p>Re-elected Outside Director, Independent Officer</p> <p>Outside Director Nomination Committee Chair, Compensation Committee Member</p> <p>Number of years and months in office as a Director 4 years</p> <p>Status of attendance at the Board of Directors 92% (12/13 meetings)</p> <p>Status of attendance at the Nomination Committee 100% (5/5 meetings)</p> <p>Status of attendance at the Compensation Committee 100% (7/7 meetings)</p>	<p><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p>We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of Keikyu Corporation, a company serving as a social infrastructure with a strong public nature. Since taking office as Director of the Company in June 2018, he has been deeply engaged in discussion at the Board of Directors, the Nomination Committee and the Compensation Committee, and actively provided opinions and suggestions especially from the perspective of corporate management. We nominate him as Outside Director because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committees.</p> <p>Apr. 1976 Joined Keikyu Corporation</p> <p>Jun. 2007 Director of Keikyu Corporation</p> <p>Jun. 2010 Executive Director of Keikyu Corporation</p> <p>Jun. 2011 Senior Executive Director of Keikyu Corporation</p> <p>Jun. 2013 President and Representative Director of Keikyu Corporation</p> <p>Jun. 2015 Outside Director of Japan Airport Terminal Co., Ltd. (current position)</p> <p>Jun. 2018 Director of the Company (current position)</p> <p>Jun. 2019 President and Executive Officer of Keikyu Corporation</p> <p>Apr. 2022 Chairman of the Board, Representative Director of Keikyu Corporation (current position)</p> <p>Significant concurrent positions: Chairman of the Board, Representative Director of Keikyu Corporation Outside Director of Japan Airport Terminal Co., Ltd.</p>	-

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held																												
8	<p data-bbox="300 517 448 607">YAMAZAKI Hisashi (Nov. 14, 1948)</p> <p data-bbox="272 645 475 734">Re-elected Outside Director, Independent Officer</p> <p data-bbox="288 768 459 857">Outside Director Audit Committee Member</p> <p data-bbox="268 891 480 1014">Number of years and months in office as a Director 2 years</p> <p data-bbox="264 1043 483 1167">Status of attendance at the Board of Directors 100% (13/13 meetings)</p> <p data-bbox="264 1196 483 1319">Status of attendance at the Audit Committee 100% (16/16 meetings)</p>	<p data-bbox="507 271 1225 331"><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p data-bbox="507 331 1225 696">We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a legal expert nurtured through years of experience as a judge and attorney-at-law. Since taking office as Director of the Company in June 2020, he has been deeply engaged in discussion at the Board of Directors and the Audit Committee, and actively provided opinions and suggestions especially from the perspective of legal affairs and compliance. We nominate him as Outside Director because we expect him to continue to contribute to maintaining and strengthening governance of the Company through the board and committee. We believe that he can appropriately perform duties as an Outside Director based on the aforementioned reasons.</p> <table data-bbox="507 730 1241 1368"> <tr> <td data-bbox="507 730 635 757">Apr. 1974</td> <td data-bbox="675 730 1082 757">Assistant Judge, Osaka District Court</td> </tr> <tr> <td data-bbox="507 763 635 790">Apr. 1995</td> <td data-bbox="675 763 1082 790">Presiding Judge, Tokyo District Court</td> </tr> <tr> <td data-bbox="507 797 635 824">Dec. 2000</td> <td data-bbox="675 797 1209 857">Chief, Training and Research Institute for Family Court Probation Officers</td> </tr> <tr> <td data-bbox="507 864 635 891">Dec. 2002</td> <td data-bbox="675 864 1241 925">Chief, Family Bureau, General Secretariat, Supreme Court</td> </tr> <tr> <td data-bbox="507 931 635 958">Dec. 2005</td> <td data-bbox="675 931 1082 958">Chief Judge, Maebashi District Court</td> </tr> <tr> <td data-bbox="507 965 635 992">Feb. 2007</td> <td data-bbox="675 965 1082 992">Chief Judge, Yokohama Family Court</td> </tr> <tr> <td data-bbox="507 999 635 1025">Dec. 2008</td> <td data-bbox="675 999 1082 1025">Presiding Judge, Tokyo High Court</td> </tr> <tr> <td data-bbox="507 1032 635 1059">Aug. 2009</td> <td data-bbox="675 1032 1082 1059">Chief Judge, Tokyo Family Court</td> </tr> <tr> <td data-bbox="507 1066 635 1093">Feb. 2011</td> <td data-bbox="675 1066 1082 1093">President, Sapporo High Court</td> </tr> <tr> <td data-bbox="507 1099 635 1126">Mar. 2013</td> <td data-bbox="675 1099 1177 1126">Commissioner, Japan Fair Trade Commission</td> </tr> <tr> <td data-bbox="507 1133 635 1160">Aug. 2016</td> <td data-bbox="675 1133 1161 1193">Registered as attorney-at-law Attorney-at-law of Kikuchi Sogo Law Office (current position)</td> </tr> <tr> <td data-bbox="507 1200 635 1227">Jul. 2017</td> <td data-bbox="675 1200 1241 1283">Supervisory Board Member, National Federation of Agricultural Cooperative Associations (current position)</td> </tr> <tr> <td data-bbox="507 1290 635 1317">Jun. 2018</td> <td data-bbox="675 1290 1241 1350">Outside Director of Sumitomo Corporation (current position)</td> </tr> <tr> <td data-bbox="507 1357 635 1384">Jun. 2020</td> <td data-bbox="675 1357 1145 1384">Director of the Company (current position)</td> </tr> </table> <p data-bbox="507 1402 1209 1552">Significant concurrent positions: Attorney-at-law Supervisory Board Member, National Federation of Agricultural Cooperative Associations Outside Director of Sumitomo Corporation</p>	Apr. 1974	Assistant Judge, Osaka District Court	Apr. 1995	Presiding Judge, Tokyo District Court	Dec. 2000	Chief, Training and Research Institute for Family Court Probation Officers	Dec. 2002	Chief, Family Bureau, General Secretariat, Supreme Court	Dec. 2005	Chief Judge, Maebashi District Court	Feb. 2007	Chief Judge, Yokohama Family Court	Dec. 2008	Presiding Judge, Tokyo High Court	Aug. 2009	Chief Judge, Tokyo Family Court	Feb. 2011	President, Sapporo High Court	Mar. 2013	Commissioner, Japan Fair Trade Commission	Aug. 2016	Registered as attorney-at-law Attorney-at-law of Kikuchi Sogo Law Office (current position)	Jul. 2017	Supervisory Board Member, National Federation of Agricultural Cooperative Associations (current position)	Jun. 2018	Outside Director of Sumitomo Corporation (current position)	Jun. 2020	Director of the Company (current position)	1,000 shares
Apr. 1974	Assistant Judge, Osaka District Court																														
Apr. 1995	Presiding Judge, Tokyo District Court																														
Dec. 2000	Chief, Training and Research Institute for Family Court Probation Officers																														
Dec. 2002	Chief, Family Bureau, General Secretariat, Supreme Court																														
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Aug. 2016	Registered as attorney-at-law Attorney-at-law of Kikuchi Sogo Law Office (current position)																														
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Jun. 2018	Outside Director of Sumitomo Corporation (current position)																														
Jun. 2020	Director of the Company (current position)																														

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
9	<p data-bbox="300 416 448 506">TONOSU Kaori (Dec. 24, 1961)</p> <p data-bbox="272 539 475 622">Newly elected Outside Director, Independent Officer</p> <p data-bbox="268 663 480 779">Number of years and months in office as a Director - years</p> <p data-bbox="261 815 486 931">Status of attendance at the Board of Directors - % (-/- meetings)</p>	<p data-bbox="507 271 1220 327"><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p data-bbox="507 331 1220 600">We expect her to fulfill supervisory and monitoring functions over management based on her experience and insight as an IT governance and risk management expert nurtured through her career involving many engagements in overall system risk assessment and advisory activities at accounting firms. We nominate her as Outside Director because we expect her to contribute to maintaining and strengthening governance of the Company through opinions and suggestions based on these considerable experience and achievements.</p> <p data-bbox="507 604 1220 721">She has not previously been involved in the management of a company as an officer of a stock company, however, we believe that she can appropriately perform duties as an Outside Director based on the aforementioned reasons.</p> <p data-bbox="507 757 1220 943"> Apr. 1985 Joined The Fuji Bank, Limited Jun. 2001 Joined Tohmatsu & Co. Jun. 2006 Partner of Tohmatsu & Co. Jul. 2009 Partner of Deloitte Touche Tohmatsu LLC Nov. 2015 Board Member of Deloitte Tohmatsu LLC Jun. 2018 Board Member of Deloitte Touche Tohmatsu LLC </p> <p data-bbox="507 972 1241 1064"> Significant concurrent positions: Outside Director of Internet Initiative Japan Inc. (to be appointed on June 28, 2022) </p>	<p data-bbox="1283 651 1353 701">-</p> <p data-bbox="1283 674 1353 701">shares</p>

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
10	<p data-bbox="300 658 448 748">TOMII Satoshi (Nov. 7, 1962)</p> <p data-bbox="272 786 475 869">Newly elected Outside Director, Independent Officer</p> <p data-bbox="268 907 480 1025">Number of years and months in office as a Director - years</p> <p data-bbox="263 1064 485 1182">Status of attendance at the Board of Directors - % (-/- meetings)</p>	<p data-bbox="507 271 1225 331"><u>Reasons for the election as candidate for Outside Director and overview of the expected role</u></p> <p data-bbox="507 331 1225 600">We expect him to fulfill supervisory and monitoring functions over management based on his experience and insight as a management expert nurtured through his career in the management of Development Bank of Japan Inc., a bank making investments and loans with a strong public nature. We nominate him as Outside Director because we expect him to contribute to maintaining and strengthening governance of the Company through opinions and suggestions based on these considerable experience and achievements.</p> <p data-bbox="507 638 1241 1467"> Apr. 1985 Joined The Japan Development Bank May 2010 Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Jun. 2011 Managing Executive Officer, Head of Strategic Finance Group of Development Bank of Japan Inc. Apr. 2012 Managing Executive Officer, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Jun. 2012 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Group of Development Bank of Japan Inc. Mar. 2014 Managing Executive Officer, General Manager of Investment Division, Head of Growth & Cross Border Investment Department of Development Bank of Japan Inc. Oct. 2014 Managing Executive Officer, General Manager of Investment Division of Development Bank of Japan Inc. Jun. 2015 Director, Managing Executive Officer, Chief Investment Officer of Development Bank of Japan Inc. Jun. 2016 Outside Member of the Board of World Co., Ltd. Apr. 2019 Director of Japanese Association of Turnaround Professionals (current position) Jun. 2020 Chairman of DBJ Investment Advisory Co., Ltd. (current position) </p> <p data-bbox="507 1496 1034 1556">Significant concurrent positions: Chairman of DBJ Investment Advisory Co., Ltd.</p>	-

Notes:

1. Japan Post Holdings Co., Ltd., where Mr. MASUDA Hiroya serves as Director and Representative Executive Officer, President & CEO, is the Company's parent company holding the Company's shares. The Company has entered into a contract concerning group management with Japan Post Holdings Co., Ltd., and pays brand loyalty pursuant to said contract. In addition, there are business transactions including contracts related to the use of systems such as information provision services between the Company and Japan Post Holdings Co., Ltd. Until March 2022, Ms. TONOSU Kaori was a member of the Management Advisory Council, which was established to improve the appropriateness and efficiency of the execution of our operation and to enhance and strengthen internal controls. Although the Company paid her compensation as a member of the Council, the amount was minimal, and the Company believes that there are no concerns regarding her independence. There are no special interests between the other Director candidates and the Company.
2. The positions and responsibilities of Mr. SENDA Tetsuya, Mr. ICHIKURA Noboru and Mr. MASUDA Hiroya as executive persons at the parent company for the past 10 years and at present are as described under "Past experience, positions and responsibilities."
3. The status of attendance at the Board of Directors, the Nomination Committee, the Audit Committee and the Compensation Committee by each candidate for Director refers to the status of attendance for the fiscal year ended March 31, 2022. For Directors who took office mid-term, the status of attendance reported is for the period after their appointment.
4. Of the candidates for Directors, Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Mr. HARADA Kazuyuki, Mr. YAMAZAKI Hisashi, Ms. TONOSU Kaori and Mr. TOMII Satoshi are candidates for Outside Directors as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
5. The term of office of Ms. SUZUKI Masako as Outside Director of the Company will be six years, that of Mr. SAITO Tamotsu will be five years, that of Mr. HARADA Kazuyuki will be four years, and that of Mr. YAMAZAKI Hisashi will be two years, respectively, at the conclusion of this Ordinary General Meeting of Shareholders.
6. The Company has entered into liability limitation agreements with Mr. NARA Tomoaki, Mr. MASUDA Hiroya, Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Mr. HARADA Kazuyuki and Mr. YAMAZAKI Hisashi to limit their liability to the minimum liability amount as stipulated in Article 425, Paragraph 1 of the Companies Act. Subject to the re-election of these candidates, the Company will continue the above-mentioned liability limitation agreements with each of them. In addition, if the election of Ms. TONOSU Kaori and Mr. TOMII Satoshi is approved, the Company will enter into a liability limitation agreement with them.
7. The Company has entered into a compensation agreement with each Director in accordance with provisions of Article 430-2, Paragraph 1 of the Companies Act, and covers their costs mentioned in Item 1 of the same Paragraph and the losses mentioned in Item 2 of the same Paragraph to the extent provided by laws and regulations. Subject to the re-election of the candidates for Directors, the Company will continue this compensation agreement with each of them. In addition, if the election of Ms. TONOSU Kaori and Mr. TOMII Satoshi is approved, the Company will enter into the same compensation agreement with them.
8. The Company has in effect a Directors and Officers Liability Insurance contract with an insurance company to cover damages that may arise when the insured assume liability for the execution of their duties or receive any claims in the pursuit of such liability. All candidates for Director will be insured under this contract. The Company plans to renew the insurance contract with the same terms and conditions upon its expiry.
9. The Company has designated each of Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Mr. HARADA Kazuyuki and Mr. YAMAZAKI Hisashi as an Independent Officer with the Tokyo Stock Exchange, and will continue to designate them as Independent Officers if they are re-elected. In addition, if the election of Ms. TONOSU Kaori and Mr. TOMII Satoshi is approved, the Company will newly designate them as Independent Officers.
10. Mr. SAITO Tamotsu served as Chairman of the Board of IHI Corporation until March 31, 2020, which was found to have conducted inappropriate work in its civil aircraft engine maintenance business. On March 29, 2019, IHI Corporation was ordered by the Ministry of Economy, Trade and Industry (METI) to make repairs with repair methods approved based on the Aircraft Manufacturing Industry Act, and on April 9, 2019 it received from the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) a business improvement order based on the Civil Aeronautics Act. After this fact was made clear, Mr. SAITO has fulfilled his duties by ordering comprehensive inspections of quality throughout the company and steadily promoting measures to enhance compliance awareness and prevent recurrence.
11. During the service of Ms. SUZUKI Masako, Mr. SAITO Tamotsu and Mr. HARADA Kazuyuki as the Company's Outside Directors, it was found that there were cases of policy rewriting, etc. that may have caused disadvantages to customers, not in line with their intentions, and the Company received administrative dispositions pursuant to the Insurance Business Act and other relevant laws from the Financial Services Agency of Japan on December 27, 2019 for these cases. In addition to making recommendations from the perspective of legal compliance and customer compliance management at normal times, each of these Directors fulfilled their responsibilities by making recommendations for the protection of customers and prevention of recurrence after the cases had been discovered. Subsequently, four Directors including Mr. YAMAZAKI Hisashi have received regular reporting on the progress of the business improvement plan at the Board of Directors, and appropriately monitor the details and progress of the various measures.

[Reference]

Skills Matrix for Directors

The table below lists the skills representing the areas in which the Company expects Directors to demonstrate their competencies and shows the skills and experience that Outside Directors possess and available skills and experience, as well as expected skills, of Inside Directors, based on differences in the Nomination Criteria for Candidates for Directors.

To contribute to resolving social challenges related to sustainability, the areas in which the Company expects Directors to demonstrate their competencies in realizing the Sustainable Development Goals (SDGs) are included in the skills of “corporate management,” “personnel affairs/human resources development,” “community/society,” and “asset management.”

(When Proposal 2 “Election of Ten (10) Directors” is approved)

	SENDA Tetsuya	ICHIKURA Noboru	NARA Tomoaki	MASUDA Hiroya	SUZUKI Masako
Re-elected/ Newly elected	Re-elected	Re-elected	Re-elected	Re-elected	Re-elected
Title	Director	Director	Director	Director	Outside Director Independent Officer
Corporate management* ¹	◆	◆	◆	◆	◆
Financial affairs/Accounting	◆	◆	◆		
Legal/ Risk management/ Compliance	◆	◆	◆	◆	◆
Human resources/ Human resources development	◆		◆	◆	◆
Sales/Marketing	◆	◆			◆
ICT* ² /DX* ³	◆		◆		◆
Community/ Society	◆	◆	◆	◆	◆
Finance/ Insurance	◆	◆	◆	◆	
Asset management	◆	◆	◆		

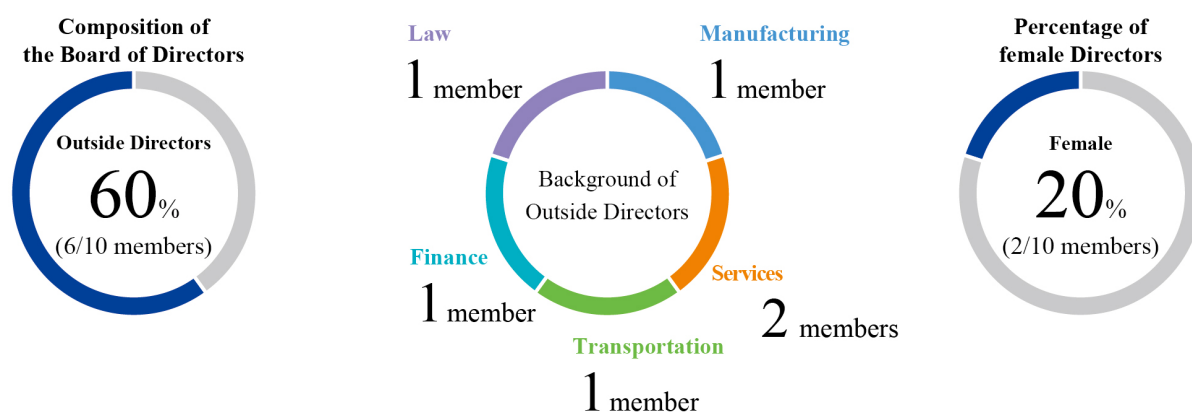
	SAITO Tamotsu	HARADA Kazuyuki	YAMAZAKI Hisashi	TONOSU Kaori	TOMII Satoshi
Re-elected/ Newly elected	Re-elected	Re-elected	Re-elected	Newly elected	Newly elected
Title	Outside Director Independent Officer	Outside Director Independent Officer	Outside Director Independent Officer	Outside Director Independent Officer	Outside Director Independent Officer
Corporate management* ¹	◆	◆	◆	◆	◆
Financial affairs/Accounting	◆				◆
Legal/ Risk management/ Compliance	◆	◆	◆	◆	◆
Human resources/ Human resources development	◆	◆	◆	◆	
Sales/Marketing		◆			
ICT* ² /DX* ³	◆			◆	
Community/ Society	◆	◆	◆	◆	◆
Finance/ Insurance				◆	◆
Asset management					◆

Notes:

1. We consider the “corporate management” skill item to include areas such as organizational management necessary for supervising management.
2. ICT is an acronym for Information and Communication Technology and collectively refers to technology relating to information and communications.
3. DX, or Digital Transformation, refers to transforming a company’s products, services, and business models based on the needs of customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its operations, organizations, processes, and corporate culture and climate to establish a competitive advantage.

