

Financial Results & Corporate Strategy Meeting for the Year Ended March 31, 2024

May 30, 2024



JAPAN POST INSURANCE

Agenda

	Theme	Presenter
1	Review and Evaluation of the FY2021-FY2023 P.2	Director and President, CEO, Representative Executive Officer TANIGAKI Kunio
2	Enhancing Corporate Value and Achieving Sustainable Growth P.5	
	Appendix P.26	

1

Review and Evaluation of the FY2021-FY2023

Review and Evaluation of the FY2021-FY2023

- From FY2021 to FY2023, in accordance with the Medium-Term Management Plan, we have promoted initiatives to strengthen our sales system, promote CX/DX, and deepen and sophisticate asset management etc., the results of which are steadily becoming apparent.
- Although the number of policies in force, which is the sources of revenue, continues to decline, there are positive signs, such as further revitalization of sales activities since the launch of lump-sum payment whole life insurance. And we recognize making such momentum even stronger is the challenge for our sustainable growth.

Major Initiatives and Results

1

Retain and expand customer base

[Customer-oriented business operations]

- Released from the obligation to make reports based on the business improvement order (Dec. 2023), Resumption of solicitations to customers aged 70 and older (Jan. 2024)

[Sales system]

- Shifted to the new Japan Post Insurance sales system, Introduced customer assignment system (Apr. 2022)
- Introduced a new development and incentive system (Kampo GD System) (Jul. 2023)

[Products]

- Launched revised medical rider (Apr. 2022)
- Revision of Educational Endowment Insurance (Apr. 2023), Launched Lump-Sum Payment Whole Life Insurance (Jan. 2024)

[CX/DX]

- Conducted digitalization of claim acceptance procedures on My Page, etc. (expand eligible claims sequentially)
- Introduced online attendance during the new policy application procedure (Nov. 2023)

2 Streamline business operations

- Streamline operations through digitalization / Reduce expenses

3 Asset management

- Continue to invest in Return seeking assets, including accumulation of alternative assets
- Reduce balance of foreign bonds in response to rising foreign interest rates and hedging costs

4 Diversify sources of revenue

- Capital and business alliance with Mitsui & Co. (Jun. 2022)
- Strategic alliance with KKR and GA (Jun. 2023)

5 Corporate culture reform

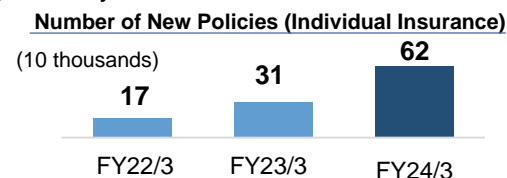
- Promoting internal communication reform
- Selected as a “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” (Mar. 2024)

6 ERM / Capital policy

- Established and disclosed appropriate ESR standards (May 2023) , Issued subordinated bonds (Sep. 2023, Apr. 2024)
- Ceded reinsurance (Mar. 2024)

Evaluation / Challenges

- We have been working on thorough customer-oriented business operations. As a result, the new policy performance has improved significantly.



- The number of policies in force continues to decline. We aim to achieve an early bottoming out and upturn by continuing to reinforce our sales system, expand our product lineup, and enhance customer follow-ups.

- Continue to streamline operations, reduce expenses and shift human resources to customer support areas

- Secured a stable positive spread (FY24/3 : ¥ 91.8bn)
- Strengthen our asset management capabilities to enhance product appeal.

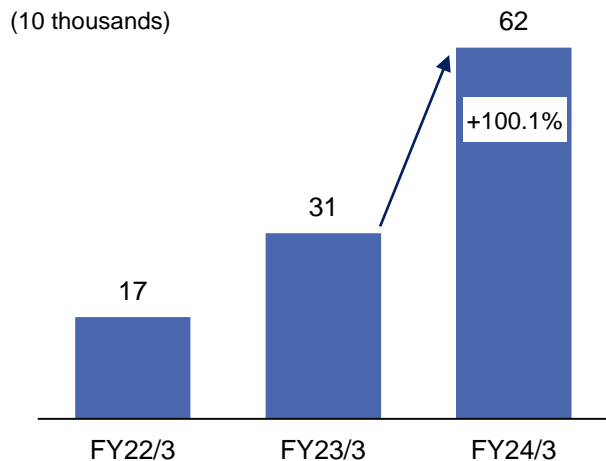
- Continue to explore new growth opportunities