Composition of the Board of Directors

The Company’s Board of Directors has a high level of independence and diversity, with a majority (six out of 10 members) of Outside Directors from a wide range of backgrounds and including two female Directors.



[Reference]

[Nomination Criteria for Candidates for Directors]

(Purpose)

Article 1. These criteria set out the standards to be applied when the Nomination Committee nominates candidates for Directors.

(Scale and Composition of Candidates for Directors)

Article 2.

1. The Nomination Committee shall nominate candidates for Directors who have expertise, experience, etc. in different areas, while considering the balance of the Board of Directors as a whole.
2. The appropriate number of candidates for Directors shall be nominated, and it shall be 20 persons or less, as regulated under the Articles of Incorporation. A majority of such candidates for Directors shall be Outside Directors who have independence, in principle.

(Grounds for Disqualification)

Article 3. The Nomination Committee shall not nominate a person who falls under the following category as a candidate for a Director:

- (1) A person who falls under grounds for disqualification set forth in Article 331, Paragraph 1 of the Companies Act;
- (2) A person who is subject to the ruling of the commencement of bankruptcy proceedings whose rights have not yet been restored, or a person who is similarly treated under foreign laws and regulations; or
- (3) A person deemed to have relations with anti-social forces.

(Nomination Criteria for Candidates for Internal Directors)

Article 4. The Nomination Committee nominates persons who meet the following requirements as a candidate for Internal Director of the Company:

- (1) A person who has expertise related to businesses of the Company;
- (2) A person who is well capable of making business decision and conducting business management;
- (3) A person who demonstrates outstanding leadership, decision-making skills, foresight, and planning ability;
- (4) A person who has integrity and insight suitable for a Director; and
- (5) A person who has no health issues in fulfilling one's duty as a Director.

(Nomination Criteria for Candidates for Outside Directors)

Article 5. The Nominating Committee shall nominate persons who meet the following requirements as a candidate for Outside Director of the Company:

- (1) A person who has deep insight relating to the fields of corporate management, risk management, compliance, financial accounting, internal control, macroeconomic policies, etc. Such candidate shall also have sufficient experience and judgment for appropriately making important managerial decisions for the Company and supervising duties executed by Executive Officers;
- (2) A person who has integrity and insight suitable for an Outside Director; and
- (3) A person who has no health issues in fulfilling one's duty as an Outside Director.

(Revision and Abolition)

Article 6. Revision and abolition of these criteria shall be subject to the resolution at the Nomination Committee.

[Reference]

[Designation Criteria for Independent Officers of JAPAN POST INSURANCE Co., Ltd.]

The Company shall designate independent officers as set forth by the Tokyo Stock Exchange from among the Outside Directors who do not fall under any of the following.

1. A person who has previously served as an executive person of the Japan Post Group
2. A person who has previously served as a director who was not an executive person of the parent company of the Company
3. An entity whose major business partner is the Company or an executive person, etc. of such business partner
4. A major business partner of the Company or an executive person, etc. of such business partner
5. A consultant, accounting professional or legal professional who receives or has received a large amount of money or other assets in addition to executive remuneration from the Company (in cases where the person who receives such assets is an organization such as a corporation or a partnership, a person who belongs to or has previously belonged to such organization)
6. A major shareholder of the Company (in the case of a corporation, an executive person, etc. of such corporation)
7. A spouse or a relative within the second degree of kinship of the following persons (excluding persons with no importance)
 - (1) A person as set forth in the preceding 1 to 6
 - (2) An executive person of the Japan Post Group (excluding the Company)
 - (3) A director who is not an executive person of the parent company of the Company
8. An executive person, etc. of an entity where an executive person, etc. of the Company assumes the post of an outside officer
9. A person who receives a large amount of donation from the Company (in cases where the person is an organization such as a corporation or a partnership, an executive person, etc. of such organization or a person equivalent thereto)

Appendix

1. The definitions of the terms used in these Criteria are provided below.

Japan Post Group	The Company, the parent company of the Company, the subsidiaries of the Company and the fellow subsidiaries of the Company
Executive person	An executive person as prescribed in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act
Executive person, etc.	An executive person or a person who previously served as an executive person
An entity whose major business partner is the Company	An entity to which the average annual amount of payment made by the Company in the past three fiscal years is 2% or more of such entity's average annual consolidated net sales over the past three fiscal years
A major business partner of the Company	An entity by which the average annual amount of payment made to the Company in the past three fiscal years is 2% or more of the Company's average annual consolidated ordinary profit over the past three fiscal years
Large amount of money	An individual: Money in the average annual amount of ¥10 million or more in the past three fiscal years An entity: Money in case that the average annual amount of payment made by the Company to an entity in the past three fiscal years is 2% or more of such entity's average annual consolidated net sales over the past three fiscal years
Major shareholder	Major shareholders as prescribed in Article 163, Paragraph 1 of the Financial Instruments and Exchange Act
Large amount of donation	A donation in the average annual amount of ¥10 million or more in the past three fiscal years

2. With regard to attribute information of independent officers, when the transactions or donations associated with independent officers meet the immateriality standards provided below, such transactions or donations shall be judged to have no impact on the independency of such independent officers, and therefore attribute information of the independent directors shall be omitted.

(1) Transactions

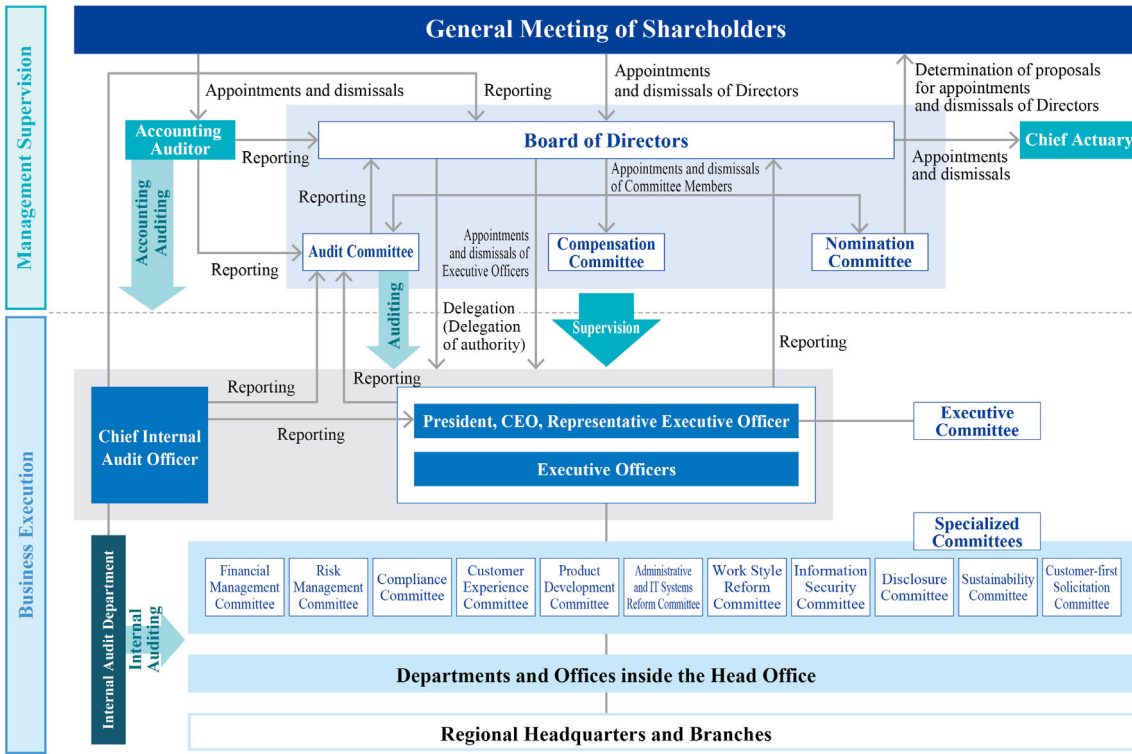
- (i) The average annual amount of payment made by the Company to such business partner in the past three fiscal years is less than 1% of such business partner's average annual consolidated net sales over the past three fiscal years.
- (ii) The average annual amount of payment made by such business partner to the Company in the past three fiscal years is less than 1% of the Company's average annual consolidated ordinary profit over the past three fiscal years.

(2) Donations

The average annual amount of donation made by the Company in the past three fiscal years is less than ¥5 million.

[Reference]

Corporate Governance Structure



*In April 2021, specialized committees were updated by renaming the Customer Services Committee as the Customer Experience Committee, and newly establishing the Sustainability Committee.

[Attachment for the 16th Ordinary General Meeting of Shareholders] Graphs and charts in this report are for reference purposes.

Business Report (From April 1, 2021 to March 31, 2022)

I. Matters Concerning the Current Status of JAPAN POST INSURANCE Co., Ltd.

1. Progress and Results of Business, etc., of the Corporate Group

[Details of main business of the corporate group]

The Company belongs to the Japan Post Group, for which the parent company is Japan Post Holdings Co., Ltd. (“Japan Post Holdings”). At the same time, Japan Post Insurance Group mainly consists of the Company and one subsidiary, and mainly engages in life insurance business.

[Financial and economic environment and business progress and results of the corporate group in the fiscal year ended March 31, 2022]

During the fiscal year ended March 31, 2022, the Japanese economy was on a recovery trend due to the effects of various policies and improvements in overseas economies amid the gradual resumption of economic activities. However, recovery was moderate due to the intermittent resurgence of the spread of COVID-19. The U.S. economy continued to recover steadily, mainly driven by domestic demand, despite supply constraints along with price inflation putting downward pressure on the economy. In Europe, the economy remained firm in the first half of the fiscal year, particularly in consumer spending, but the recovery slowed down in the second half of the fiscal year due to the adverse effects of the resurgence of the spread of COVID-19 and price inflation.

In addition, there are concerns about the broad impact on financial markets and the economy due to economic sanctions and soaring resource prices resulting from Russia’s invasion of Ukraine since February 2022.

In the life insurance industry is seeing customer needs diversify and become more selective against the backdrop of the advent of a super-aging society and evolving lifestyles, as well as the gloom of anxiety caused by the spread of COVID-19 closing in on society. Amid an uncertain and cloudy outlook today, we believe that the role of the life insurance industry to always be close to customers’ lives, supporting their efforts to prepare themselves for emergencies, and provide peace of mind, is ever so growing.

The Company announced in May 2021 a Medium-term Management Plan that covers the period from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2026. Under this Medium-term Management Plan, the Company has once again returned to its management philosophy of, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” to fulfill its social mission as a life insurance company. The Company aims to achieve

sustainable growth by reconstructing itself as a company truly trusted by its customers and shifting to a business model that gives top priority to customer experience value (CX)*.

- * Customer experience value (CX) refers to everything experienced by customers, not only functional items such as prices and performance of products and services, but also emotional and psychological values, like satisfaction, generated throughout the entire process from before buying insurance to after-sales support and insurance claim payment.

Japan Post Group's Medium-term Management Plan, JP Vision 2025, aimed to reduce the shareholding ratio of the two financial companies (the Company and Japan Post Bank Co., Ltd.) held by Japan Post Holdings to 50% or less as early as possible during the period of the plan. As a result of the acquisition of treasury stock by the Company in May 2021 and other measures, the percentage of the Company's voting rights held by Japan Post Holdings became 49.9%. Accordingly, the privatization of the postal service has advanced further, and the legal restrictions stipulated in the Postal Service Privatization Act (additional restrictions on new operations), which are not applicable to other companies in the same industry, have been relaxed. Going forward, we will further promote the provision of insurance services that contribute to our customer-first business operations and enhance the corporate value of the Company and the Japan Post Group.

Major initiatives in the fiscal year ended March 31, 2022 were as follows.

1. Continued efforts aimed at regaining trust

(1) Progress of the business improvement plan

With respect to the issues related to solicitation quality of the Company and its agents that occurred during the fiscal year ended March 31, 2020 (hereinafter, "solicitation quality issues"), the Company received orders from the Financial Services Agency (FSA) of Japan to suspend business (from January 1, 2020 to March 31, 2020) and improve business operations based on Article 132, Paragraph 1 of the Insurance Business Act on December 27, 2019, submitted a business improvement plan to FSA on January 31, 2020, and has since been making regular reports on its progress. We have already implemented most of our preventive measures (creating a healthy corporate culture, establishing an appropriate sales promotion scheme, strengthening of the appropriate solicitation quality control scheme, and strengthening governance by the Board of Directors, etc.), which are set forth in the business improvement plan. In December 2021, the JP Reform Execution Committee* (operated from April 2020 to March 2022) evaluated that the business improvement plan was generally progressing smoothly as planned.

- * The JP Reform Execution Committee had been operated to seek advice from external experts from a fair and neutral standpoint, in order to restore public confidence in the Japan Post Group.

(2) Transition to a new sales style

Based on the reflection of the solicitation quality issues, we began to shift to a new sales style in April 2021, in which we build a relationship of trust with our customers through our sales activities. Specifically, we thoroughly ensure that our customers using our insurance services are well-informed and satisfied. As we do so, we are radically shifting from the previous “proposal-first” sales approach based on products, to a new style based on principles such as the Solicitation Policy^{*1} and Standard of Japan Post Insurance Sales^{*2}.

In order to build a relationship of trust with customers and fulfill our mission as an insurance company, it is necessary for each and every employee involved in Japan Post Insurance sales to promote sales activities and proposals to customers with a sense of security and conviction. To this end, in September 2021, the Japan Post Insurance Commitment was formulated. This commitment sets forth our basic approach and stance regarding Japan Post Insurance sales to all employees involved in Japan Post Insurance sales, which is to protect employees who conduct customer-first sales activities and appropriate solicitation, be close to each front-line employee, and provide products and services that meet customer needs and promote appropriate sales activities, and we will comply with and implement this commitment.

- *1 The Solicitation Policy is a principle-based policy on the customer-first philosophy to provide coverage in accordance with high ethical standards based on the mission of life insurance.
- *2 The Standard of Japan Post Insurance Sales is a set of action principles for implementing truly customer-oriented sales activities based on the Solicitation Policy.

2. Strengthening our business foundation

(1) Establishing a new Japan Post Insurance sales system

In cooperation with Japan Post Co., Ltd., we have developed a system in which we assume direct responsibility for managing consultants (employees who mainly visit customers’ homes to conduct activities). This is part of our efforts to build a new Japan Post Insurance sales system as described in “Issues to be addressed.” Specifically, starting in October 2021, we have gradually transferred the savings-related and other operations of consultants to post office counters, enabling consultants to focus on life insurance proposals and after-sales follow-up services. Since January 2022, we have been gradually consolidating our activity bases based on market characteristics such as policies in force and population. In April 2022, consultants and other staff were transferred from Japan Post Co., Ltd. to the newly established Japan Post Insurance Services Department within the Company, and business operations began under a new structure.

(2) Enhancing insurance services

The Company is working to develop insurance services that meet the protection needs of customers of all generations in an age of the 100-year life.

Specifically, in April 2021, in order to better meet the protection needs of young adults and working-age customers, we started selling ordinary term insurance and special endowment insurance products with longer insurance periods than before. In October 2021, in response to the trend toward extending the retirement age, we began offering ordinary endowment insurance with a longer insurance period to meet the needs of corporate customers who have set their mandatory retirement age at 65 or 70.

In recent years, hospital stays have become shorter due to advances in medical care, and outpatient surgeries have also become more common. On the other hand, some illnesses require long-term hospitalization, and many customers are concerned about their financial situation, and we



<Reference> Logo mark for Motto Sono hi kara Plus

believe that there is a high need for medical coverage to meet expenses that are not covered by the public medical insurance system. In order to meet such needs, we have started offering a new medical rider, *Motto-Sono-hi-kara Plus* in April 2022. The *Motto-Sono-hi-kara Plus* provides more generous medical coverage than the former version by enhancing the amount and frequency of lump-sum hospitalization benefits, covering both short-term and long-term hospitalization, and offering the same amount of surgery benefits for both outpatient and inpatient surgeries.

In addition, to improve customer convenience, from April 2022, we expanded the scope of commissioned sales of life insurance products. We also expanded the types of riders that can be added to term insurance for managers, with respect to commissioned sales of products for corporate clients, etc.

(3) Achieving greater depth and sophistication of asset management

In asset management, we have continued investments into risk assets within the scope of risk tolerance in an aim to secure stable interest margin under a low interest rate environment while remaining committed to ALM^{*1} for secure payment of insurance claims, etc. During the period of the Medium-term Management Plan (FY2022/3–FY2026/3), we will deepen and upgrade our asset management, which has been diversified to date, and as part of our efforts to expand overseas credit investments, we have continued in-house management of U.S. corporate bonds together with in-house managed stocks and alternative investments^{*2}. As a result, the balance of risk assets to total assets at the end of the fiscal year ended March 31, 2022 was 16.7% and interest margin was ¥140.7 billion.

These asset management measures are performed under the enterprise risk management (ERM^{*3}) framework as part of efforts to secure financial soundness and improve return on risk.

In addition, in April 2021, the Company established new specialized departments, the Alternative Investment Department and the Global Credit Investment Department, to further improve the efficiency of the investment process and risk-return ratio, and is working to strengthen its asset management capabilities.

With regard to the situation in Russia and Ukraine, the Company does not directly hold Russian or Ukrainian equities or bonds, and while there are a few indirect holdings through outsourcing (funds), these are held as part of the global diversified investments in each asset, with limited direct impact. On the other hand, Russia's invasion of Ukraine is expected to have a broad impact on financial markets and the economy, including a short-term decline in risk assets due to increased risk aversion among market participants and a medium-term impact on inflation in various countries through higher commodity prices, etc., and we will continue to closely monitor trends and take appropriate measures.

With regard to ESG^{*4} investments, we are focusing on the themes of “enhancement of well-being^{*5},” “development of local communities and society,” and “contribution to environmental protection,” and are making investments that give a sense of “warmth” typical of Japan Post Insurance. In April 2021, ESG integration was introduced for all assets under management, and in addition to financial information, ESG initiatives of investees are comprehensively evaluated and incorporated into decision-making when making investments. In October of the same year, we revised our ESG Investment Policy to clarify our basic approach to ESG investment in light of the need to strengthen our ESG investment framework and changes in the external environment, and in addition to the aforementioned priority themes, we added items such as climate change initiatives in line with the TCFD^{*6} recommendations. In addition, we have set targets for the total power generation output^{*7} of renewable energy facilities that are our investees as KPIs during the period of our Medium-term Management Plan, and are actively promoting ESG-themed investments and impact investments^{*8} based on the aforementioned priority themes. Specifically, we have invested in a fund that invests in licensed nursery schools in Tokyo as an investment that creates an impact. We will continue to make ESG investments that can broadly contribute to achieving the goals of the SDGs^{*9} and solving social issues.

In order to further promote ESG investment and efforts to realize a sustainable society, we have joined initiatives related to climate change and impact investing in an effort to collaborate with institutional investors, companies, and organizations that share the same objectives and awareness of the issues. We are also strengthening our partnerships with external parties. In January 2022, we signed a memorandum of understanding with Keio Gijuku educational corporation to promote collaboration and cooperation toward enhancing well-being, boosting the flow of funds pivoting on academia, and

driving innovation. Through these efforts, we will continue working to solve social issues and drive innovation.

Climate change

<Reference> Major initiatives joined in FY2022/3

A proud supporter of:



International investor initiative that aims to address climate change through collaborative engagement (dialogue with companies)



International initiative for enabling financial institutions to assess and disclose indirect GHG emissions of their investments and loans



A network committed to climate change initiatives toward a decarbonized society

Impact investments

Japan Impact-driven Financing Initiative

An initiative to promote impact investment through cooperation between Japanese financial institutions to actively address social and environmental issues.

SIMI

社会的インパクト・マネジメント・イニシアチブ
Social Impact Management Initiative

An initiative to promote impact-focused management by spreading social impact management practices throughout Japan

- *1 ALM (Asset Liability Management) refers to an integrated management of assets and liabilities
- *2 “Alternative investments” is a general term for new investment targets or methods other than financial instruments that have a relatively long history such as bonds or listed stocks (traditional assets).
- *3 “Enterprise risk management (ERM)” refers to risk management for the overall business by ascertaining risks on an overall basis, including latent significant risks, for any risk a company faces and by comparing and contrasting such risks with its capital and other areas.
- *4 ESG is a term that combines the initials of ‘Environment,’ ‘Social’ and ‘Governance.’
- *5 Well-being is a concept that refers to a state where one is physically, mentally, and socially whole.
- *6 TCFD stands for Task Force on Climate-related Financial Disclosures.
- *7 Limited to electricity output from renewable energy facilities that are our investees. Proportionate to the Company’s holdings.
- *8 Impact investments mean investment activities intended to generate positive and measurable social and environmental impact in parallel with financial returns.
- *9 SDGs is an abbreviation for Sustainable Development Goals, and is a universal goal adopted by the UN General Assembly in September 2015 with the goal of “ending poverty and pursuing a sustainable future.” It consists of 17 goals and 169 targets to solve global issues by 2030.

3. Improving customer experience value

We are fundamentally reviewing our insurance services from the perspective of improving CX, and are working to improve customer convenience and solicitation quality, so that customers feel glad to be with Japan Post Insurance.

Specifically, in response to the growing need for non-face-to-face channels due to factors such as the spread of COVID-19, we expanded the functions of the web service (My Page) for policyholders to provide policyholder loans^{*1} in May 2021, and address hospitalization and surgery benefits claims^{*1}, and enable downloading premium payment certificates in October 2021, in order to improve convenience in insurance procedures. In April 2022, in order to further meet the need for contactless procedures without being restricted to certain times or locations, we launched new cashless payment services for payment of amounts equivalent to the first premium, etc. The services, offered in addition to conventional bank transfers made using payment slips from financial institutions, can be used from smartphones or other devices.

In addition, to further improve customer convenience, we will launch initiatives to support our customers in various procedures, such as sending emails to My Page members who meet certain criteria, such as holding policies that are reaching maturity, as described in “Issues to be addressed.” We have also begun a partial trial of a chat service that we aim to introduce for supporting customers who use My Page to claim hospitalization and surgery benefits.

In its Medium-term Management Plan, the Company has stated that it will shift to a business model that prioritizes CX while promoting Digital Transformation (DX)^{*2}, and has established a system and is promoting various initiatives to achieve this goal. In March 2022, we were certified as a DX-certified operator under the DX Certification program^{*3} established by the Ministry of Economy, Trade and Industry.



In addition, in June 2021, the Company, Japan Post Holdings, Japan Post Co., Ltd., Aflac Incorporated, and Aflac Life Insurance Japan Ltd. agreed to further develop their strategic alliance. Through this alliance, we will jointly implement DX in financial and insurance sectors to realize the Japan Post Group’s vision of a “Co-creation Platform” that supports customers and local communities.

- *1 Policyholder loans and hospitalization or surgery benefits claims on My Page can be processed online when prescribed conditions are met.
- *2 DX, or Digital Transformation, refers to transforming a company’s products, services, and business models based on the needs of its customers and society as a whole, using data and digital technology in response to drastic changes in the business environment, while changing its operations, organizations, processes, and corporate culture and climate to establish a competitive advantage.
- *3 The DX Certification program is a program for certifying businesses that implement excellent initiatives based on the “Guidelines for the Operation and Management of Information Processing Systems” formulated by the government in accordance with the Act on Partial Revision of the Act on Facilitation of Information Processing, which came into effect on May 15, 2020.

4. Promotion of ESG management

In April 2021, the Company newly established a Sustainability Committee as an advisory committee to the Executive Committee as well as a Sustainability Promotion Office, in order to fulfill our social mission and promote solutions to social issues surrounding sustainability. The Sustainability Committee promotes strategies, plans, etc. that contribute to resolving social issues related to sustainability by discussing specific strategies toward the realization of SDGs, reporting on the implementation of sustainability activities, etc.

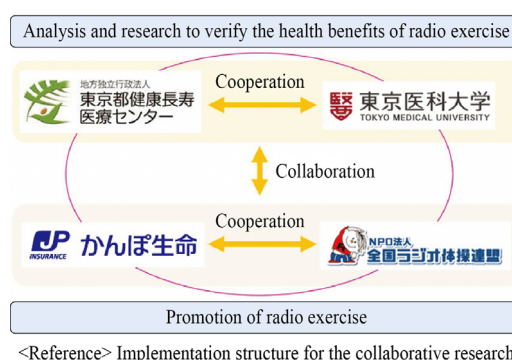
Specifically, we have established a framework for promoting sustainability across the company by appointing a responsible officer for each of our strategies and plans, and have conducted training to promote sustainability activities and foster awareness within the company. In January 2022, we published our Sustainability Report to provide all stakeholders with information on the results of our efforts to realize a sustainable society, including our approach to sustainability and reports on our activities in each area.

In addition, we have expressed our support for the TCFD recommendations, and disclose information on our response to climate change and other issues in accordance with the recommended disclosure items of the TCFD: governance, strategy, risk management, and metrics and targets. Specifically, as an institutional investor, in order to manage the risk of climate change in our portfolio, we calculate and analyze the greenhouse gas emissions of our entire portfolio and each investee, and set and disclose greenhouse gas emission reduction targets for major assets in our investment portfolio. In addition, in March 2022, we conducted an analysis based on various climate-related scenarios and disclosed the impact of climate change on our life insurance business and asset management.

In addition, in October 2021, the Company began a joint research to verify the health benefits of radio exercise, and in February 2022, the Company launched a radio exercises portal site, among other initiatives, with the aim of contributing to the improvement of the health of the public. By continuing to promote and popularize radio exercise, we encourage as many people as possible to engage in the practice on a continuous and habitual basis, thereby aiming to extend their healthy life expectancy and create a society in which people can have a sense of fulfillment in life.



<Reference> Sustainability Report



We have strived to maintain appropriate business operations and implemented initiatives to support our customers in order to ensure that we fulfill our social mission and functions as a life insurance company even during the COVID-19 pandemic.

Specifically, in response to the expanding impact of COVID-19, we have implemented emergency measures, including the extension of the grace period for premium payment (for policies where the policyholder's place of residence is in an area subject to the declaration of a state of emergency), and omission of some of the necessary documents at the request of policyholders to enable simple and quick handling. In addition, in the event of death from COVID-19, the policyholder is eligible for double payment of insurance benefits system. Furthermore, we are providing payment of hospitalization benefits for treatment at home or lodging provided by the government after being diagnosed with COVID-19.

5. Corporate culture and workstyle reform

We aim to be a company where management and employees share a vision for the future, and where each individual grows with the company with a sense of fulfillment (employee satisfaction, or ES). In the fiscal year ended March 31, 2022, the Company is implementing initiatives whereby the management team disseminates its Medium-term Management Plan and future visions for each area, including sales, administration/services, and human resources, to ensure that the Company's policies are well understood by each employee and to encourage employee autonomy.

In addition, as one of the initiatives of our human resource strategy for sustainable corporate growth, we are creating a system to support each employee to develop his or her own career plan and to realize their autonomous growth and diverse work styles. Specifically, in July 2021, the Company formulated a Career Design Guidebook that outlines the Company's approach to human resources and careers, and introduced an employee dialogue (career interview) aimed at reconciling information on each employee's hopes for the future with the expectations of his/her supervisor and confirming the experience and skills needed in the future, and a Human Resource Development Meeting to discuss and implement personnel targets and development policies for each employee as an organization. In promoting these initiatives, it is essential to strengthen the management capabilities of people in management positions, and in the fiscal year ended March 31, 2022, we have clarified the human resources required for management positions, reviewed and upgraded the personnel evaluation system, and refined the criteria for promotion from general employees to management positions and reviewed the selection process.

With regard to initiatives for promoting expansion of roles for female employees, in August 2021, we formulated the Action Plan for Promotion of Empowerment of Women to support each employee in realizing their own career plan and to ensure that their growth leads to the Company's growth, as well as to create a comfortable workplace and vibrant organization, and have been implementing

various measures. In September 2021, we announced our endorsement of the Declaration of Action of the Male Leaders Coalition for the Empowerment of Women (secretariat: Gender Equality Bureau Cabinet Office). We will deepen our network with the male leaders of diverse companies throughout Japan as we accelerate our efforts toward gender equality and the empowerment of women.

In addition, under the Management Policy stating “We create a working environment in which all employees can develop their talents and work with energy and vitality,” we are working to maintain and promote the health of our employees through measures such as by enriching health guidance based on the results of periodic health checkups aimed at preventing lifestyle-related diseases, making anti-smoking efforts, and taking mental health measures. Through a health and productivity management survey, we were certified by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi as a Health and Productivity Management Outstanding Organization 2022 (large enterprise category) and a White 500 company, which is a certification given to the top 500 corporations.

6. Strengthening governance

The Company is promoting efforts to appropriately reduce the risk of money laundering, etc. based on the Policy on Anti-Money Laundering and Combating the Financing of Terrorism.

As part of these efforts, since September 2021, we have been sending the Request for Confirmation of Customer Information and other materials to our policyholders, in an effort to periodically and continuously confirm customer information and other relevant information. In addition, as of April 2022, we will not, in principle, make cash payments of insurance claims at the counter for all claims that can be paid by direct deposit.

In addition, the Company has been working to further improve its governance in light of the transition to the new market segment on the Tokyo Stock Exchange in April 2022. Specifically, in order to further enhance the functions of the Board of Directors, we have identified the skills (knowledge, experience, and capabilities) that the Directors should possess in light of the Company’s management strategy, and in order to ensure diversity in the core human resources, we have formulated our approach to ensuring diversity among female, non-Japanese, and mid-career hires, etc., which was published in the corporate governance report in November 2021. In October of the same year, the Company’s Board of Directors resolved to select the Prime Market* as the market segment to which it will belong after the implementation date of the new market segmentation, and the Company shifted to the Prime Market in April 2022.



<Reference> Logo mark for the Prime Market

* The Prime Market is a market for companies that have a market capitalization (liquidity) large enough to be the investment target of many institutional investors, have higher standards of governance, and are committed to sustainable growth and medium- to long-term improvement in corporate value, with a focus on constructive dialogue with investors.

Policy amounts during the fiscal year ended March 31, 2022 were as follows.

Annualized premiums^{*1} from new policies^{*3} for individual insurance reached ¥46.1 billion (50.7% increase year on year), and decreased 86.9% compared to the fiscal year ended March 31, 2019, before the occurrence of the solicitation quality issues. Annualized premiums from new policies for medical care coverages^{*2} reached ¥2.1 billion (49.0% increase year on year).

For individual insurance, annualized premiums from policies in force^{*4} reached ¥3,538.9 billion (9.2% decrease year on year), and annualized premiums from policies in force for medical care coverages reached ¥627.0 billion (6.3% decrease year on year).

The current sluggish performance in new policies was due to the fact that we were unable to acquire new policies, despite our business operations since October 2020 aimed at regaining the trust of our customers, placing top priority on apologizing to our customers, and our after-sales follow-up support, including activities to confirm policy contents, to resolve customers' concerns and questions. Going forward, we aim to secure policies in force through the recovery of new policies by early establishing the new Japan Post Insurance sales system described in "Issues to be addressed" and establishing and developing after-sales follow-up support under the account manager system.

*1 "Annualized premiums" are the amount of insurance premiums adjusted according to differences in payment method (monthly, yearly, etc.), and converted to one year (12 months). Annualized premiums from new policies and policies in force are indicators that show the size of sales of life insurance companies as with the amount of insurance premiums and others.

*2 "Medical care coverage" ("third sector") is a general term for insurance related to medical care, cancer, nursing care, etc., which does not fall under either life insurance ("first sector") or nonlife insurance ("second sector").

*3 New policies include net increase by conversion.

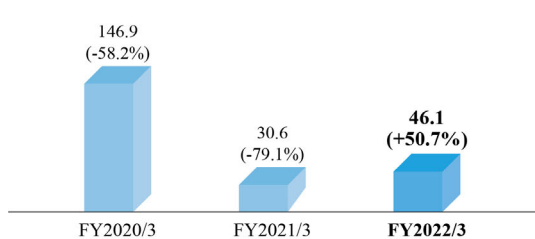
*4 Includes reinsured Postal Life Insurance Policies received from the Organization for Postal Savings, Postal Life Insurance and Post Office Network (the "Management Network") (limited to insurance from Postal Life Insurance Policies for individual insurance).

<Reference> Status of annualized premiums

■ Annualized premiums from new policies

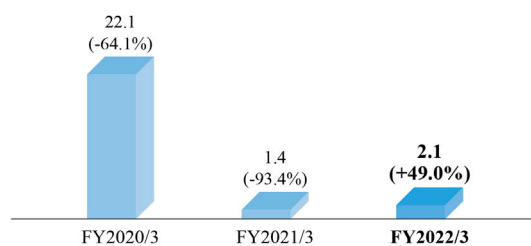
Individual insurance

(Billions of yen)



Third-sector insurance

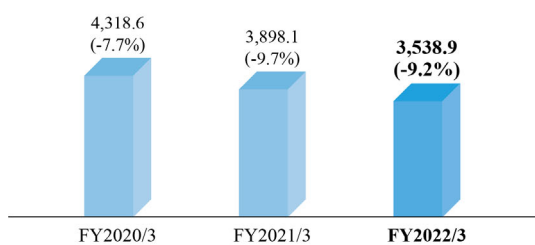
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■ Annualized premiums from policies in force

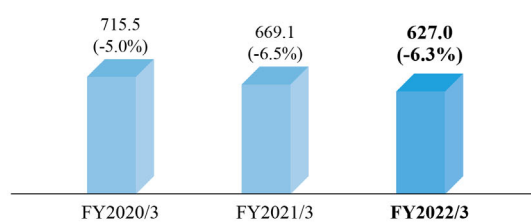
Individual insurance

(Billions of yen)



Third-sector insurance

(Billions of yen)



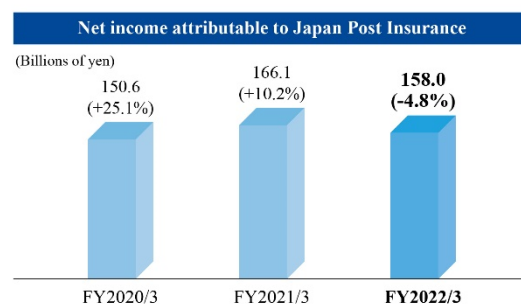
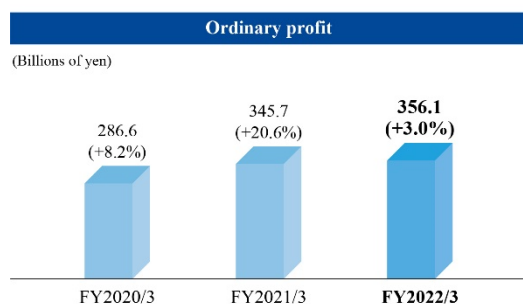
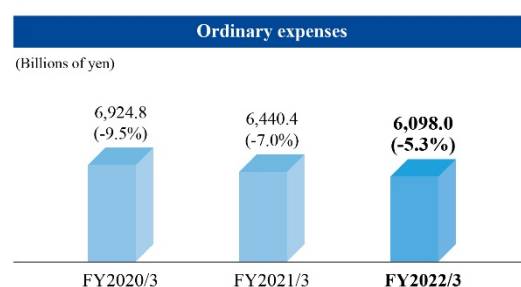
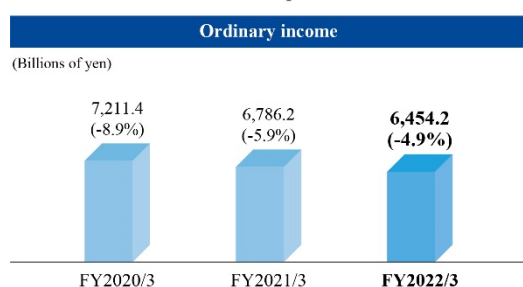
Consolidated profit and loss during the fiscal year ended March 31, 2022 were as follows.

Ordinary income amounted to ¥6,454.2 billion (4.9% decrease year on year), comprising the sum of insurance premiums and others of ¥2,418.9 billion (10.3% decrease year on year), investment income of ¥1,149.1 billion (2.4% increase year on year), and other ordinary income of ¥2,886.0 billion (2.7% decrease year on year).

Ordinary expenses amounted to ¥6,098.0 billion (5.3% decrease year on year), comprising the sum of insurance claims and others of ¥5,549.3 billion (5.4% decrease year on year), investment expenses of ¥69.7 billion (1.5% decrease year on year), operating expenses of ¥385.9 billion (4.2% decrease year on year), and other ordinary expenses of ¥93.0 billion (7.4% decrease year on year).

As a result, ordinary profit amounted to ¥356.1 billion (3.0% increase year on year), and net income attributable to Japan Post Insurance amounted to ¥158.0 billion (4.8% decrease year on year), which is calculated by adjusting extraordinary gains/losses with ordinary profit, and subtracting provision for reserve for policyholder dividends and total income taxes from ordinary profit.

<Reference> Consolidated profit and loss



[Issues to be addressed]

As described in “Financial and economic environment and business progress and results of the corporate group in the fiscal year ended March 31, 2022” (hereinafter, “Business progress and results”), we have announced our Medium-term Management Plan, and will aim for sustainable growth by revitalizing ourselves into a company that is truly trusted by customers and by providing insurance services that impress customers.

1. Initiatives for reconstruction

(1) Continued efforts aimed at regaining trust

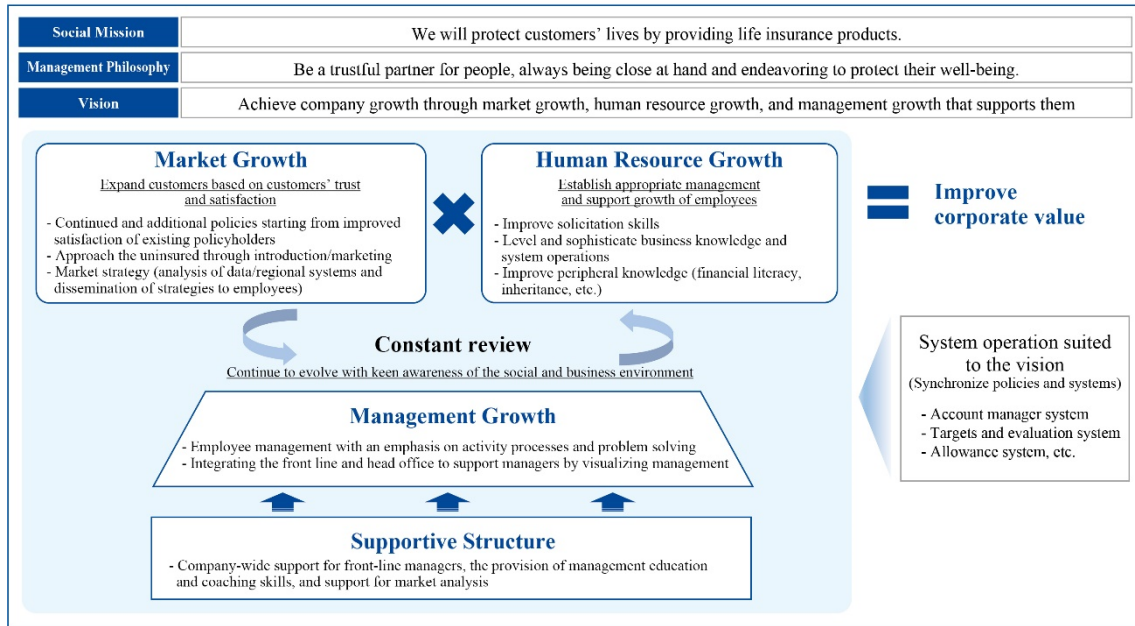
From April 2022, we are building a new sales system at Japan Post Insurance that combines expertise and breadth to realize comprehensive consulting services provided by Japan Post Group as a whole.