- Work to maximize human capital in order to execute growth strategies

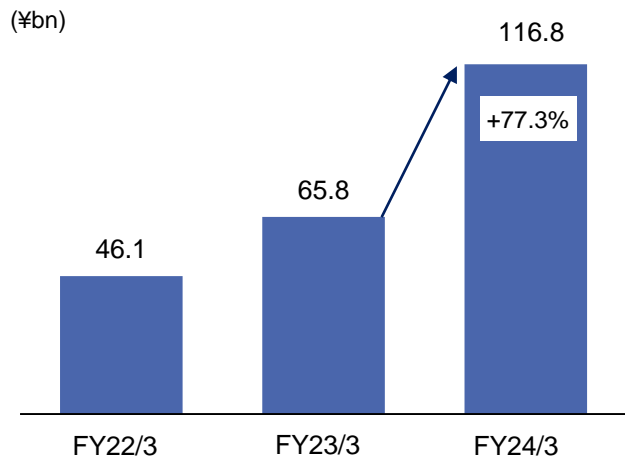
- Maintained appropriate ESR (FY2024 : 206%)
- Reduced profit in the short term by increasing new policies

Overview of Financial Results

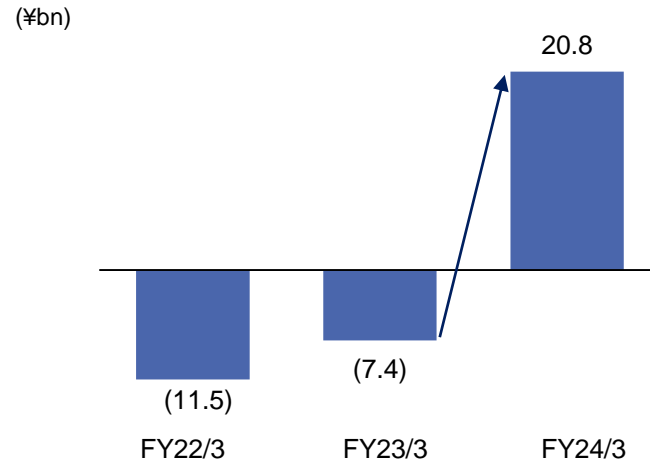
Number of New Policies (Individual Insurance)



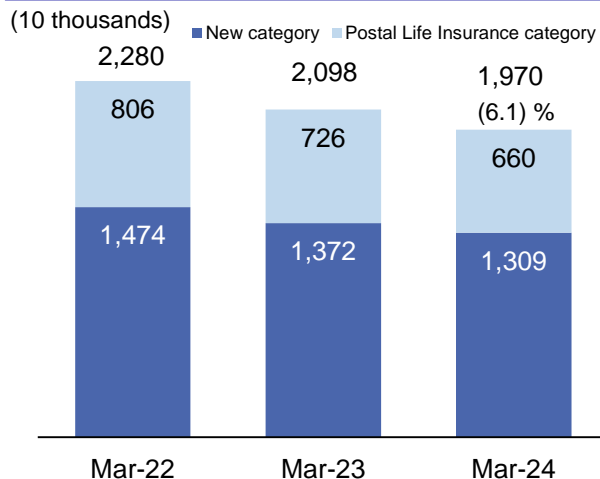
Annualized premiums from New policies (Individual Insurance)



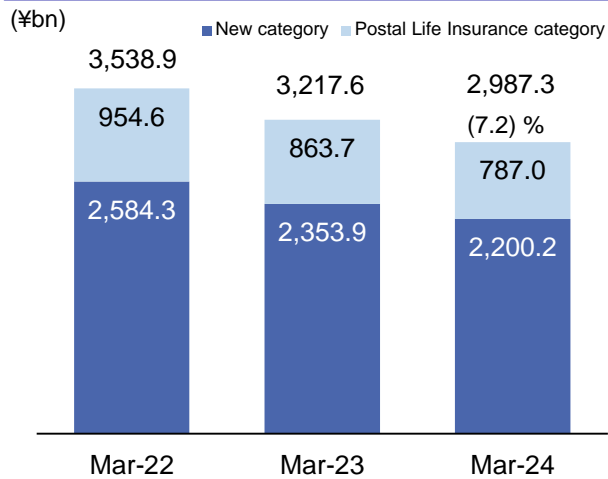
Value of New Business¹



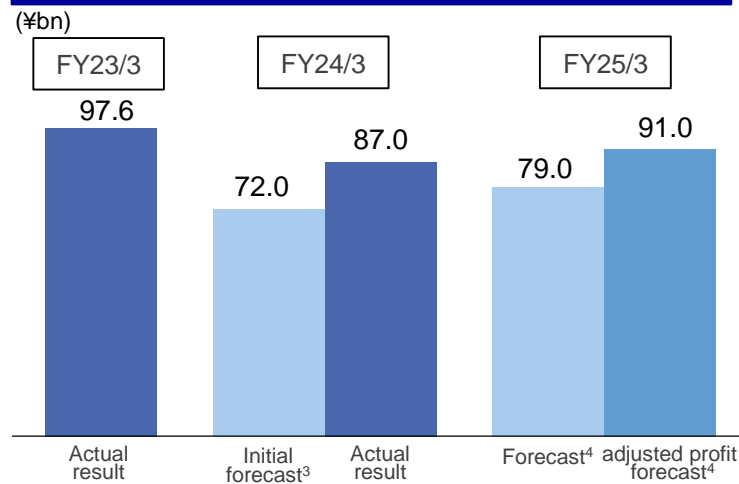
Number of Policies in Force (Individual Insurance)



Annualized premiums from Policies in Force (Individual Insurance)



Net income²



Note1: Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. (For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.)
 Note2: "New category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance category" shows postal life insurance policies reinsured by Japan Post Insurance from Organization for Postal Savings, Postal Life Insurance and Post Office Network.

- Using the economic assumptions as of December 31, 2023, based on the new policies written in the period from April 2023 to March 2024. The value of new business includes the increase or decrease due to conditional cancellation and conversion.
- Net income attributable to Japan Post Insurance.
- The figures of Full-year Financial Results Forecast announced on May 15, 2023.
- The figures of Full-year Financial Results Forecast announced on May 15, 2024.

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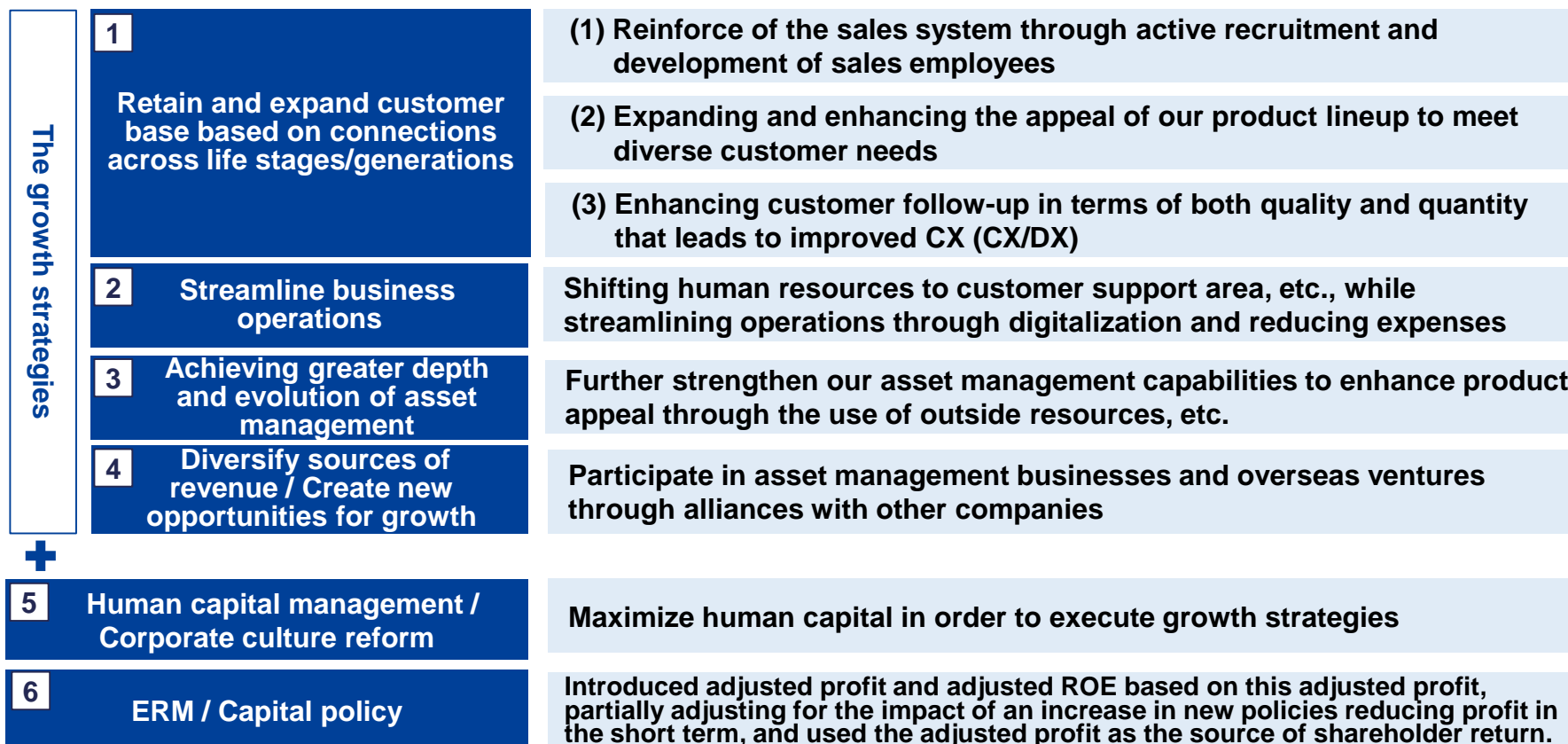
Enhancing Corporate Value and Achieving Sustainable Growth