In the retail sector, a new Japan Post Insurance Services Department has been established within the Company, and consultants (employees who mainly visit customers’ homes to conduct activities) seconded from Japan Post Co., Ltd. to this department will concentrate on the proposal and follow-up of the Company’s products and cancer insurance products, and the Company will be directly responsible for managing the consultants. In addition, by introducing an account manager system, the Company will enhance regular contact with customers to appropriately respond to changes in their needs due to changes in their life stages, and provide high-quality after-sales follow-up support tailored to their needs.

In implementing these measures, in March 2022, we defined the Vision of Japan Post Insurance Sales Activities (Retail). This vision is to expand customers based on customer’s trust and satisfaction, establish appropriate management and support growth of employees through the systems and operations closely linked to the front line, and continue to evolve with keen awareness of the social and business environment. By sharing and implementing this vision among all employees, we will strive to shift to a culture of cultivating both the market and human resources. In order to realize this goal, we will work together as a whole company to support front-line management in order to promote the growth of management, which is our foundation, and work to resolve front-line issues. In addition, we will make a major review of various systems, including sales targets, evaluation, and allowances, in a manner that is in sync with the Vision of Japan Post Insurance Sales Activities. With respect to sales targets for the fiscal year ending March 31, 2023, we will introduce targets from the perspective of net increase in policies in force, which evaluate both new policies and retaining policies, and we will also set well-balanced targets to evaluate activities such as after-sales follow-up and maintenance of solicitation quality, and emphasize the process leading to the results. We will give top priority to what we can do for our customers in the structure and operation of these systems, and will constantly review them while appropriately responding to the ever-changing social and business environment.

Similarly in the whole sales sector, based on the Vision of the Whole Sales Divisions set forth in the fiscal year ended March 31, 2021 that “Every employee of the Whole Sales Divisions of Japan Post Insurance will continue the challenge of growing with customers and local communities,” we will continue to build and expand true relationships of trust with customers by providing a wider range and higher quality of services tailored to their intentions, in close cooperation with managers.

<Reference> Vision of Japan Post Insurance Sales Activities (Retail)



(2) Strengthening our business foundation

a. Enhancing insurance services

We will work to develop insurance services that meet the protection needs of customers of all generations in an age of the 100-year life.

Specifically, as described in “Business progress and results,” in order to meet customers’ needs for medical coverage, we began offering a new medical rider, *Motto-Sono- hi-kara Plus*, from April 2022, and will provide more generous medical coverage.

Going forward, we will be engaged in the research and development of products that support our customers’ health and wellness, in addition to providing well-balanced protection at lower premiums to meet the needs of young adults and working-age customers and expanding the product range to meet the protection needs of the middle-aged and elderly population in view of the age of the 100-year life.

b. Achieving greater depth and sophistication of asset management

In the area of asset management, we aim to secure stable investment income based on ALM management under the ERM framework while appropriately addressing the movement toward the introduction of new economic value-based capital regulations scheduled for 2025. We will also engage in deeper and more sophisticated asset management in terms of investment areas, including alternative investments, and portfolio building.

Regarding investments in risk assets, we expect to increase the ratio of such assets to total assets to 18% to 20% during the period of the Medium-term Management Plan (FY2022/3–FY2026/3). In particular, with regard to alternative investments, we will gradually increase our investment balance in accordance with our risk tolerance and investment opportunities, while diversifying strategies and regions in the four areas of private equity, real estate funds, infrastructure equity, and hedge funds.

With regard to ESG investment, we will strengthen engagement with investees to achieve greenhouse gas reduction targets, actively pursue investments and loans to achieve the target of total power generation output of renewable energy facilities that are our investees, which was set as a KPI during the period of the Medium-term Management Plan, and promote impact investments to solve social issues.

c. Boosting the efficiency and sophistication of business operations

We will work to improve customer service, increase operational efficiency, and reduce costs by promoting digitalization. In addition, to further enhance the sophistication of operating expenses management, we will introduce a new operating expenses management system, including the establishment of budget managers in each head office department who will be responsible for autonomous cost control, in order to reduce expenses. Management resources saved by streamlining will be shifted to focus areas such as customer support and DX promotion.

2. Initiatives for sustainable growth

(1) Improving customer experience value

We will fundamentally review our insurance services from the perspective of improving CX, and work to improve customer convenience and solicitation quality, so that customers feel glad to be with Japan Post Insurance. In addition, we will expand our customer base by encouraging customers who appreciate the value of the experience to recommend Japan Post Insurance to their families, acquaintances, and even the entire community and society.

Specifically, we will work on providing appropriate proposals that are tailored to each customer's needs, offering simple procedures that can be completed on the spot, providing meticulous support as a team, and enhancing after-sales follow-up services that focus on our relationship with customers.

a. Appropriate proposals that are tailored to each customer's needs

We will visualize customers' needs and the details of required protection using digital tools, and introduce a system that enables family members living far away to be present to realize appropriate proposals in line with the individual circumstances of each customer.

b. Offering simple procedures that can be completed on the spot

With the use of digital technologies, we will enable customers to choose the mode of application and claim-filing from various options, such as online and face-to-face channels, depending on their needs. Starting in the fiscal year ending March 31, 2023, we will use the agile development* method to enable customers to give their consent and notification from their own smartphones and other devices. This will begin in several regions, being implemented on a phased trial basis. In addition, we will work to expand hospitalization and surgery benefits claims made via the Internet, and implement a chat function that allows customers to complete various procedures on the spot, including real-time support by specialist staff (customer centers) for claims for hospitalization and surgery benefits via My Page.

* Agile development is an IT system development methodology. The aim of this approach is to shorten the development lead time until a service is launched by developing the system while repeating designing and testing in a short period. This enables a flexible response to changes in specifications and requirements during the development process.

c. Providing meticulous support as a team

We will establish a customer database that integrates policy and inquiry information and other records for each customer. Then, we will develop an environment where all employees, including consultants, personnel at post office counters, and specialist staff, deal with customers as a team to provide meticulous and heart-to-heart support. From the fiscal year ending March 31, 2023, in some regions, on a trial basis, customers, consultants, and specialist staff will be connected online at the time of application for new policies to confirm customers' intentions, provide information on the support system, and resolve any questions they may have.

d. Enhancing after-sales follow-up services that focus on our relationship with customers

In addition to face-to-face service through home visits, we will offer extensive after-sales follow-up services using various methods including online conferences, as well as digital-based follow-up services for each customer timed to suit their needs through e-mail and social media. We will respond to a wide range of customer needs and aim to gain the trust of customers and those around them. Specifically, for My Page members, we will send e-mails to customers who meet certain prescribed conditions, such as holding policies that are reaching maturity, featuring videos to congratulate them

on reaching this milestone. We will also provide customers with thorough follow-up services by supporting various procedures and consultations about the next stage of their life planning, etc.

In order to measure the results of our various efforts, we are introducing a real-time survey in addition to our annual customer satisfaction survey. A real-time survey will actively collect customer evaluations on customer experience and feedback at each important contact point with customers, such as new enrollment, maintenance procedures, and insurance claims, in order to accelerate the PDCA cycle that leads to service improvements. In addition, in the fiscal year ending March 31, 2023, we will start an initiative to obtain customer evaluations and customer feedback in a more timely manner by short messaging issued from our survey system (on the cloud).






(2) Promotion of ESG management (helping solve social challenges)

We will contribute to solving social issues regarding sustainability by fulfilling our social mission.

We have set five priority social issues (“materiality” items) to be addressed: provision of insurance services through the post office network, contribution to regional and social development and environmental protection, extension of healthy life expectancy and improvement of well-being through health promotion, establishment of a working environment where all employees can work with vitality, and corporate governance that supports our social mission. We will work to solve these issues.

Specifically, we set specific targets such as reducing greenhouse gas emissions to achieve carbon neutrality and improving the female manager ratio, and are working on climate-related risk management and a transition plan to a low-carbon economy, in line with the TCFD recommendations. We will continue to further strengthen our promotion framework and actively disclose information through means including our Sustainability Report and our website.

<Reference> Materiality items to address with priority and main initiatives

Social challenges (materiality) to address with priority and goals	Main initiatives
<p>Provide insurance products and services through the network of post offices, etc.</p> 	<ul style="list-style-type: none"> ● Provide basic protection and services through the network of community-based post offices ● Integrate the network of post offices and digital contact points through DX promotion ● Develop products that respond to the protection needs of all generations
<p>Contribute to the development of communities and society; and environmental conservation</p> 	<ul style="list-style-type: none"> ● Initiatives for carbon neutrality ● Initiatives in accordance with the TCFD proposal ● Promote ESG investment
<p>Extend healthy life expectancy through health promotion, etc., and increase well-being</p> 	<ul style="list-style-type: none"> ● Popularize radio exercise ● Provide services utilizing health promotion app “Sukoyakanpo” ● Provide insurance services based on interest in health promotion and social needs ● Promote ESG investment ● Respond to the spread of COVID-19
<p>Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself</p> 	<ul style="list-style-type: none"> ● Corporate culture reform/work style reform ● Human resources development, strengthening the use of human resources ● Promote diversity (promoting expanding roles for female employees, providing support for balancing work and childcare/nursing care, promoting employment of persons with disabilities, and responding to gender diversity)
<p>Corporate governance supporting the meaning of our business and social mission</p> 	<ul style="list-style-type: none"> ● Regain customers' trust ● Thorough compliance ● Strengthen corporate governance

*The 17-color wheel indicates that the ESG investment relates to all 17 goals of the SDGs.

In addition, by responding to the various concerns of our customers and providing services that are closely connected with their daily lives, we will contribute to solving social issues such as the declining birthrate and aging population, and extending healthy life expectancy, as well as make our customers feel more familiar with the Company and build further trust. Specifically, in April 2022, we established the Future Design Office in the Corporate Planning Department to strengthen our planning and reviewing framework, and launched an internal venture program, Kampo TSUNAGU Challenge!, as an initiative to solicit ideas broadly from inside the company. At the same time, we are also implementing the Japan Post Insurance-Aflac Acceleration Program jointly with Aflac Life Insurance Japan Ltd. (“Aflac”) as an initiative to solicit ideas from outside the company. The program aims to achieve collaboration by combining the services and technologies of start-ups with the management resources of both Japan Post Insurance and Aflac, and through this collaboration, the two companies will work to increase the value provided to customers.

3. Building a foundation of reconstruction and sustainable growth

(1) Corporate culture and workstyle reform

We aim to be a company where management and employees share a vision for the future, and where each individual grows with the company with a sense of fulfillment (ES).

Specifically, we will promote corporate culture reform focusing on revitalizing communication between management and employees, supporting the diverse career development of each employee based on a medium- to long-term human resources portfolio model, strengthening management capabilities, and improving the personnel evaluation system. In addition, we will conduct employee satisfaction (ES) surveys of all employees to verify and improve the effectiveness of the above initiatives, and will make company-wide efforts to resolve issues at each workplace and throughout the company. We will also promote workstyle reform by creating an environment that allows employees to choose diverse and flexible workstyles through the use of means such as remote work. At the same time, we will promote the realization of diversity by promoting the expansion of roles for female employees, helping employees balance work and childcare and nursing care, promoting employment of persons with disabilities, and spreading an understanding of gender diversity. We will promote these initiatives, including consultants who have been seconded from Japan Post Co., Ltd. to the Company, to steadily foster a sense of mission and unity as employees of Japan Post Insurance, and a sense of fulfillment and motivation through their own growth.

In the fiscal year ending March 31, 2023, we will formulate a next-generation leader development program. Its aim is to systematically and strategically develop management personnel who can lead the organization while flexibly and swiftly responding to the changes of the times. We will also implement a talent management system enabling centralized management and visualization of individual employee skills and development policies based on dialogues with our employees (career interviews), and thus work to realize a development and management system in line with each employee.

Through these efforts, we will revitalize internal communication and become a company that acts autonomously and proactively based on the customer-first principle with a sense of unity throughout the company based on mutual understanding.

(2) Strengthening governance

We will conduct sound business operations by ensuring greater transparency and fairness as an organization and, moreover, by increasing the risk sensitivity of each and every employee.

We will first ensure sound corporate governance, and then continue efforts to prevent money laundering and other criminal activities, and strengthen privacy measures to protect personal information and information security measures as initiatives to ensure sound business operations. Specifically, from the perspective of preventing the misuse of our insurance services for money

laundering and other purposes, we are working to identify risks and review their evaluation based on business characteristics, conditions at agencies, and laws and regulations, and enhance the sophistication of our customer management system. In the event that inappropriate handling is discovered, we will promptly confirm the facts, take measures to prevent recurrence, and thoroughly implement these measures. In addition, in line with the promotion of the DX strategy, we will work to strengthen IT system risk management, including detection of cyberattacks.

By implementing the initiatives in the Medium-term Management Plan mentioned above, we will aim to improve corporate value in a sustainable manner to meet the expectations of various stakeholders including shareholders and investors.

[Main performance of the Company]

<Policy amounts>

As for individual insurance, annualized premiums from new policies reached ¥46.1 billion (50.7% increase year on year), while those from policies in force reached ¥2,584.3 billion (9.0% decrease year on year). Policy amount of new policies based on coverage amount reached ¥577.4 billion (47.9% increase year on year), while policy amount of policies in force based on coverage amount reached ¥42,283.8 billion (7.9% decrease year on year).

As for individual annuities, annualized premiums from new policies reached ¥0.0 billion (5.8% increase year on year), while those from policies in force reached ¥301.8 billion (15.5% decrease year on year). Policy amount of new annuity policies based on accumulated contribution payment and policy reserves reached ¥0.2 billion (14.8% increase year on year), while policy amount of policies in force based on accumulated contribution payment and policy reserves reached ¥1,242.7 billion (20.5% decrease year on year).

(Billions of yen)

For the fiscal year ended March 31	2019	2020	2021	2022
Individual insurance (annualized premiums)				
New policies	351.3	146.9	30.6	46.1
Policies in force (As of March 31)	3,363.9	3,144.6	2,840.0	2,584.3
Individual annuities (annualized premiums)				
New policies	0.1	0.3	0.0	0.0
Policies in force (As of March 31)	452.4	412.0	357.1	301.8
Individual insurance (coverage amount)				
New policies	5,563.8	1,893.7	390.3	577.4
Decreased policies	4,921.7	4,980.0	4,393.7	4,205.8
Policies in force (As of March 31)	53,001.8	49,915.5	45,912.2	42,283.8
Individual annuities (accumulated contribution payment and policy reserves)				
New policies	1.9	3.5	0.1	0.2
Decreased policies	415.0	402.3	366.9	321.3
Policies in force (As of March 31)	2,329.4	1,930.6	1,563.8	1,242.7

Notes:

1. The figures are truncated.
2. The figures do not include the Postal Life Insurance Policies received from the Management Network in the form of reinsurance. Status of reinsured Postal Life Insurance Policies received

from the Management Network is described hereunder as a reference.

3. New policies include net increase by conversion.
4. Accumulated contribution payment in individual annuities refers to the aggregate amount bound to be paid in the future for the annuity before payments commence, converted into the value as of the date of annuity payment commencement.
5. Policy reserves in individual annuities refer to the reserve to provide for the future payment of annuities for the annuity after payments have commenced.
6. The Company underwrites neither group insurance nor group annuities.

<Reference> Reinsured Postal Life Insurance Policies Received from the Management Network

(Billions of yen)

	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022
Insurance (insured amount)	29,143.1	26,143.2	23,634.8	21,261.4
Annuities (annuity amount)	590.9	524.1	478.9	440.5

Note: These figures are based on standards applied by the Management Network when it calculates published numerical data, where the figures are rounded off.

<Policy reserves>

(Billions of yen)

	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022
Policy reserves	65,060.5	62,293.1	59,397.7	56,533.4
Contingency reserve	1,962.7	1,797.3	1,611.3	1,690.9

Notes:

1. The figures are truncated.
2. Of the policy reserves as of March 31, 2022, policy reserves, excluding contingency reserve, related to reinsurance contracts with the Management Network, amounted to ¥29,331.2 billion, while contingency reserve is provided in the amount of ¥1,203.2 billion.

<Indicators of core profit, etc.>

(Billions of yen)

For the fiscal year ended March 31	2019	2020	2021	2022
Core profit	377.1	400.6	421.9	437.1
Real net assets (as of March 31)	13,531.9	12,347.8	12,077.5	10,235.4
Solvency margin ratio (as of March 31)	1,188.0%	1,068.9%	1,118.1%	1,042.4%
Consolidated real net assets (as of March 31)	13,535.7	12,350.9	12,081.7	10,238.8
Consolidated solvency margin ratio (as of March 31)	1,189.8%	1,070.9%	1,121.2%	1,045.5%

Notes:

1. The figures for core profit, real net assets and consolidated real net assets are truncated.
2. Solvency margin ratio and consolidated solvency margin ratio are truncated to one decimal place.

2. Financial Condition and Results of Operations of the Corporate Group and the Company

1) Financial condition and results of operations of the corporate group

(Millions of yen)

For the fiscal year ended March 31	2019	2020	2021	2022
Ordinary income	7,916,655	7,211,405	6,786,226	6,454,208
Ordinary profit	264,870	286,601	345,736	356,113
Net income attributable to Japan Post Insurance	120,480	150,687	166,103	158,062
Comprehensive income	172,795	(42,235)	934,447	(824)
Net assets	2,135,137	1,928,380	2,841,475	2,421,063
Total assets	73,905,017	71,664,781	70,172,982	67,174,796

Note: The figures are truncated.

2) Financial condition and results of operations of the Company

For the fiscal year ended March 31		2019	2020	2021	2022
		(Billions of yen)	(Billions of yen)	(Billions of yen)	(Billions of yen)
Policy amount in force as of the fiscal year-end	Individual insurance	53,001.8	49,915.5	45,912.2	42,283.8
	Individual annuities	2,329.4	1,930.6	1,563.8	1,242.7
	Group insurance	—	—	—	—
	Group annuities	—	—	—	—
	Other insurance	0.1	0.1	0.1	0.0
		(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
	Insurance premiums and others	3,959,928	3,245,541	2,697,936	2,418,979
	Investment income	1,204,428	1,137,789	1,121,668	1,149,145
	Insurance claims and others	6,868,893	6,191,369	5,866,091	5,549,315
	Ordinary profit	265,143	286,829	345,022	355,762
	Provision for reserve for policyholder dividends	111,806	109,236	65,465	73,113
	Net income	120,958	151,132	165,586	157,885
	Total assets	73,904,576	71,667,398	70,173,857	67,174,848
		(Yen)	(Yen)	(Yen)	(Yen)
	Net income per share	201.66	268.19	294.41	374.72

Notes:

1. The figures are truncated. However, amount of net income per share is rounded off.
2. Policy amounts at each year-end do not include the Postal Life Insurance Policies received from the Management Network in the form of reinsurance. Status of reinsured Postal Life Insurance Policies received from the Management Network is described in the <reference> of I. 1. [Main performance of the Company].
3. Policy amounts in force for individual annuities are the total of (a) the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence and (b) the amount of policy reserves for the annuity after payments have commenced.
4. The Company underwrites neither group insurance nor group annuities.
5. Other insurance refers to asset-formation insurance and asset-formation annuities. The amount of policies in force is the total of (a) for asset-formation insurance, the policy reserves, and (b) for asset-formation annuities, the accumulated contribution payment as of the date of annuity payment commencement for the annuity before payments commence, and the amount of policy reserves for the annuity after payments have commenced.
6. The Company has a Board Benefit Trust (BBT). Shares of the Company held in the trust, which was recorded as treasury stock under the category of shareholders' equity, were included in treasury stock to be deducted from the calculation of the average number of shares during the fiscal year, for the purpose of calculating net income per share.