Overall Efforts to Enhance Corporate Value

- We aim to retain and expand customer base based on connections across life stages and generations, by ensuring customer-oriented business operations, and to become a strong company capable of securing stable profits and sustainable growth.
- To this end, we will continue to provide the value of protecting customers' lives by providing life insurance product through the initiatives set forth in the Medium-term Management Plan.

Value we offer

We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product



Retain and Expand Customer Base Based on Connections across Life Stages/Generations

- We build long-term and stable relationships with customer as “a trusted partner easy to consult with” and continue providing assurance across life stages/generations.
- To this end, we work to actively recruit and develop sales employees, expand our product line-up to meet the diverse customer needs and further enhance customer follow-ups with quality and quantity.

Expand product line-up to meet the diverse customer needs

- Increase the appeal of savings products in tune with rising interest rates and other external factors.
- Expand product line-up to meet both needs of savings-oriented features and protection-oriented features.

Remain close to customers as “a trusted partner easy to consult with”

Enhance customer follow-ups with quality and quantity, leading to improved CX

- Build relationships with customers via physical and digital means that they feel comfortable consulting at anytime.
- Payment of insurance claims, provision of useful information, resolution of problems ,etc. based on a timely understanding of situations, expectations and concerns of customers and their families.

Connections across life stages/generations



- Leveraging the industry's largest customer base and connections with customers across life stages/generations, retain and expand customers.

《Connect maturities》

Number of insurance payouts on maturity: approx. 1.3 million (FY2023)

- Provide insurance seamlessly to customers whose insurance policies reached maturity.

《Connect generations》

- Explain the necessity of insurance to next-generation prospects, gain their understanding and provide assurance.

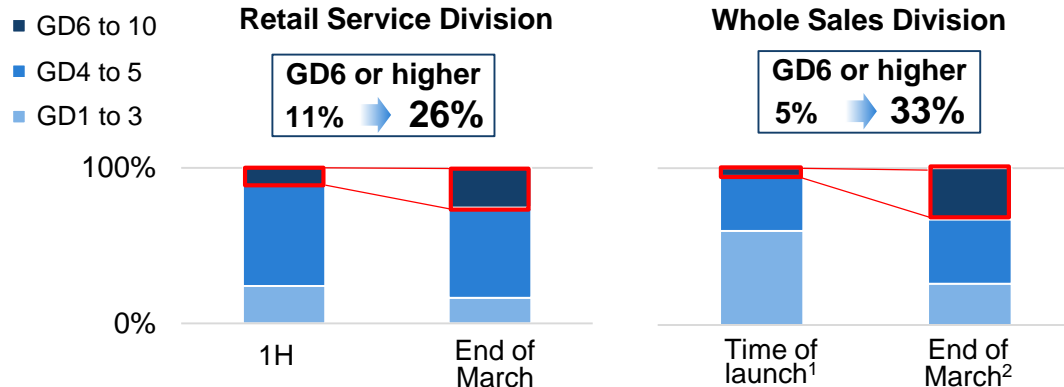
1 (1) Active Recruitment and Development of Sales Employees (Sales System)

- We will improve and further develop “Kampo GD System” to comprehensively and quantitatively evaluate the performance of sales employees, work on further improving and utilizing their abilities, and strengthen our sales system through active recruitment, as we maximize the strengths of human resources supporting face-to-face channels including the post office network.
- We will help our employees demonstrate their full potential and improve their motivation by providing a compensation system that further rewards their efforts and promoting their growth.

Development / empowerment of sales personnel

Continuation of HR development through “Kampo GD System”

[Changes in the number of Consultants at each GD level in FY2023]



Further enhance the capabilities of sales personnel, while improving and developing the system, to promote activities that lead to the retaining and expanding customer base, such as more substantial customer follow-up and approaching to young adult customer groups.

1. The “time of launch” for the Whole Sales Division was evaluated at the time of introducing the system, based on the situation from April 2023 to November 2023.
2. Evaluations of Whole Sales Division as of the end of March 24.3 are preliminary.

Strengthen the sales system

Active recruitment of sales employees

- Recruiter program
- Referral recruitment (introductions by employees, etc.)
- Alumni recruitment (return of retirees)

Beginning trial operation of exclusive channels for on-site sales at companies

- Recruit employees who are willing to take on challenges, with a focus on young employees
- Focus placement of female consultants

Providing a compensation system that further rewards their efforts

Fundamentally review the compensation system to promote employees growth (linked to GD) while better linking it to customer-oriented business operations. In this way, to further reward employees efforts and improve job satisfaction.

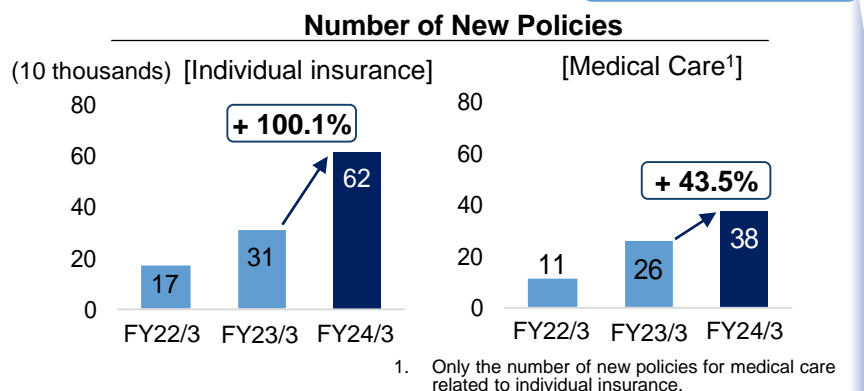
Maximize the strengths of human resources through active recruitment of sales employees supporting face-to-face channels including the post office network

1 (2) Expanding and Enhancing the Appeal of Our Product Lineup to Meet Diverse Customer Needs

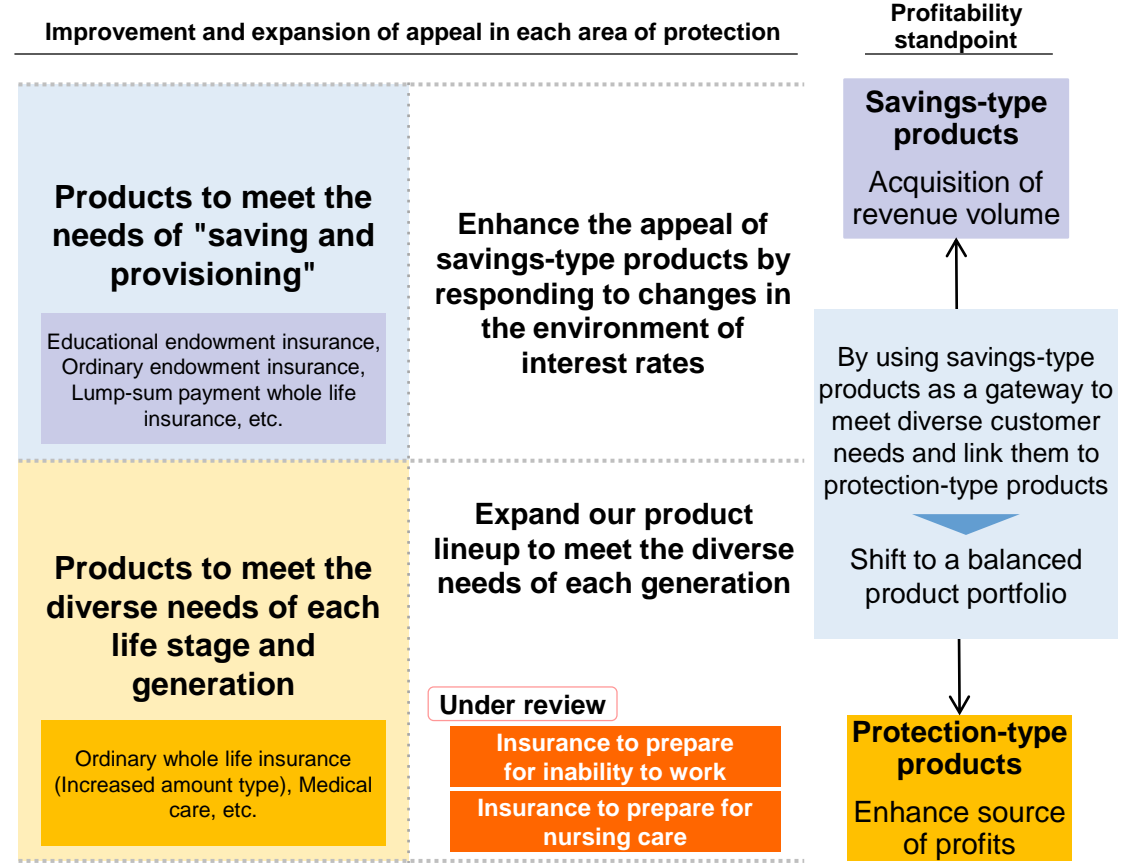
- In 2021, the additional restrictions on new businesses under the Postal Service Privatization Act were relaxed and the restrictions were shifted to a notification system.
- With the launch of new medical riders (April 2022), revised educational endowment insurance (April 2023), and the launch of lump-sum payment whole life insurance (January 2024), we are now better able to meet diverse customer needs, and our sales activities have also been revitalized.
- We will continue to enhance the appeal of savings-type products by responding to changes in the external environment including rising interest rates and expand our product lineup to meet the diverse needs of each life stage and generation.