3. Main Offices of the Corporate Group

Department	Name of company	Name of office	Location	Date of establishment
Insurance business and related business	The Company	Head Office	Chiyoda-ku, Tokyo	September 1, 2006
Information systems-related business	JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.	Head Office	Shinagawa-ku, Tokyo	October 3, 2011

Note: Date of establishment refers to the date of establishment of the Company for the insurance business and related business, while the date on which JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd. became a subsidiary is stated for the information system-related business.

[Branches and agencies of the Company]

(Number of locations/ branches)

Category	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
Regional Headquarters	13	13	—
Branches	82	82	—
Agency	507	479	(28)
Japan Post Co., Ltd.	1	1	—
Contracted post office	506	478	(28)

Notes:

- As described in “Issues to be addressed,” the Company has shifted to a new Japan Post Insurance sales system since April 2022, and as of April 1, 2022, branch offices (Japan Post Insurance Services Department) have been established in 623 locations across Japan.
- Number of offices (post offices) of Japan Post Co., Ltd. handling insurance solicitation business for the Company was 20,015 as of March 31, 2022 (a decrease of 20 year on year). In addition, 30 post offices are temporarily closed due to the Great East Japan Earthquake.
- Number of contracted post offices represents those acting as insurance agencies handling the insurance solicitation business for the Company, while the number of contracted post offices commissioned to conduct customer referral (referral agencies) for Japan Post Co., Ltd. which acts as an agency of the Company was 2,391 as of March 31, 2022 (a decrease of 27 year on year).

4. Employees of the Corporate Group

(Persons)

Department	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)
Insurance business and related business	7,645	7,545	(100)
Information systems-related business	607	599	(8)
Total	8,252	8,144	(108)

Notes:

1. Number of employees (including those seconded from companies outside the Corporate Group, but excluding those seconded to companies outside the Corporate Group) represents the number of employees in full-time employment, and excludes those in temporary employment (including associate employees who have converted to indefinite-term employment based on the system for conversion to indefinite-term employment).
2. As described in “Issues to be addressed,” the Company has shifted to a new Japan Post Insurance sales system since April 2022, and the number of employees in the insurance business and related business is 20,092 as of April 1, 2022.

[Employees of the Company]

Category	As of March 31, 2021	As of March 31, 2022	Increase (Decrease)	As of March 31, 2022		
				Average age	Average years of service	Average monthly salary
	(Persons)	(Persons)	(Persons)	(Years old)	(Years)	(Thousand yen)
In-house employees	6,503	6,417	(86)	40.8	16.2	369
Sales employees	1,142	1,128	(14)	39.0		

Notes:

1. Number of employees represents the number of employees in full-time employment (including those seconded from other companies, but excluding those seconded to other companies), and excludes those in temporary employment (including associate employees who have converted to indefinite-term employment based on the system for conversion to indefinite-term employment).
2. As described in “Issues to be addressed,” the Company has shifted to a new Japan Post Insurance sales system since April 2022, and the number of in-house employees is 8,548 and the number of sales employees is 11,544 as of April 1, 2022.
3. Average number of years of service represents the number of years of continuous service including years at Ministry of Posts and Telecommunications, Postal Services Agency (Ministry of Internal Affairs and Communications) and Japan Post.
4. Average age and average years of service are based on ages and years counted by the western-style method as of March 31, 2022, and truncated to one decimal place.
5. Average monthly salary represents fixed salary as of March 2022, excluding overtime allowance and bonus. The figures are truncated.

5. Major Creditors of the Corporate Group

Not applicable.

6. Financing of the Corporate Group

Not applicable.

7. Capital Investment of the Corporate Group

1) Total amount of capital investment

(Millions of yen)

Department	Amount
Insurance business and related business	31,909
Information systems-related business	48

Note: The figures are truncated.

2) New installation, etc., of significant equipment

- New installation, expansion, or repair of significant equipment in the fiscal year ended March 31, 2022

Not applicable.

- Disposal of significant equipment in the fiscal year ended March 31, 2022

Not applicable.

8. Principal Parent Company and Subsidiaries, etc.

1) Parent company

Company name	Location	Main business	Date of establishment	Capital stock	Percentage of voting rights of the Company held by the parent company	Others
Japan Post Holdings Co., Ltd.	Chiyoda-ku, Tokyo	Formulation of management strategies of the Group	January 23, 2006	3,500,000 (Millions of yen)	49.90%	

Notes:

1. The figures are truncated.
2. Percentage of voting rights of the Company held by the parent company is rounded off to the second decimal place.

(Significant agreements with the parent company regarding management)

The Company concluded the Japan Post Group Agreement with Japan Post Holdings, Japan Post Co., Ltd. and Japan Post Bank Co., Ltd., while concluding the “Japan Post Group Operating Agreement” with Japan Post Holdings.

Based on the above agreements, the matters necessary to conduct appropriate and smooth group management and those that require management by Japan Post Holdings in accordance with applicable laws and regulations are subject to consultation with Japan Post Holdings beforehand or reporting to Japan Post Holdings, but the “Japan Post Group Operating Agreement” stipulates that such prior consultation will not deter or bind the Company from making its own decisions. Therefore, the Company recognizes that it maintains its independence.

In addition, the Agreement stipulates that the Company shall pay brand royalties to Japan Post Holdings as consideration for permission to use group trademarks such as “*Kampo*” which are calculated in a consistent manner that does not change unless exceptional circumstances arise such as material changes in economic trends, and are not directly affected by the ratio of the Company’s shares held by Japan Post Holdings.

2) Principal subsidiaries, etc.

Company name	Location	Main business	Date of establishment	Capital stock	Percentage of voting rights of subsidiaries, etc., held by the Company	Others
JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.	Shinagawa-ku, Tokyo	Commissioning of design, development, maintenance and operation of information systems	March 8, 1985	500 (Millions of yen)	100%	

Note: The figures are truncated.

9. Business Transfer, etc., of the Corporate Group

Not applicable.

10. Other Important Matters Concerning the Current State of the Corporate Group

Not applicable.

II. Matters Concerning Directors and Executive Officers

1. Directors and Executive Officers

[Directors]

(As of March 31, 2022)

Name	Position and assignment	Significant concurrent positions	Others
SENDA Tetsuya	Director Nomination Committee Member	Director of Japan Post Holdings Co., Ltd.	
ICHIKURA Noboru	Director	Managing Executive Officer of Japan Post Holdings Co., Ltd.	
NARA Tomoaki	Director Audit Committee Member		Note 1
MASUDA Hiroya	Director Nomination Committee Member, Compensation Committee Member	Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd. Director of Japan Post Co., Ltd. Director of Japan Post Bank Co., Ltd. Visiting Professor, Graduate School of Public Policy, The University of Tokyo	
SUZUKI Masako	Director (Outside Director) Compensation Committee Chair, Audit Committee Member	Executive Advisor of Pasona Group Inc. President and Representative Director of Pasona Force Inc.	
SAITO Tamotsu	Director (Outside Director) Audit Committee Chair, Nomination Committee Member	Senior Counselor of IHI Corporation Outside Director of Oki Electric Industry Co., Ltd. Outside Director of Furukawa Electric Co., Ltd.	
YAMADA Meyumi	Director (Outside Director) Nomination Committee Member, Audit Committee Member	Director of istyle Inc. Outside Director of Seino Holdings Co., Ltd. Outside Director of Sampo Holdings, Inc.	
HARADA Kazuyuki	Director (Outside Director) Nomination Committee Chair, Compensation Committee Member	President and Representative Director of Keikyu Corporation Outside Director of Japan Airport Terminal Co., Ltd.	
YAMAZAKI Hisashi	Director (Outside Director) Audit Committee Member	Attorney-at-law Supervisory Board Member, National Federation of Agricultural Cooperative Associations Outside Director of Sumitomo Corporation	

Notes:

1. Mr. NARA Tomoaki has long been involved in the finance department and has considerable knowledge in finance and accounting.
2. Mr. NARA Tomoaki has been elected as standing member of the Audit Committee for the purpose of ensuring audit effectiveness.
3. The five Directors Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Ms. YAMADA Meyumi, Mr. HARADA Kazuyuki and Mr. YAMAZAKI Hisashi are Outside Directors, and are Independent Officers registered with Tokyo Stock Exchange, Inc.
4. At the Ordinary General Meeting of Shareholders held on June 16, 2021, Mr. NARA Tomoaki was newly elected as Director and assumed his post on the same day. Meanwhile, at the meeting of the Board of Directors held on the same day, Mr. NARA Tomoaki was elected as Audit Committee Member and assumed his post on the same day.
5. Mr. SAITO Tamotsu was appointed as Outside Director of Furukawa Electric Co., Ltd. on June 24, 2021.
6. Ms. YAMADA Meyumi was appointed as Outside Director of Sampo Holdings, Inc. on June 28, 2021.
7. Mr. MASUDA Hiroya resigned from the post of Visiting Professor, Graduate School of Public Policy, The University of Tokyo on March 31, 2022.
8. Mr. HARADA Kazuyuki resigned from the post of President and Representative Director of Keikyu Corporation on March 31, 2022 and was appointed as Chairman of the Board, Representative Director of Keikyu Corporation on April 1, 2022.

[Executive Officers]

(As of March 31, 2022)

Name	Position and assignment	Significant concurrent positions	Others
SENDA Tetsuya	President, CEO, Representative Executive Officer	Director of Japan Post Holdings Co., Ltd.	
ICHIKURA Noboru	Deputy President, Representative Executive Officer, Assistant to the President, Compliance Control Department, Sales Quality Control Department, Secretariate and Actuarial and Accounting Department	Managing Executive Officer of Japan Post Holdings Co., Ltd.	
HIRONAKA Yasuaki	Senior Managing Executive Officer, Customer Experience Department, Digital Services Acceleration Department, Business Process Planning Department, IT Systems Planning Department, Assistant to the Executive Officer responsible for Customer Support Department and Assistant to the Executive Officer responsible for IT Systems Management Department	Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.	
TACHIBANA Atsushi	Senior Managing Executive Officer, President's Special Assignment, Human Resources Department, Human Resources Strategy Department, Human Resources Development Department and Investment Planning Department		
UCHIKOBA Nobuatsu	Managing Executive Officer, Assistant to the Executive Officer responsible for Product Planning Department, Assistant to the Executive Officer responsible for Sales Planning Department and Assistant to the Executive Officer responsible for Retail Service Department		
MIYANISHI Yoshiki	Managing Executive Officer, Public Relations Department		
KOIE Junko	Managing Executive Officer, Legal Affairs Department, Cash-Flow and Expense Management Department and Credit Assessment Department		
TANAKA Motonori	Managing Executive Officer, Senior General Manager, Kinki Regional Headquarters		
ONISHI Toru	Managing Executive Officer, Corporate Planning Department and Product Planning Department	Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.	
FUJIMORI Norihiro	Managing Executive Officer, Whole Sales Promotion Training Department and Whole Sales Department		

(As of March 31, 2022)

Name	Position and assignment	Significant concurrent positions	Others
SAKAMOTO Hidekazu	Managing Executive Officer, Sales Planning Department, Retail Service Department and Regional Headquarters		
FUJII Shinsuke	Managing Executive Officer, Customer Support Department, Claims-Related Services Department and Policy Assessment Department		
HARUNA Takayuki	Managing Executive Officer, Global Equity and Fixed Income Investment Department, Alternative Investment Department, Global Credit Investment Department and Assistant to the Executive Officer responsible for Investment Planning Department		
KUME Takeshi	Managing Executive Officer, Assistant to the Executive Officer responsible for Corporate Planning Department (in charge of reorganization planning)		
IIDA Takashi	Managing Executive Officer, Assistant to the Executive Officer responsible for Sales Planning Department, Assistant to the Executive Officer responsible for Retail Service Department, Assistant to the Executive Officer responsible for Whole Sales Promotion Training Department and Senior General Manager, Sales Planning Department		
YOKOYAMA Masamichi	Executive Officer, IT Systems Management Department, Assistant to the Executive Officer responsible for Business Process Planning Department and Assistant to the Executive Officer responsible for IT Systems Planning Department	Director of JAPAN POST INSURANCE SYSTEM SOLUTIONS Co., Ltd.	
SAITO Hajime	Executive Officer, Risk Management Department and General Affairs Department		
MIYAMOTO Susumu	Executive Officer, Assistant to the Executive Officer responsible for Risk Management Department and Assistant to the Executive Officer responsible for Secretariate		

(As of March 31, 2022)

Name	Position and assignment	Significant concurrent positions	Others
MURO Takashi	Executive Officer, Assistant to the Executive Officer responsible for Compliance Control Department and Assistant to the Executive Officer responsible for Corporate Planning Department (in charge of reorganization planning)		
IMAIZUMI Michinori	Executive Officer, Internal Audit Department		
TAGUCHI Yoshihiro	Executive Officer, Assistant to the Executive Officer responsible for Retail Service Department and Senior General Manager, Retail Service Department		
MAETANI Isao	Executive Officer, Senior General Manager, Tokai Regional Headquarters		
KUROSAKI Yoshiyuki	Executive Officer, Senior General Manager, Kyushu Regional Headquarters		
SHIGEMATSU Jun	Executive Officer, Assistant to the Executive Officer responsible for Sales Planning Department		
YOSHIDA Syouchi	Executive Officer, Underwriting Department, Policy Administration Department, Assistant to the Executive Officer responsible for Business Process Planning Department and Senior General Manager, Business Process Planning Department		
KIMURA Yoshihisa	Executive Officer, Assistant to the Executive Officer responsible for Internal Audit Department		
NISHIZAWA Yuki	Executive Officer, Assistant to the Executive Officer responsible for Compliance Control Department		
MIYAZAWA Hitoshi	Executive Officer, Assistant to the Executive Officer responsible for Actuarial and Accounting Department		

(As of March 31, 2022)

Name	Position and assignment	Significant concurrent positions	Others
HAMASAKI Rika	Executive Officer, Assistant to the Executive Officer responsible for Human Resources Department, Assistant to the Executive Officer responsible for Human Resources Strategy Department, Assistant to the Executive Officer responsible for Human Resources Development Department and Senior General Manager, Human Resources Strategy Department		

Notes:

1. Mr. SENDA Tetsuya and Mr. ICHIKURA Noboru concurrently serve as Director.
2. Mr. SHIGEMATSU Jun serves as Executive Officer of Aflac Life Insurance Japan Ltd. However, since he became Executive Officer of the Company on January 1, 2021, he has not executed business at Aflac and has been fully devoted to business execution of the Company.
3. At the meeting of the Board of Directors held on March 24, 2021, Mr. YOSHIDA Syouichi, Mr. KIMURA Yoshihisa, Mr. NISHIZAWA Yuki and Mr. MIYAZAWA Hitoshi were newly elected as Executive Officers, and assumed their posts on April 1, 2021.
4. At the meeting of the Board of Directors held on March 24, 2021, Executive Officers with titles were elected and changed as follows.

Name	Position (Before)	Position (After)	Date of change
TACHIBANA Atsushi	Managing Executive Officer	Senior Managing Executive Officer	April 1, 2021
SAKAMOTO Hidekazu	Executive Officer	Managing Executive Officer	April 1, 2021
FUJII Shinsuke	Executive Officer	Managing Executive Officer	April 1, 2021
HARUNA Takayuki	Executive Officer	Managing Executive Officer	April 1, 2021
KUME Takeshi	Executive Officer	Managing Executive Officer	April 1, 2021

5. At the meeting of the Board of Directors held on July 28, 2021, Ms. HAMASAKI Rika was newly elected as Executive Officer and assumed her post on August 1, 2021.
6. At the meeting of the Board of Directors held on December 22, 2021, Mr. IIDA Takashi was elected as Managing Executive Officer and assumed his post on January 1, 2022.
7. Important matters related to Executive Officers for the period after March 31, 2022 are as follows.

At the meeting of the Board of Directors held on March 30, 2022, Mr. YOKOYAMA Masamichi and Mr. MIYAZAWA Hitoshi were elected as Managing Executive Officers and assumed their posts on April 1, 2022.

[Executive Officer who resigned during the current fiscal year]

(As of the time of resignation)

Name	Position and assignment	Significant concurrent positions	Others
KATO Nobuyasu	Managing Executive Officer, Special Assignment		Resigned from the post of Executive Officer on June 17, 2021.

2. Compensation, etc., for Directors and Executive Officers

[Total Compensation by Type]

Category	Total compensation, etc. (Millions of yen)	Total compensation, etc. by type (Millions of yen)			Number of eligible Directors/ Executive Officers (Persons)
		Basic compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors	76	76	—	—	7
Executive Officers	833	678	154	—	32
Total	909	755	154	—	39

Notes:

1. The figures are truncated.
2. As the Company does not give compensation, etc., for Directors who concurrently serve as Executive Officer of the Company or the parent company, etc., number of eligible Directors does not include three Directors who concurrently serve as Executive Officer of the Company or the parent company, etc.
3. Total compensation, etc., total compensation, etc. by type, and number of eligible Directors/Executive Officers include compensation, etc. for one Director and three Executive Officers who retired during the current fiscal year.
4. The amount recorded as performance-linked compensation, etc. is the amount recorded in the current fiscal year. In principle, the Company records the amount assumed to have been incurred during the fiscal year at the end of every fiscal year as an allowance and reverses these allowances at the time of officers' retirement (payment). The finalized amount could differ from the recorded amount of allowances.

(Overview of basic compensation)

Directors shall receive a fixed monetary compensation of a certain level commensurate with their duties based on the primary role of supervision of management, while Executive Officers shall receive a fixed monetary compensation of a certain level commensurate with their duties in light of the differences in responsibilities depending on position. Such level shall be an appropriate level that gives consideration to the extent of their duties and the current state of the Company.

Specifically, the Compensation Committee has established the "Standard for Officers' Compensation," and the monthly compensation for Directors differs depending on whether they

serve full-time, part-time, or as a member of a committee, while the monthly compensation for Executive Officers differs depending on position.

However, in case the compensation according to the position of an Executive Officer who is in charge of a field that requires special business knowledge and skills fall significantly below the general level of compensation of an officer who is in charge of a similar field at another company, such Executive Officer shall receive a basic compensation based on the level of compensation of other companies, instead of compensation according to his or her duties in the Company.

[Matters Concerning Performance-linked Compensation, etc.]

(Summary of performance-linked stock compensation system)

The Company determined to introduce a performance-linked stock compensation system (the “System”) utilizing a trust for its Executive Officers at a meeting of the Compensation Committee held on December 22, 2015, with details of the System determined at a separate meeting of the committee held on April 27, 2016.

(1) Overview of the System

The objective of the System is to further motivate Executive Officers to contribute to achieving sustainable growth and enhancing the medium-to-long-term corporate value of the Company through clarification of the linkage between the Executive Officers’ compensation and share values of the Company so that Executive Officers share interests with shareholders not only in terms of the benefits from rising share prices, but also in risks associated with falling share prices.

The System adopts a structure called the Board Benefit Trust (BBT). BBT is a performance-linked stock compensation system whereby the Company’s shares are acquired from the stock market through a trust funded by cash contributed by the Company, whose shares and cash in the amount translated at fair value of a certain portion of the shares at the retirement date (provided, in the case of resignation for personal reasons, the shares will not be translated into cash, and only the Company’s shares will be delivered; hereinafter, the “Company’s Shares, Etc.”) are granted to Executive Officers through the trust in accordance with the predetermined Stock Benefit Rules. In principle, Executive Officers will receive the Company’s Shares, Etc. when they retire from their positions as Executive Officers of the Company.

However, if the Board of Directors resolves to dismiss an Executive Officer or if an Executive Officer retires due to a breach of his/her duties as an Executive Officer, etc., the Company may determine not to deliver all or part of the Company’s shares, etc. by resolution of the Compensation Committee.