Product revisions and new product sales

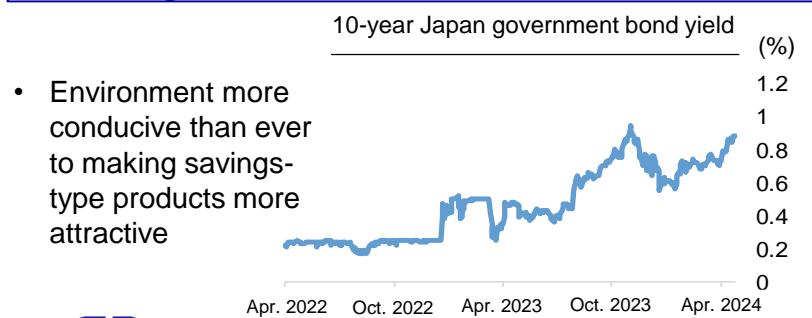
April 2022 Launch of new medical riders
April 2023 Revision of educational endowment insurance
January 2024 Launch of lump-sum payment whole life insurance



Expansion of product lineups to meet the respective needs of savings and protection



Changes in the environment of interest rates



- Environment more conducive than ever to making savings-type products more attractive

1 (3) Enhancing Customer Follow-up in terms of both Quality and Quantity that Leads to Improved CX (CX/DX)

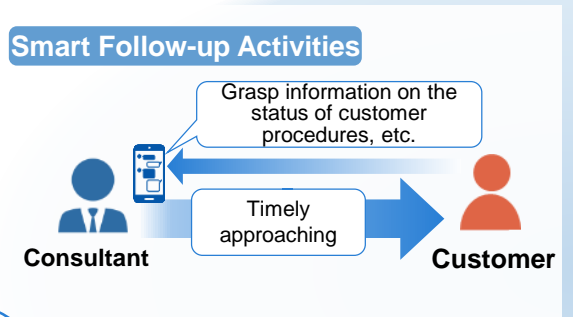
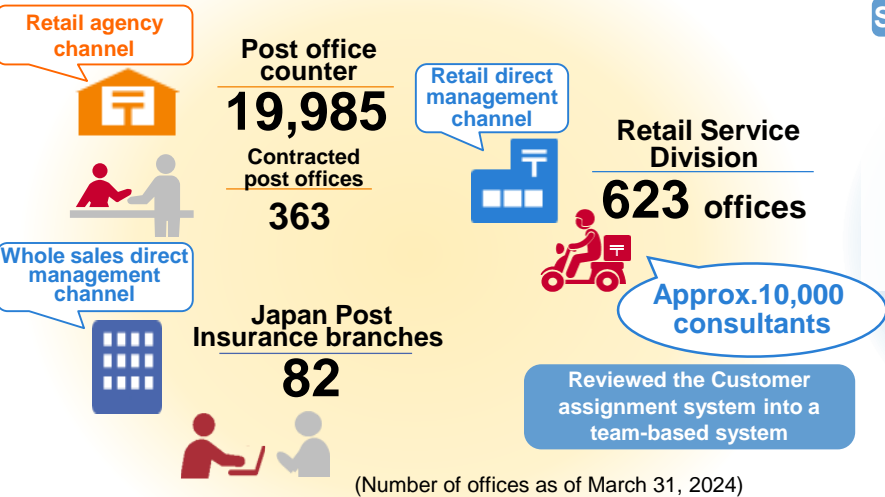
- Create contact points through enhanced customer follow-up utilizing both face-to-face channels, such as the nationwide post office network, and digital processes.
- This will help us enhance CX, as well as build long-term, stable relationships with customers and their family, and by providing seamless coverage across the life stages and extending protection to the next generation of customers.

Expanding customer follow-up utilizing both physical and digital processes

Face-to-face channel including the post office network

Expand customer follow-up and improve CX through digital means

Face-to-face follow-up to customers nationwide



- #### Support from customer center employees
- Confirm customers' intention on the spot through the online attendance
 - Real-time chat support for customers making hospitalization insurance claims, etc., via My Page

- #### Marketing Automation
- Frequent provision of useful information in accordance with customers' interests. And follow-up by consultants, etc., in response to customer inquiries, etc.

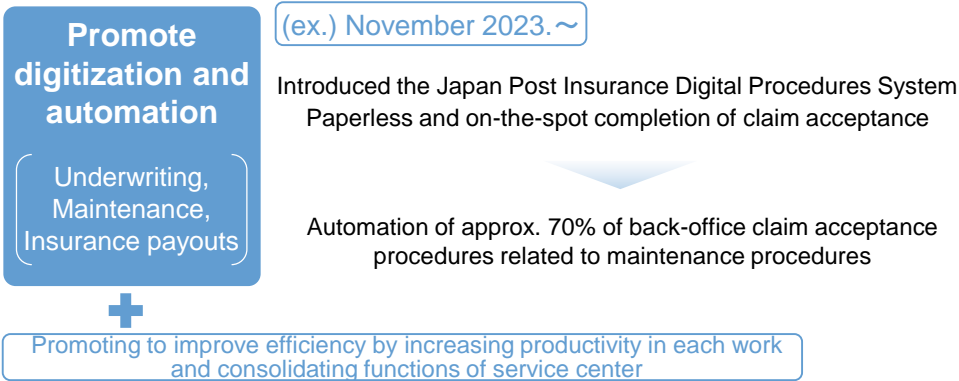
Retain and expand customer base by building long-term, stable relationships with customers as "Japan Post Insurance, a trusted and familiar entity" and "reliable and friendly advisor"

2 Streamline Business Operations

- Reduce the workload and improve the efficiency of the operations of Service Centers through digitalization, and gradually shift the workforce created as a result to the priority areas such as customer support.
- We aim to reduce costs and invest in the priority areas, and thereby improve streamline business operations.

Streamline business operations

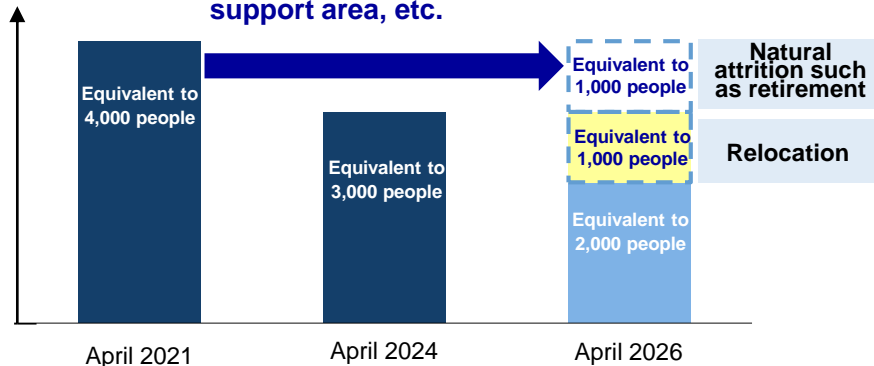
Transformation of Service Center operations



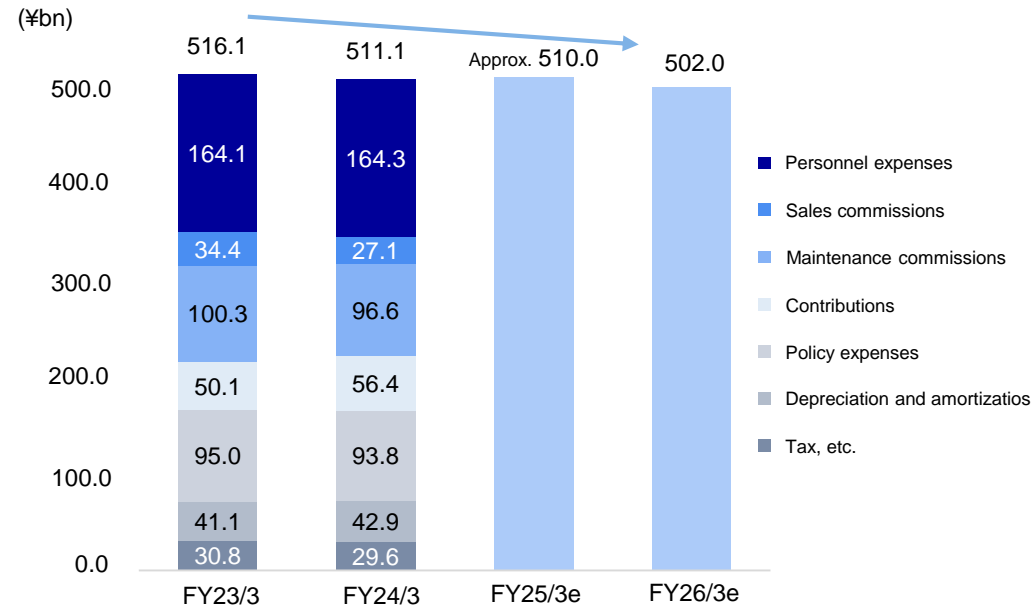
Workload Reduction at service center

Amount of workload (Equivalent to person)

- Workload reduction equivalent to 2,000 people
- Gradual shift to priority areas such as customer support area, etc.