Voting rights related to shares of the Company attributable to trust assets of the said trust shall not be exercised.

(2) Total number of shares of the Company to be granted to Executive Officers

98,200 (as of March 31, 2022)

As described in “Overview of the System,” the System delivers the Company’s shares and cash in the amount translated at fair value of a certain portion of the shares at the retirement date (provided, in the case of resignation for personal reasons, the shares will not be translated into cash, and only the Company’s shares will be delivered), and the number of shares shown above is the total number of the Company’s shares to be granted to the relevant Executive Officers (as of March 31, 2022) on the assumption that all eligible Executive Officers retire upon expiration of their terms of office, and does not include the portion to be paid in cash. The status of benefits during the current fiscal year is as stated in “IV. Matters Concerning Shares, 4. Shares Delivered to Directors and Executive Officers as Consideration for Execution of Their Duties for the Current Fiscal Year.”

(3) Scope of persons who are entitled to beneficiary interests and other rights under the System

Retired Executive Officers who meet the beneficiary requirements set forth in the Stock Benefit Rules.

(Indicators for performance-linked compensation, reasons for selecting such indicators, and method to determine the amount of performance-linked compensation)

Points under the performance-linked stock compensation are granted to Executive Officers, calculated based on the Company’s performance, a certain coefficient determined according to their duties, and the evaluation of the individual based on such matters as the execution status of the Executive Officer’s duties for the current fiscal year.

[Point calculation method]

“Points granted” = (“Basic points commensurate with duties” + “Individual evaluation points”) × “Company performance-linked coefficient”

As for basic points commensurate with duties, the Company has established points according to each position.

Evaluation points for each Executive Officer are determined by individually evaluating the results, statuses, and other factors of operations of which such Executive Officers are in charge.

Regarding the company performance-linked coefficient, in order to enable the Company to comprehensively evaluate the degree of achievement in management plans, the coefficient is selected from multiple different categories, and “income targets,” “degree of achievement in matters related to sales/solicitation quality,” and “degree of achievement in establishment of administrative and IT system framework, etc.” are determined based on the degree of achievement of such indicators since

they are suitable for the Company’s business structure and business operations.

However, in the event of a breach of duties as an Executive Officer, etc. or in the event of a corporate scandal that seriously damages the Company’s reputation, the Company may determine not to grant all or part of the points by resolution of the Compensation Committee.

The policy on determining the payment ratio of performance-linked compensation and compensation other than performance-linked compensation, etc. has not been formulated.

(Targets and results of indicators for performance-linked compensation for the current fiscal year)

Indicator	Target	Result
Income target for the fiscal year: Net income per share (consolidated)	¥280.05	¥375.14
Degree of achievement in matters related to sales/solicitation quality: Annualized premiums from policies in force	¥3.70 trillion	¥3.53 trillion
Degree of achievement in establishment of administrative and IT system framework, etc.	Addressing urgent issues (continued initiatives to support our customers in an emergency), strengthening an appropriate solicitation quality control scheme, improving customer experience value, promotion of ESG management, asset management, ERM, corporate culture reform, personnel system reform, measures for preventing crime and money laundering, etc.	Progress of measures generally in line with the plan

[Matters Concerning Non-monetary Compensation, etc.]

The Company grants stock compensation to Executive Officers under the System as non-monetary compensation. The stock compensation is included in the performance-linked compensation, etc., as described in “Total Compensation by Type” above, and the details and delivery status are as described in “Matters Concerning Performance-linked Compensation, etc.”

[Policy for Determining Compensation, etc. for Directors and Executive Officers by Individual]

With respect to compensation for our Directors and Executive Officers, taking into account the scope and scale of responsibilities for management, the Compensation Committee has resolved the following “Compensation Policies for Directors and Executive Officers by Individual.”

“Compensation Policies for Directors and Executive Officers by Individual”

1. Compensation System

- (1) If a person serves concurrently as a Director and an Executive Officer, such person shall receive compensation as an Executive Officer.
- (2) Directors of the Company shall receive a fixed monetary compensation commensurate with their positions based on the scope and scale of their responsibilities for management, etc.
- (3) Executive Officers of the Company shall receive a basic compensation (fixed monetary compensation) commensurate with their duties and stock compensation that reflects individual performance under a system that offers sound incentives for contributing to the sustainable growth of the Company.

2. Compensation for Directors

Compensation for Directors shall comprise a fixed monetary compensation of a certain level commensurate with their positions based on the primary role of supervision of management, and such level shall be an appropriate level that gives consideration to the extent of their duties as Directors and the current state of the Company.

3. Compensation for Executive Officers

Compensation for Executive Officers shall comprise a basic compensation (fixed monetary compensation) of a certain level commensurate with their duties in light of the differences in responsibilities depending on position and stock compensation that reflects the results of their evaluation based on factors such as the degree of achievement of management plans.

The level of a basic compensation shall be an appropriate level that gives consideration to the extent of duties of Executive Officers and the current state of the Company. However, should the compensation commensurate with the position of an Executive Officer who is in charge of a field that requires special business knowledge and skills fall significantly below the general level of compensation of an officer who is in charge of a similar field at another company, such Executive Officer shall receive a basic compensation based on the level of compensation of other companies, instead of compensation commensurate with his or her duties in the Company.

In terms of stock compensation, from the standpoint of offering sound incentives for contributing

to the sustainable growth of the Company, Executive Officers shall be granted on a yearly basis basic points commensurate with their duties and performance points reflecting their individual evaluation based on factors such as the degree of achievement of management plans. At the time of retirement, Executive Officers shall receive stocks corresponding to the number of accumulated points and some cash attainable through conversion of shares of the Company.

4. Other

If a person serves concurrently as a Director or an Executive Officer of the Company as well as a director, an auditor or an executive officer of a Group company, such person shall receive compensation from the entity where the person executes primary business.

[Reason that the Compensation Committee Determined that the Content of Compensation, etc. for Directors and Executive Officers by Individual for the Current Fiscal Year is in Line with the Policy]

In addition to the Policy above, the Compensation Committee formulated the “Standard for Officers’ Compensation” that stipulates basic compensation by position and “Officers’ Stock Benefit Rules” that stipulates details about the performance-linked stock compensation.

In determining the compensation amount by position for individual Directors and Executive Officers, and points to be granted for performance-linked stock compensation reflecting the evaluation of individual Executive Officers and performance, the Compensation Committee conducts a multifaceted review of the draft, including consistency with the above Policies, etc., and determines that the content of the compensation, etc. by individual is in line with the Policies, etc. above.

3. Liability Limitation Agreement

Name	Overview of the contracts for limitation of liability, etc.
NARA Tomoaki	The overview of contracts for limitation of liability entered into with Directors in accordance with provisions of Article 427, Paragraph 1 of the Companies Act and Articles of Incorporation, are as follows. For liability provided for in Article 423, Paragraph 1 of the Companies Act, when the Directors (excluding Directors with executive functions) performed their duties in good faith and without gross negligence, they shall be liable to the minimum liability amount prescribed under Article 425, Paragraph 1 of the Companies Act.
MASUDA Hiroya	
SUZUKI Masako	
SAITO Tamotsu	
YAMADA Meyumi	
HARADA Kazuyuki	
YAMAZAKI Hisashi	

Note: The names stated above are those of Directors who have effective liability limitation agreements at the end of the fiscal year under review.

4. Compensation Agreement

[Compensation Agreements with Directors and Executive Officers in Office]

Name	Overview of the compensation agreement, etc.
SENDA Tetsuya	The Company has entered into a compensation agreement in accordance with provisions of Article 430-2, Paragraph 1 of the Companies Act, and the Company indemnifies costs mentioned in Item 1 of the same Paragraph and the losses mentioned in the Item 2 of the same Paragraph to the extent provided by laws and regulations.
ICHIKURA Noboru	
NARA Tomoaki	
MASUDA Hiroya	
SUZUKI Masako	
SAITO Tamotsu	
YAMADA Meyumi	
HARADA Kazuyuki	
YAMAZAKI Hisashi	
HIRONAKA Yasuaki	
TACHIBANA Atsushi	
UCHIKOBA Nobuatsu	
MIYANISHI Yoshiki	
KOIE Junko	
TANAKA Motonori	
ONISHI Toru	
FUJIMORI Norihiro	
SAKAMOTO Hidekazu	
FUJII Shinsuke	
HARUNA Takayuki	
KUME Takeshi	
IIDA Takashi	
YOKOYAMA Masamichi	
SAITO Hajime	
MIYAMOTO Susumu	
MURO Takashi	
IMAIZUMI Michinori	
TAGUCHI Yoshihiro	
MAETANI Isao	
KUROSAKI Yoshiyuki	
SHIGEMATSU Jun	
YOSHIDA Syouichi	
KIMURA Yoshihisa	
NISHIZAWA Yuki	
MIYAZAWA Hitoshi	
HAMASAKI Rika	

[Payouts under Compensation Agreements, etc.]

Not applicable.

5. Directors and Officers Liability Insurance Contract

Scope of the Insured	Overview of Directors and Officers Liability Insurance contract
Directors and Executive Officers	The Company has entered into a Directors and Officers Liability Insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at its expense. The insurance covers damages that may arise when officers, etc. assume liability for the execution of their duties or receive a claim in the pursuit of such liability. Provided that damages, etc. incurred by the officers themselves as a result of bribery or other criminal acts or intentional misconduct are not covered, as a measure to ensure that the appropriate execution of duties by officers, etc. is not impaired.

III. Matters Concerning Outside Directors

1. Concurrent Positions and Other Details on Outside Directors

(As of March 31, 2022)

Name	Concurrent positions and other details
SUZUKI Masako	Executive Advisor of Pasona Group Inc. President and Representative Director of Pasona Force Inc. <Transactions and other relationships with the Company and each company> Not applicable
SAITO Tamotsu	Senior Counselor of IHI Corporation Outside Director of Oki Electric Industry Co., Ltd. Outside Director of Furukawa Electric Co., Ltd. <Transactions and other relationships with the Company and each company> Not applicable
YAMADA Meyumi	Director of istyle Inc. Outside Director of Seino Holdings Co., Ltd. Outside Director of Sampo Holdings, Inc. <Transactions and other relationships with the Company and each company> Not applicable
HARADA Kazuyuki	President and Representative Director of Keikyu Corporation Outside Director of Japan Airport Terminal Co., Ltd. <Transactions and other relationships with the Company and each company> Not applicable
YAMAZAKI Hisashi	Attorney-at-law Supervisory Board Member, National Federation of Agricultural Cooperative Associations Outside Director of Sumitomo Corporation <Transactions and other relationships with the Company and each company> Not applicable

2. Main Activities of Outside Directors

Name	Term of office	Attendance and remarks made at meetings of the Board of Directors and other activities
SUZUKI Masako	5 years, 9 months	She has a wealth of experience in corporate management in the field of deploying human resources and health support services. We have expected her to fulfill supervisory functions from such perspective. She attended all of the 13 meetings of the Board of Directors held during the current fiscal year and actively provided comments, in particular from the perspective of corporate management. She fulfilled her role appropriately as Outside Director of the Company, such as supervision and the provision of advice regarding the Company's business execution and implementation of the business improvement plan. Furthermore, as Chairman of the Compensation Committee and Audit Committee Member, she attended all of the meetings of the Committees (7 meetings of the Compensation Committee and 16 meetings of the Audit Committee) held during the current fiscal year and actively provided opinions.

Name	Term of office	Attendance and remarks made at meetings of the Board of Directors and other activities
SAITO Tamotsu	4 years, 9 months	He has a wealth of experience in corporate management in companies operating business internationally. We have expected him to fulfill supervisory functions from such perspective. He attended all of the 13 meetings of the Board of Directors held during the current fiscal year and actively provided comments, in particular from the perspective of corporate management. He fulfilled his role appropriately as Outside Director of the Company, such as supervision and the provision of advice regarding the Company's business execution and implementation of the business improvement plan. Furthermore, as Chairman of the Audit Committee and Nomination Committee Member, he attended all of the meetings of the Committees (16 meetings of the Audit Committee and 5 meetings of the Nomination Committee) held during the current fiscal year and actively provided opinions.
YAMADA Meyumi	4 years, 9 months	She has a wealth of experience in corporate management of companies with strength in digital strategies. We have expected her to fulfill supervisory functions from such perspective. She attended all of the 13 meetings of the Board of Directors held during the current fiscal year and actively provided comments, in particular from the perspective of corporate management. She fulfilled her role appropriately as Outside Director of the Company, such as supervision and the provision of advice regarding the Company's business execution and implementation of the business improvement plan. Furthermore, as Member of the Nomination Committee and Audit Committee, she attended the meetings of the Committees (4 of the 5 meetings of the Nomination Committee and all of the 16 meetings of the Audit Committee) held during the current fiscal year and actively provided opinions.
HARADA Kazuyuki	3 years, 9 months	He has a wealth of experience in corporate management in a company serving as a social infrastructure with a strong public nature. We have expected him to fulfill supervisory functions from such perspective. He attended 12 of the 13 meetings of the Board of Directors held during the current fiscal year and actively provided comments, in particular from the perspective of corporate management. He fulfilled his role appropriately as Outside Director of the Company, such as supervision and the provision of advice regarding the Company's business execution and implementation of the business improvement plan. Furthermore, as Chairman of the Nomination Committee and Compensation Committee Member, he attended all of the meetings of the Committees (5 meetings of the Nomination Committee and 7 meetings of the Compensation Committee) held during the current fiscal year and actively provided opinions.

Name	Term of office	Attendance and remarks made at meetings of the Board of Directors and other activities
YAMAZAKI Hisashi	1 year, 9 months	He has extensive expertise as a legal expert nurtured as a judge and attorney-at law. We have expected him to fulfill supervisory functions from such perspective. He attended all of the 13 meetings of the Board of Directors held during the current fiscal year and actively provided comments, in particular from the perspective of legal affairs and compliance. He fulfilled his role appropriately as Outside Director of the Company, such as supervision and the provision of advice regarding the Company's business execution and implementation of the business improvement plan. Furthermore, as Audit Committee Member, he attended all of the 16 meetings of the Committee held during the current fiscal year and actively provided opinions.

Note: The term of office is the period up to March 31, 2022, and the period less than one month is truncated.

3. Response to Violation of Laws and Regulations or the Articles of Incorporation and Other Unjust Execution of Business

During the service of Ms. SUZUKI Masako, Mr. SAITO Tamotsu, Ms. YAMADA Meyumi and Mr. HARADA Kazuyuki as Directors, it was found that there were cases, including policy rewriting not in line with customer intentions, that may have caused disadvantages to those customers, for which the Company received administrative dispositions pursuant to the Insurance Business Act and other relevant laws by the Financial Services Agency of Japan on December 27, 2019.

In addition to making recommendations from the perspective of legal compliance and customer compliance management at normal times, the same four Directors fulfilled their responsibilities by making recommendations for the protection of customers and prevention of recurrence after the cases had been discovered. Subsequently, the five Directors including Mr. YAMAZAKI Hisashi have received regular reporting on the progress of the business improvement plan at the Board of Directors' meetings, and appropriately monitor the details and progress of the various measures.

4. Compensation for Outside Directors

(Millions of yen)

	Compensation paid to	Compensation from the Company	Compensation from parent company of the Company
Total compensation	5 persons	48 (of which, other than compensation: —)	—

Note: The figures are truncated.

5. Opinions of Outside Directors

Not applicable.

IV. Matters Concerning Shares

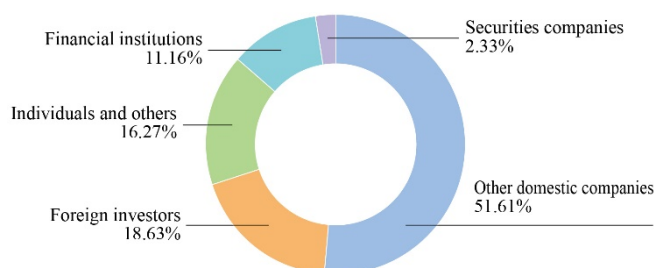
1. Number of Shares

Total number of authorized shares 2,400,000 thousand shares

Total number of outstanding shares 399,693 thousand shares

Note: Number of shares below the presented unit are truncated.

<Reference> Distribution of shares by shareholder type



2. Total Number of Shareholders as of March 31, 2022: 178,661

3. Major Shareholders

Name of shareholder	Number of shares held and percentage of shares held	
	Number of shares held	Percentage of shares held
Japan Post Holdings Co., Ltd.	199,426 thousand shares	49.90%
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,199 thousand shares	7.06%
Custody Bank of Japan, Ltd. (Trust Account)	9,944 thousand shares	2.49%
JPMorgan Securities Japan Co., Ltd.	4,056 thousand shares	1.02%
BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE	3,304 thousand shares	0.83%
STATE STREET BANK WEST CLIENT - TREATY 505234	3,272 thousand shares	0.82%
Japan Post Insurance Employee Shareholding Association	3,249 thousand shares	0.81%
JP MORGAN CHASE BANK 385781	2,571 thousand shares	0.64%
STATE STREET BANK AND TRUST COMPANY 505103	2,539 thousand shares	0.64%
GOLDMAN SACHS INTERNATIONAL	2,460 thousand shares	0.62%

Notes:

1. Number of shares held below the presented unit are truncated.
2. Percentage of shares held are calculated excluding treasury stock (11 thousand shares) and rounded off to the second decimal place. Treasury stock does not include the 140 thousand shares of the Company's stock held in the Board Benefit Trust (BBT).

4. Shares Delivered to Directors and Executive Officers as Consideration for Execution of Their Duties for the Current Fiscal Year

	Number of shares	Number of recipients
Directors (excluding Outside Directors) and Executive Officers	15,900 (Note)	5
Outside Directors (limited to Outside Directors)	Not applicable	Not applicable

Note: Delivered in accordance with the performance-linked stock compensation system described in “II. Matters Concerning Directors and Executive Officers, 2. Compensation, etc., for Directors and Executive Officers, [Matters Concerning Performance-linked Compensation, etc.]” Since the System grants the Company’s shares and cash in the amount translated at fair value of a certain portion of the shares at the retirement date, the above number of shares does not include the portion of shares to be paid in cash.

5. Other Significant Matters Concerning Shares

At the meeting of the Board of Directors held on July 28, 2021, the Company resolved to cancel treasury stock in accordance with the provision of Article 178 of the Companies Act, and carried out the cancellation on August 20, 2021.

- Class of shares cancelled	Common stock of the Company
- Number of shares cancelled	162,906,300 shares
- Total number of outstanding shares after the cancellation	399,693,700 shares

V. Matters Concerning Stock Acquisition Rights, etc.

1. Stock Acquisition Rights, etc., Held by Directors and Executive Officers of the Company as of March 31, 2022

Not applicable.

2. Stock Acquisition Rights, etc., of the Company that have been Granted to Employees, etc., during the Fiscal Year Ended March 31, 2022

Not applicable.

VI. Matters Concerning Independent Auditor

1. Independent Auditor

(Millions of yen)

Name	Compensation, etc., for the fiscal year ended March 31, 2022	Others
KPMG AZSA LLC KANNO Masako Designated Limited Liability Partner SATO Eihiro Designated Limited Liability Partner SUDA Shunsuke Designated Limited Liability Partner	185	- The Audit Committee confirmed the content of the independent auditor's audit plan, and the audit plan and results for the previous fiscal year, then considered the validity, etc. of the time scheduled for audits and the estimated compensation amount for the fiscal year under review. As a result, the Audit Committee has given consent for the compensation, etc., for the independent auditor pursuant to Article 399, Paragraph 1 of the Companies Act. - The Company entrusted to the independent auditor the advisory services, etc. related to accounting, finance and internal control, etc. (non-audit service) which are services other than those set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan, and paid fees to the independent auditor for these services.

Notes:

1. The figure is truncated.
2. The audit engagement entered into by the Company and the Independent Auditor does not clearly distinguish the amount of compensation, etc. for audits prescribed in the Companies Act and those prescribed in the Financial Instruments and Exchange Act. Therefore, the figure above shows the total compensation, etc., for the fiscal year ended March 31, 2022.
3. The total monetary and other property benefits which are to be paid to the independent auditor by the Company and its subsidiary is ¥208 million.

2. Liability Limitation Agreement and Compensation Agreement

Not applicable.

3. Directors and Officers Liability Insurance Contract

Not applicable.

4. Other Matters Concerning Independent Auditor

The Audit Committee resolved the “Policy of determining the dismissal or refusal of reelection of an independent auditor” as follows:

[Policy of determining the dismissal or refusal of reelection of an independent auditor]

The Audit Committee shall dismiss the independent auditor if it determines that the independent auditor falls under any of the items of Article 340, Paragraph 1 of the Companies Act and causes a problem on the audit of the Company.

In addition, the Audit Committee takes into consideration such matters as status of performance of duties of the independent auditor, and if it determines necessary, it shall determine detail of proposals on the dismissal or refusal of reelection of the independent auditor to be submitted to the General Meeting of Shareholders.

VII. Basic Policy Regarding Persons Who Control the Decisions on Financial and Business Policies

Not applicable.

VIII. Systems to Ensure the Appropriateness of Business Operations

(Systems to ensure the appropriateness of business operations)

The Company has formulated the following “Fundamental Policy for Establishment of Internal Control Systems” by resolution of the Board of Directors as a fundamental policy related to establishment of system for ensuring proper operations.

(Revised on March 25, 2020)

Fundamental Policy for Establishment of Internal Control Systems

1. System for ensuring execution of duties by the Executive Officers and employees of the Company are in compliance with laws and regulations and the Articles of Incorporation

- (1) In addition to the formulation of management philosophy and management policy, the Company shall ensure thorough understanding of all Executive Officers and employees of the compliance with laws and regulations in every aspect of its business activities, in accordance with the Japan Post Group’s Charter of Corporate Conduct established by Japan Post Holdings Co., Ltd. Furthermore, the Company shall establish its compliance framework by formulating compliance rules.
- (2) The Company shall establish a department that supervises compliance to promote compliance within the Company. Meanwhile, a Compliance Committee shall be established to deliberate on the management policies concerning compliance, specific compliance operations and response to various issues, and report important matters to the Executive Committee and the Audit Committee.
- (3) The Company shall prepare a Compliance Manual that serves as a guide to the laws and regulations and other rules concerning its corporate activities, while carrying out trainings on laws and regulations as well as internal regulations that must be observed by Executive Officers and employees, in order to ensure thorough implementation of compliance.
- (4) For the purpose of establishing compliance framework and ensuring sound business management, the Company shall set up a liaison meeting, comprised of the President, CEO, Representative Executive Officer and others, with Japan Post Co., Ltd., which serves as the Company’s insurance agent, to discuss matters related to the enhancement and reinforcement of the internal control systems of Japan Post Co., Ltd., and shall take measures necessary for guidance and management of Japan Post Co., Ltd.
- (5) The Company shall set out response as an organization to anti-social forces in the internal rules for dealing with anti-social forces, and cut off and exclude any relationship with anti-social forces that may threaten social order and sound corporate activities by firmly refusing their undue demand, while regularly cooperating with external expert bodies including the police.

- (6) In order to ensure adequacy of the documents related to financial accounting and other information, the Company shall strive to secure credibility of its financial reporting, and report important matters to the Executive Committee, the Audit Committee and the accounting auditor, as appropriate.
- (7) The Company shall establish rules for reporting for any violations or suspected violations of compliance, and set up points of contact for whistleblowing both inside and outside the Company, the use of which shall be thoroughly informed to all Executive Officers and employees.
- (8) The Company shall formulate internal audit rules and develop an internal audit framework. Meanwhile, the Internal Audit Department independent of all departments to be audited shall conduct effective internal audits of compliance in the Company's business activities and report the status of internal audits to the Executive Committee and the Audit Committee.

2. System for retaining and managing information concerning the execution of duties by the Executive Officers

In the Executive Committee rules and the document management rules, the Company shall define the methods and system for retaining and managing various documents concerning the execution of duties by the Executive Officers, such as the minutes of the Executive Committee meetings and approval documents, in order to appropriately retain and manage such information. Documents shall be accessed or copied at the request of the Audit Committee or the Internal Audit Department.

3. System and rules for managing the risk of loss to the Company

- (1) Through formulating basic risk management policies and other risk management rules, the Company shall present to Executive Officers and employees the basic matters related to risk management such as basic principles, the management framework and management methods, and implement risk management based on such basic policies and others.
- (2) The Company shall establish a department that supervises risk management, identify the status of risks, and analyze and manage such risks. Meanwhile, a Risk Management Committee shall be established to deliberate on the policies concerning risk management, matters related to the development and operations of risk management system and matters related to the implementation of risk management and report important matters to the Executive Committee and the Audit Committee.
- (3) The Company shall formulate crisis management rules and develop a crisis management framework to promptly and appropriately address and take necessary countermeasures in cases where risks that have a significant impact on the management arise.

4. System for ensuring the efficient execution of duties by the Executive Officers

- (1) The Company shall, in principle, hold a meeting of the Executive Committee, comprised of Executive Officers, on a weekly basis, and discuss matters delegated from the Board of Directors and matters to be approved by the Board of Directors. Furthermore, specialized committees shall be established as advisory bodies to the Executive Committee as appropriate.
- (2) The Company shall formulate organization rules and administrative authority rules and define the duties of each organizational unit, administrative authority and responsibility of each Executive Officer, and the procedures for approvals on business decisions, with a view to ensuring the efficient execution of duties by the Executive Officers.

5. System for ensuring proper operations within the corporate group comprising the Company and Japan Post Holdings, and subsidiaries of the Company

- (1) The Company shall conclude the Japan Post Group Agreement with Japan Post Holdings, Japan Post Co., Ltd. and Japan Post Bank Co., Ltd., while concluding an agreement on the operations of the Japan Post Group and a memorandum of understanding on the rules for such operations with Japan Post Holdings, whereby prior consultation or reports shall be made over the matters necessary for proper and smooth operations of the Group.
- (2) The Company shall formulate rules concerning the management of subsidiaries, and establish a framework for appropriately managing business operations of subsidiaries as follows.
 - (i) The Company shall have subsidiaries take measures based on the Japan Post Group Agreement, etc. which serves as a basis for the Group management.
 - (ii) The Company shall carry out management analysis, guidance on business operations, risk management, guidance on compliance, audits, etc., for subsidiaries.
 - (iii) Formulation of management policies, business plans and other important matters by subsidiaries shall be subject to the prior approval of the Company.
 - (iv) Matters filed to the authorities by subsidiaries, monthly business results, and the results of external audits shall be reported to the Company.
- (3) The Company shall formulate rules concerning the management of intra-Group transactions and ensure proper transactions with the Group companies based on the arm's-length rule.

6. Matters concerning employees who are to assist the duties of the Audit Committee

The Company shall establish the Office of Audit Committee as an organization that provides assistance to the Audit Committee in performing its duties, and assign full-time employees with knowledge and ability necessary to assist the duties of the Audit Committee.

7. Matters related to maintaining the independence of employees who are to assist the duties of the Audit Committee from the Executive Officers, and matters related to ensuring the effectiveness of instructions given by the Audit Committee to these employees

The employees assigned to the Office of Audit Committee shall assist the duties of the Audit Committee under its sole direction. In addition, matters relating to recruitment, transfer, personnel evaluation or disciplinary actions involving the employees assigned to the Office of Audit Committee shall be subject to the approval of the Audit Committee or of a member of the Audit Committee appointed by the Audit Committee.

8. System for the Executive Officers and employees to report to the Audit Committee, and other systems of reporting to the Audit Committee

- (1) The Executive Officer in charge of internal controls shall regularly report to the Audit Committee on the status of the performance of duties related to internal controls of the Company and its subsidiaries.
- (2) Executive Officers and employees shall promptly report to the members of the Audit Committee on important matters that are likely to have a significant impact on the management of the Company or its subsidiaries.
- (3) The Executive Officer in charge of internal audits shall regularly report to the Audit Committee on the status and results of the internal audits of the Company and its subsidiaries, and report to the members of the Audit Committee on the important matters that are likely to have a significant impact on the management.
- (4) Executive Officers and employees shall report the matters related to the business execution of the Company or its subsidiaries, as required by the Audit Committee. In this case, The Audit Committee shall request an investigation to the Executive Officer in charge of internal audits or give specific instructions concerning the officer's execution of the duty, whenever the Audit Committee deems necessary.
- (5) Executive Officers and employees shall promptly report to the members of the Audit Committee on any significant compliance violation (including any suspected matters) of the Company or its subsidiaries discovered through whistleblowing or by other means.
- (6) Any person who reported to the Audit Committee or any whistleblower within the Company shall not be subject to disadvantageous treatment on the ground of such report or whistleblowing.

9. Procedures for making advanced payment or reimbursement of expenses to be incurred in the execution of duties by the members of the Audit Committee, and matters concerning a policy for the handling of expenses or debts to be incurred in the execution of such duties

Executive Officers and employees may not deny a request for payment made by the members of the Audit Committee for expenses incurred in the course of audits carried out as part of the execution of duties of the Audit Committee, including fees for advice they sought from attorneys, certified public accountants or other external experts, or duties they outsourced for investigation, appraisal or others, unless the Company proved that the aforementioned expenses were not necessary for the execution of duties of the Audit Committee.

10. Other systems for ensuring effective audits by the Audit Committee

- (1) The President, CEO, Representative Executive Officer shall strive to exchange opinions with the Audit Committee regularly in an effort to enhance mutual understanding over the important management matters including basic management policy, issues to be addressed and the functional status of the internal control system.
- (2) The Executive Officer in charge of internal audits shall formulate or amend the audit plan upon providing prior explanation about the audit plan to the Audit Committee and obtaining its consent.
- (3) The Audit Committee shall cooperate with the Executive Officer in charge of internal audits such as by exchanging opinions whenever necessary in order to stay abreast of important points of audit.
- (4) The Audit Committee shall receive prior explanation about the audit plan from the accounting auditor and regular reports on the status of audit implementation, and shall cooperate with the accounting auditor through exchange of opinions as appropriate in order to be acquainted with important points concerning accounting audit at all times.
- (5) In executing its duties, the Audit Committee shall cooperate with the Audit Committee of Japan Post Holdings, through measures such as regular exchange of opinions.
- (6) Important personnel appointments of the Executive Officer in charge of internal audits and the Senior General Manager of the Internal Audit Department shall be subject to the approval of the Audit Committee or of a member of the Audit Committee appointed by the Audit Committee.

(Status of operation of systems to ensure the appropriateness of business operations)

The Company has established and is operating the internal control systems to ensure proper operations based on the “Fundamental Policy for Establishment of Internal Control Systems,” an overview of which is as follows:

(1) System for ensuring that the execution of duties by the Executive Officers and employees of the Company are in compliance with laws and regulations and the Articles of Incorporation

- In order to realize the management philosophy of “Be a trustful partner for people, always being close at hand and endeavoring to protect their well-being,” the Company announced the “Basic Policies for Customer-first Business Operations,” the “Declaration of Customer-Oriented Services” and “Solicitation Policy,” and sent messages inside and outside the Company to strive for thorough customer-first business operations. In addition, with regard to the Standard of Japan Post Insurance Sales which was formulated to ensure that our principle-based approach to providing coverage has a high level of ethics that takes into account the original role and mission of life insurance and to reflect our customer-first philosophy, the Company provided training to establish and instill this standard, and also disclosed the “Commitments to Regain Customers’ Trust” and provided related training to ensure customer-first business operations.
- In order to ensure thorough compliance, the Company established the Compliance Committee, where management policies concerning compliance, specific compliance operations and various issues were deliberated, and important matters were reported to the Executive Committee and the Audit Committee. In addition, ongoing and multi-layered compliance training has been conducted in the workplace.
- The Company newly established the AML/CFT Office to develop a framework for countermeasures against money laundering and terrorist financing, and to monitor transactions with aim of identifying, assessing, and mitigating risks.
- The Company has set up points of contact for whistleblowing both inside and outside the Company for reporting compliance violations or the possibility of such violations, the use of which are thoroughly informed to all Executive Officers and employees. In addition, the Company has promoted measures such as actively detecting whether there were any disadvantageous treatments of whistleblowers on the ground of such reporting by following up on them.
- The Company developed the following organizational systems and an appropriate solicitation quality control scheme is in place.
 - (i) Post offices, call centers, and service centers have conducted multi-layered checks from policy signing to the conclusion of a policy.
 - (ii) The sales divisions at the Head Office implemented planning and guidance operations

aiming at realizing appropriate solicitation activities to be more accountable for sales activities focusing on the maintenance of solicitation quality, while compliance and solicitation quality control divisions focused on the verification of measures taken by the sales divisions. Through these measures, the Company has established a scheme that enables the formulation of truly customer-first measures under appropriate mutual checks and balances system.

(iii) The Internal Audit Department formulated an audit program based on whether operations were implemented to achieve the goals of measures for appropriate solicitation activities and whether it was designed to enable reviews of the measures as necessary. The Internal Audit Department verifies each measure from the viewpoints of sufficiency, appropriateness and effectiveness.

- In addition, in order to discuss various issues including matters related to the enhancement and strengthening of the internal control system of Japan Post Co., Ltd., meetings were held regularly with the presidents of both the Company and Japan Post Co., Ltd. to discuss measures necessary for guidance and management.

(2) System for retaining and managing information concerning the execution of duties by the Executive Officers of the Company

- In the Executive Committee rules and the document management rules, the Company clarified the methods and system for retaining and managing documents concerning the execution of duties by the Executive Officers, including the minutes of the Executive Committee meetings and approval documents, and appropriately retained and managed such information.

(3) System and rules for managing the risk of loss to the Company

- The Company established the Risk Management Department as a department that supervises risk management. Meanwhile, the Risk Management Committee conducted deliberations and made reports on the risk management, and the Executive Officer responsible for the Risk Management Department reported important matters related to risk management to the Executive Committee and to the Audit Committee.
- The Company has developed a PDCA cycle, which utilizes risk information detected from customer feedback, employee feedback, social interests/trends of other companies, status of policies in force, etc., and links them to improvement measures.
- The Company has established a system to ensure that customer service and insurance administration can be conducted in a timely and appropriate manner, including the establishment of a Crisis Management Committee, in the event of a large-scale natural disaster or cyberattacks, etc. that make it difficult to carry out normal business operations.

In addition, the Company continued company-wide measures to address COVID-19, such as thoroughly implementing infection prevention measures as well as taking up remote working, in order to secure a business continuity structure.

(4) System for ensuring the efficient execution of duties by the Executive Officers of the Company

- In order to ensure the efficient execution of duties by the Executive Officers of the Company, the Company formulated internal regulations which define the duties of each organizational unit, the role of Executive Officers, and the administrative authority and responsibility of each Executive Officer. In principle, a meeting of the Executive Committee is held on a weekly basis, and conducts deliberations and reports on important matters on management.
In addition, 10 specialized committees were established as advisory bodies to the Executive Committee and engaged in deliberations regarding cross-divisional issues, including the Sustainability Committee for discussing the policy for promoting sustainability strategies from an expert viewpoint.
- Furthermore, in order to promptly and reliably implement measures under the leadership of the management team and improve solicitation quality, the Company implemented various measures such as establishing a Customer-first Solicitation Committee and holding discussions, holding a new “deliberation” session at the Board of Directors’ meeting to utilize the knowledge of Outside Directors from the drafting stage of proposals, holding extraordinary meetings of the Board of Directors and meetings of Outside Directors as necessary, and enhancing and accelerating the provision of information to Outside Directors.

(5) System for ensuring proper operations within the corporate group comprising the Company and Japan Post Holdings, and subsidiaries of the Company

- Based on the Japan Post Group Agreement, the Company engaged in prior consultation with and made reports to Japan Post Holdings. In addition, in order to ensure the appropriateness of operations among the Group companies, we held the Group Steering Committee to discuss critical issues for the Group such as the operational status of each company, customers’ and employees’ feedback and operational risks. We also held Group liaison meetings regularly on various management issues such as internal audits and compliance.
- In addition to the internal contact point for whistleblowing within the Company, we established an external contact point and a contact point to accept a wide range of business consultations, including those that do not constitute compliance violations. Employees have been fully informed of these contact points. In addition, we will also carry out Group-wide initiatives; for example, if there is a report from sales personnel of Japan Post Co., Ltd. regarding a Japan Post Insurance product, the Company and Japan Post Co., Ltd. will share

the necessary information and respond to the report.

- The Company established a framework for appropriately managing business operations of subsidiaries by formulating rules concerning the management of subsidiaries, and prescribing matters requiring application for prior approval from and reports to the Company, based on business management contracts concluded with subsidiaries.

(6) System for ensuring effective audits by the Audit Committee

- The Company established the Audit Committee Office and assigned full-time employees who are independent and have knowledge and capabilities needed to support the duties of the Audit Committee.
- Based on a resolution of the Audit Committee, the Company stipulated Audit Committee auditing standards and prescribed a system for ensuring effective audits by the Audit Committee. A system for reports to the Audit Committee has been established, whereby the Executive Officer responsible for internal control reports regularly on the status of business execution, and important matters are immediately reported to a member of the Audit Committee. Moreover, in order to strengthen the involvement of the Audit Committee in the Internal Audit Department, formulations or amendments to the internal audit plan and important personnel appointments of the Executive Officers responsible for internal audits and the Senior General Manager of the Internal Audit Department are made with the consent of the Audit Committee or an Audit Committee Member selected by the Audit Committee.
- In response to reports from the Executive Officer responsible for the Internal Audit Department, the Audit Committee instructs the Internal Audit Department to investigate as necessary, and has established a system that allows for in-depth discussions based on reports of investigations by the Executive Officer responsible for internal audits, or to provide advice to the said Executive Officer as necessary. In addition, in order to enrich the discussions of the Audit Committee, Audit Committee Members are updated on the status of the most recent audits related to the Audit Committee's audit topics each month.
- The Audit Committee regularly exchanged opinions with the President, CEO, Representative Executive Officer, and with the Audit Committee of Japan Post Holdings and the Audit and Supervisory Board of Japan Post Co., Ltd., on important management matters.

IX. Matters Concerning Specified Wholly-Owned Subsidiaries

Not applicable.

X. Matters Concerning Transactions with Parent Company and Others

1. Points considered not to unfairly impair the benefits when conducting such transaction

Business transactions between the Company and its parent company, Japan Post Holdings, and other companies belonging to the Japan Post Group, are conducted fairly, based on the Insurance Business Act, in accordance with the arm's length rule (the arm's length rule stipulates that insurance companies must not engage in business transactions, etc., with certain related parties including the parent company or subsidiaries of the parent under significantly different terms than normal transactions.)

2. Determination and reasoning by the Board of Directors on whether such transaction does not unfairly impair the benefits.

In order to ensure the appropriateness of transactions within the Group, all transactions conducted by the Company are checked by the transacting department before the transactions take place to confirm whether or not they constitute intercompany transactions. In the case of transactions conducted with companies belonging to the Japan Post Group, we examine the transaction in advance, based on a fixed checklist, from the perspective of the necessity of an intercompany transaction, the appropriateness of the terms of the transaction, etc., to ensure the appropriateness of the transaction. In addition, a specialized department (Legal Affairs Department) confirms the appropriateness of this examination. Furthermore, the managing department (Corporate Planning Department) conducts an after-the-fact examination after the transaction is completed. Moreover, in order to ensure the properness of transaction terms related to intercompany transactions, we have established a system whereby a resolution is passed by the Board of Directors, including outside directors, when conducting important new transactions or changing the terms of important existing transactions. Thus, through the proper operation of the Company's arm's length rule check system, the Board of Directors confirms that the appropriateness of transactions with Japan Post Holdings is ensured.

3. The opinion of the outside directors in case the decision made by the Board of Directors in 2. above differs from the opinion of outside directors

Not applicable.

XI. Matters Concerning Accounting Advisor

Not applicable.

XII. Other Matters

[Policy for the exercise of authority in case where there is a provision set in the Articles of Incorporation that cash dividends, etc., shall be determined by the Board of Directors]

The Company recognizes that the distribution of profit to shareholders is an important policy of management, and distributes profits to shareholders stably, while securing management soundness.

Specifically, with regard to shareholder dividends, the Company in principle aims not to decrease but to increase dividend per share for the period of the Medium-term Management Plan up to the fiscal year ending March 31, 2026, while considering earning prospects and financial soundness.

Furthermore, with the primary aim of returning profits to shareholders flexibly, the Company will strive to achieve an average total payout ratio from 40% to 50% in the medium term by engaging in the agile acquisition of treasury stock and other means.

The Company secures internal reserves to fund stable business growth to enable it to respond to future changes in the business environment.

The Company has, in accordance with the provisions of Article 459 of the Companies Act, stipulated that it provides cash dividends based on the resolution of the Board of Directors in the Articles of Incorporation. As for the dividend for the fiscal year ended March 31, 2022, payment of ¥90 per share (including interim dividends of ¥45 per share) was decided at the Board of Directors' meeting held on May 13, 2022.

The Company stipulates in its Articles of Incorporation that it is able to pay interim dividends with a record date of September 30 of each year. For the purpose of enhancing the opportunities to distribute profits to shareholders, the Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends.

CONSOLIDATED FINANCIAL STATEMENTS**Consolidated Balance Sheet (As of March 31, 2022)**

(Millions of yen)

Account	Amount
ASSETS:	
Cash and deposits	1,270,762
Call loans	40,000
Receivables under resale agreements	2,120,137
Monetary claims bought	39,543
Money held in trust	4,521,912
Securities	53,417,580
Loans	4,251,956
Tangible fixed assets	94,497
Land	43,112
Buildings	37,152
Leased assets	2,606
Construction in progress	432
Other tangible fixed assets	11,193
Intangible fixed assets	93,609
Software	93,594
Other intangible fixed assets	14
Agency accounts receivable	47,287
Reinsurance receivables	3,914
Other assets	268,626
Deferred tax assets	1,005,346
Reserve for possible loan losses	(379)
Total assets	67,174,796

(Millions of yen)	
Account	Amount
LIABILITIES:	
Policy reserves and others	58,196,072
Reserve for outstanding claims	402,608
Policy reserves	56,533,454
Reserve for policyholder dividends	1,260,009
Reinsurance payables	6,256
Bonds payable	300,000
Payables under repurchase agreements	2,570,899
Payables under securities lending transactions	2,236,696
Other liabilities	402,658
Liability for retirement benefits	68,313
Reserve for management board benefit trust	230
Reserve for price fluctuations	972,606
Total liabilities	64,753,732
NET ASSETS:	
Capital stock	500,000
Capital surplus	405,044
Retained earnings	639,822
Treasury stock	(355)
Total shareholders' equity	1,544,511
Net unrealized gains (losses) on available-for-sale securities	873,764
Accumulated adjustments for retirement benefits	2,786
Total accumulated other comprehensive income	876,551
Total net assets	2,421,063
Total liabilities and net assets	67,174,796

Consolidated Statement of Income (From April 1, 2021 to March 31, 2022)

(Millions of yen)	
Account	Amount
ORDINARY INCOME	6,454,208
Insurance premiums and others	2,418,979
Investment income	1,149,145
Interest and dividend income	985,879
Gains on money held in trust	114,553
Gains on sales of securities	26,942
Gains on redemption of securities	779
Gains on foreign exchanges	20,879
Reversal of reserve for possible loan losses	3
Other investment income	107
Other ordinary income	2,886,083
Reversal of reserve for outstanding claims	16,412
Reversal of policy reserves	2,864,265
Other ordinary income	5,405
ORDINARY EXPENSES	6,098,095
Insurance claims and others	5,549,315
Insurance claims	4,477,034
Annuity payments	317,508
Benefits	137,982
Surrender benefits	483,773
Other refunds	110,798
Reinsurance premiums	22,217
Provision for policy reserves and others	9
Provision for interest on policyholder dividends	9
Investment expenses	69,769
Interest expenses	2,352
Losses on sales of securities	51,108
Losses on redemption of securities	6,046
Losses on derivative financial instruments	7,398
Other investment expenses	2,863
Operating expenses	385,928
Other ordinary expenses	93,073
ORDINARY PROFIT	356,113
EXTRAORDINARY GAINS	5,696
Gains on sales of fixed assets	5,696
EXTRAORDINARY LOSSES	68,116
Losses on sales and disposal of fixed assets	326
Provision for reserve for price fluctuations	67,789
Provision for reserve for policyholder dividends	73,113
Income before income taxes	220,579
Income taxes – Current	101,702
Income taxes – Deferred	(39,184)
Total income taxes	62,517
Net income	158,062
Net income attributable to non-controlling interests	—
Net income attributable to Japan Post Insurance	158,062

NON-CONSOLIDATED FINANCIAL STATEMENTS

Non-Consolidated Balance Sheet (As of March 31, 2022)

(Millions of yen)

Account	Amount
ASSETS:	
Cash and deposits	1,265,070
Cash	766
Deposits	1,264,304
Call loans	40,000
Receivables under resale agreements	2,120,137
Monetary claims bought	39,543
Money held in trust	4,521,912
Securities	53,418,564
Japanese government bonds	37,408,974
Japanese local government bonds	4,472,466
Japanese corporate bonds	4,866,504
Stocks	425,553
Foreign securities	4,332,519
Other securities	1,912,544
Loans	4,251,956
Policy loans	140,980
Industrial and commercial loans	965,872
Loans to the Management Network	3,145,103
Tangible fixed assets	94,165
Land	43,112
Buildings	37,027
Leased assets	2,518
Construction in progress	432
Other tangible fixed assets	11,074
Intangible fixed assets	98,291
Software	98,276
Other intangible fixed assets	14
Agency accounts receivable	47,287
Reinsurance receivables	3,914
Other assets	269,025
Accounts receivable	70,950
Prepaid expenses	3,011
Accrued income	141,542
Money on deposit	7,901
Margin deposits for futures transactions	3,674
Derivative financial instruments	68
Cash collateral paid for financial instruments	36,850
Suspense payments	2,473
Other assets	2,552
Deferred tax assets	1,005,357
Reserve for possible loan losses	(379)
Total assets	67,174,848

(Millions of yen)	
Account	Amount
LIABILITIES:	
Policy reserves and others	58,196,072
Reserve for outstanding claims	402,608
Policy reserves	56,533,454
Reserve for policyholder dividends	1,260,009
Reinsurance payables	6,256
Bonds payable	300,000
Other liabilities	5,210,469
Payables under repurchase agreements	2,570,899
Payables under securities lending transactions	2,236,696
Income taxes payable	39,068
Accounts payable	38,447
Accrued expenses	32,026
Deposits received	2,295
Deposits from the Management Network	39,991
Guarantee deposits received	73
Derivative financial instruments	239,517
Lease obligations	2,734
Suspense receipt	2,732
Other liabilities	5,987
Reserve for employees' retirement benefits	70,470
Reserve for management board benefit trust	230
Reserve for price fluctuations	972,606
Total liabilities	64,756,105
NET ASSETS:	
Capital stock	500,000
Capital surplus	405,044
Legal capital surplus	405,044
Retained earnings	640,289
Legal retained earnings	76,909
Other retained earnings	563,379
Reserve for reduction entry of real estate	5,026
Retained earnings brought forward	558,353
Treasury stock	(355)
Total shareholders' equity	1,544,978
Net unrealized gains (losses) on available-for-sale securities	873,764
Total valuation and translation adjustments	873,764
Total net assets	2,418,743
Total liabilities and net assets	67,174,848

Non-Consolidated Statement of Income (From April 1, 2021 to March 31, 2022)

(Millions of yen)

Account	Amount
ORDINARY INCOME	6,454,192
Insurance premiums and others	2,418,979
Insurance premiums	2,403,387
Reinsurance income	15,591
Investment income	1,149,145
Interest and dividend income	985,879
Interest on deposits	30
Interest and dividends on securities	894,502
Interest on loans	14,312
Interest on loans to the Management Network	72,874
Other interest and dividend income	4,160
Gains on money held in trust	114,553
Gains on sales of securities	26,942
Gains on redemption of securities	779
Gains on foreign exchanges	20,879
Reversal of reserve for possible loan losses	3
Other investment income	107
Other ordinary income	2,886,068
Reversal of reserve for outstanding claims	16,412
Reversal of policy reserves	2,864,265
Reversal of reserve for insurance claims and others	2,851
Other ordinary income	2,538
ORDINARY EXPENSES	6,098,430
Insurance claims and others	5,549,315
Insurance claims	4,477,034
Annuity payments	317,508
Benefits	137,982
Surrender benefits	483,773
Other refunds	110,798
Reinsurance premiums	22,217
Provision for policy reserves and others	9
Provision for interest on policyholder dividends	9
Investment expenses	69,768
Interest expenses	2,351
Losses on sales of securities	51,108
Losses on redemption of securities	6,046
Losses on derivative financial instruments	7,398
Other investment expenses	2,863
Operating expenses	384,598
Other ordinary expenses	94,738
Taxes	36,603
Depreciation and amortization	56,421
Provision for reserve for employees' retirement benefits	690
Other ordinary expenses	1,023
ORDINARY PROFIT	355,762

(Millions of yen)	
Account	Amount
EXTRAORDINARY GAINS	5,696
Gains on sales of fixed assets	5,696
EXTRAORDINARY LOSSES	68,108
Losses on sales and disposal of fixed assets	318
Provision for reserve for price fluctuations	67,789
Provision for reserve for policyholder dividends	73,113
Income before income taxes	220,236
Income taxes – Current	101,617
Income taxes – Deferred	(39,266)
Total income taxes	62,351
Net income	157,885

Audit Report

[The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report (issued in the Japanese language) as required by the Companies Act.]

Independent Auditor's Report

May 11, 2022

To the Board of Directors of
JAPAN POST INSURANCE Co., Ltd.

KPMG AZSA LLC
Tokyo Office, Japan
KANNO Masako
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

SATO Eihiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

SUDA Shunsuke
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 INSURANCE Co., Ltd. ("the Company") and its consolidated subsidiary (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 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 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 directors' performance of their duties with regard to 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, 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 subsidiary which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report

[The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report (issued in the Japanese language) as required by the Companies Act.]

Independent Auditor's Report

May 11, 2022

To the Board of Directors of
JAPAN POST INSURANCE Co., Ltd.

KPMG AZSA LLC
Tokyo Office, Japan

KANNO Masako
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

SATO Eihiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

SUDA Shunsuke
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the related notes, and the supplementary schedules of JAPAN POST INSURANCE 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 non-consolidated financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the non-consolidated financial statements and the supplementary schedules 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 Non-Consolidated Financial Statements and Others* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-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 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 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 the Audit Committee for the Non-Consolidated Financial Statements and Others

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements and Others

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated financial statements and the 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the non-consolidated financial statements and the supplementary schedules, including the disclosures, and whether the non-consolidated 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, 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 of the Certified Public Accountants Act of Japan.

Audit Report

The Audit Committee audited the execution of the duties of the Directors and the Executive Officers of JAPAN POST INSURANCE Co., Ltd. (the “Company”) during the 16th fiscal year from April 1, 2021 to March 31, 2022 and hereby reports the auditing method and the results thereof as follows:

1. Auditing Method and Details Thereof

The Audit Committee received reports regularly and requested explanations when necessary on the contents of resolutions made by the Board of Directors concerning matters set out in Article 416, Paragraph 1, Item 1 (b) and (e) of the Companies Act as well as systems developed in accordance with the resolutions (internal control systems) and the status of the establishment and operation of the systems from Executive Officers and employees, etc. In addition, the Audit Committee conducted an audit according to the following methods.

- 1) Based on the Audit Committee auditing standards, audit policies, assigned duties, etc. stipulated by the Audit Committee, while working closely with the internal control divisions, the Audit Committee examined the decision-making process and contents at important meetings, etc., the contents of major documents for approval and other important documents and materials related to the execution of business, the status of execution of duties by Executive Officers, and the business and financial condition of the Company. With regard to a subsidiary, the Audit Committee communicated and exchanged opinions with the Directors and the Audit & Supervisory Board Member, etc. of the subsidiary, and received reports concerning business as necessary.
- 2) With respect to the matters given due consideration set forth in Article 118, Item 5 (a) and the judgement and reasons for such judgement set forth in (b) of the same Item of the same Article of the Ordinance for Enforcement of the Companies Act that are described in the business report, the Audit Committee examined the details taking into consideration the status, etc. of deliberations at the meetings of the Board of Directors and other meetings.
- 3) The Audit Committee monitored and verified as to whether the independent auditor conducted audits in an appropriate manner while maintaining an independent positioning, received reports from the independent auditor on the execution status of its duties, and, when necessary, requested explanations. The Audit Committee also received notification from the independent auditor that the “system for ensuring appropriate execution of duties of the independent auditor” (matters set out in each item of Article 131 of the Rules of Corporate Accounting) is being developed in accordance with the “Quality Control Standards for Auditing” (Business Accounting Council, October 28, 2005) and other relevant standards, and, when necessary, requested explanations.

Based on the above-described methods, the Audit Committee examined the business report, the supplementary schedules thereto, the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the related notes), and the supplementary schedules thereto as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes) for the fiscal year ended March 31, 2022.

2. Results of Audit

(1) Results of Audit of the Business Report, etc.

- 1) The Audit Committee finds that the business report and the supplementary schedules thereto accurately present the status of the company in accordance with laws, regulations, and the Articles of Incorporation.
- 2) The Audit Committee does not find any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the performance of duties by Directors and the Executive Officers.
- 3) The Audit Committee finds the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, the Audit Committee does not find any matters that should be commented upon in regard to the statements in the business report or the performance of duties by Directors and the Executive Officers relating to the internal control systems.

As stated in the business report, the Audit Committee has confirmed that the series of issues related to solicitation quality discovered in the fiscal year ended March 31, 2020 are being addressed through the steady promotion of the business improvement plan, and that efforts to prevent recurrence and regain the trust of customers are being taken. Going forward, the Audit Committee will continue to monitor the status of how the conditions are improved and established.

4) Regarding transactions with the parent company as described in the business report, we found no matters to be pointed out on the points considered not to unfairly impair the benefits of the Company when conducting such transactions, as well as on the determination and reason by the Board of Directors on whether such transaction does not unfairly impair the benefits of the Company.

(2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

In our opinion, the method and the results of the audit conducted by KPMG AZSA LLC, the independent auditor, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the method and the results of the audit conducted by KPMG AZSA LLC, the independent auditor, are appropriate.

May 13, 2022

Audit Committee of JAPAN POST INSURANCE Co., Ltd.

Audit Committee Member

SAITO Tamotsu (seal)

Audit Committee Member

NARA Tomoaki (seal)

Audit Committee Member

SUZUKI Masako (seal)

Audit Committee Member

YAMADA Meyumi (seal)

Audit Committee Member

YAMAZAKI Hisashi (seal)

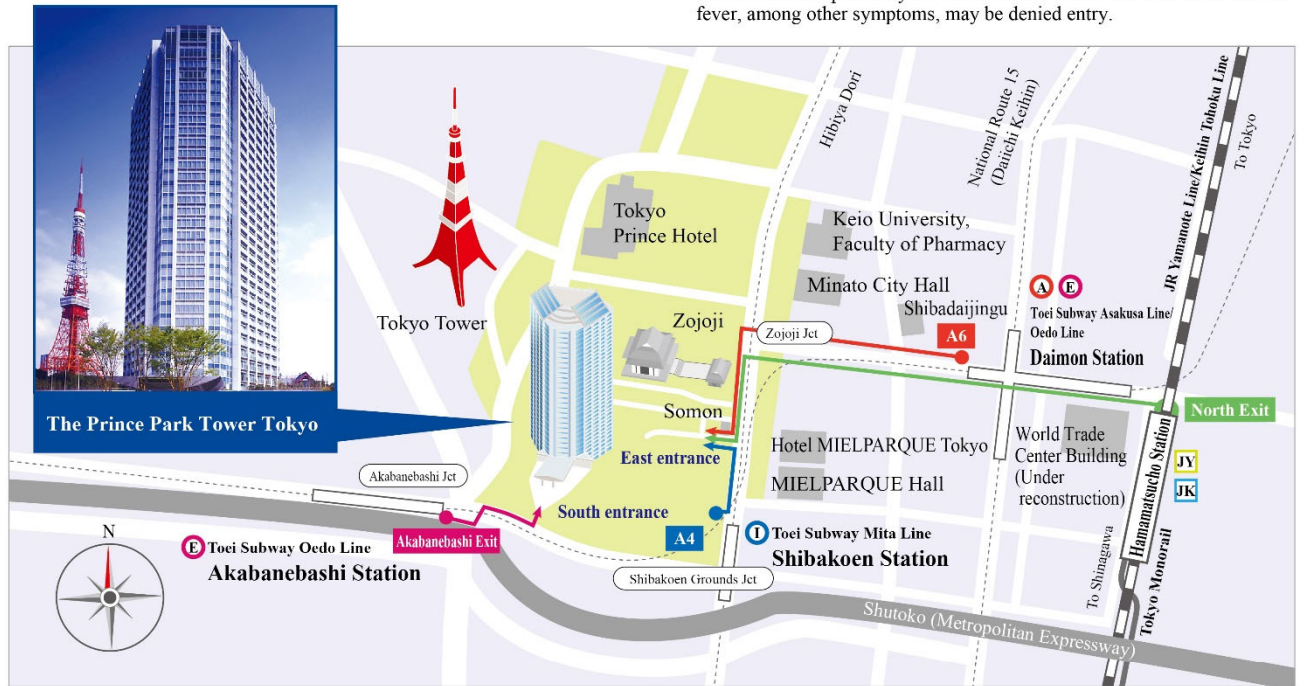
(Note) Audit Committee Members Mr. SAITO Tamotsu, Ms. SUZUKI Masako, Ms. YAMADA Meyumi and Mr. YAMAZAKI Hisashi are Outside Directors stipulated in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.

Information Map of the General Meeting of Shareholders

Venue The Prince Park Tower Tokyo
Ballroom, Level B2,
8-1, Shibakoen 4-chome, Minato-ku, Tokyo
*Please be careful not to confuse the venue with the
Tokyo Prince Hotel.

■ **Souvenirs will not be offered at this Ordinary General Meeting of Shareholders.**

- For shareholders attending the meeting, please submit your Voting Right Exercise Form at the reception.
- Please bring this convocation notice to conserve paper resources.
- We ask for your cooperation in wearing a face mask at all times and using alcohol sanitizer at the General Meeting of Shareholders.
- We ask for your cooperation in checking your temperature and taking other measures upon entry into the venue. Please note that those who have fever, among other symptoms, may be denied entry.



Transportation Guide	Toei Subway Mita Line	Shibakoen Station	A4 Exit	approx. 6-minute walk	Route
	Toei Subway Oedo Line	Akabanebashi Station	Akabanebashi Exit	approx. 8-minute walk	Route
	Toei Subway Asakusa Line/Oedo Line	Daimon Station	A6 Exit	approx. 13-minute walk	Route
	JR Yamanote Line/Keihin Tohoku Line	Hamamatsucho Station	North Exit	approx. 15-minute walk	Route

No parking is available. Please use public transportation.

Please visit our website for any significant changes to the style and operation of the General Meeting of Shareholders due to future circumstances.