Necessary Expenses (Non-Consolidated)



Develop system infrastructure for DX promotion and reduce costs

Strategic IT investment during the Medium-term Management Plan :
Approximately ¥ 100.0 billion over 5 years

**[FY26/3]
Necessary Expenses
¥502.0 billion**

3 Achieving Greater Depth and Evolution of Asset Management (1)

- Following diversification of asset management (Innovation 1.0) in FY2013 – FY2020 and greater depth and sophistication of asset management (Innovation 2.0) in FY2021 – 2023, we aim for achieving greater depth and evolution of asset management as Innovation 3.0.

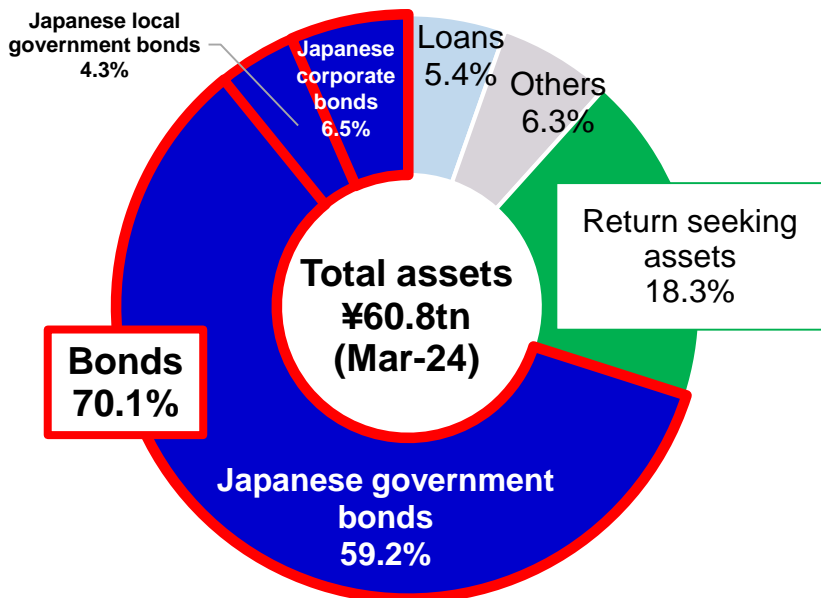
FY2013 – FY2020	FY2021 – FY2023	FY2024 –
<p>Innovation 1.0 Diversification of asset management</p>	<p>Innovation 2.0 Achieving greater depth and sophistication of asset management</p>	<p>Innovation 3.0 Achieving greater depth and evolution of asset management</p>
Investment field		
<ul style="list-style-type: none"> ● Building up return seeking assets through diversification of asset management in response to the low interest rate environment . 	<ul style="list-style-type: none"> ● Building up the amount of alternative assets, while reducing the amount of foreign bonds in light of rising hedging costs, etc. ● Implemented asset allocation process in anticipation of introduction of new capital regulations. 	<ul style="list-style-type: none"> ● Reconfiguration of asset portfolio in light of the Japanese economy's shift toward inflation. ● Establishment of investment framework with emphasis on economic value-based return against risk, in anticipation of introduction of new capital regulations.
New businesses and organizational restructuring		
<ul style="list-style-type: none"> ● Joint investments with The Dai-ichi Life Insurance through an alliance and sharing of asset management operations infrastructure of Trust & Custody Services Bank. ● Restructure organizations to support the diversification of asset management. 	<ul style="list-style-type: none"> ● Development of a specialized department for alternatives and credit, etc. and introduction of a professional staff system. ● Expansion of the scale of investment targets through alliance with MITSUI & CO., LTD., (participation in real estate AM business.) 	<ul style="list-style-type: none"> ● Seize revenue and create synergetic effects through collaborations, etc. with other companies, such as the expansion of asset management business through alliance with Daiwa Securities Group. ● Develop specialists well-versed in diversified asset classes and strengthen measures to foster personnel engaged in specialist jobs.
Sustainability investment		
<ul style="list-style-type: none"> ● Developing a Responsible Investment Structure (Accept Japan's Stewardship Code, Signatory to PRI, Announce the ESG Investment Policy, etc.) 	<ul style="list-style-type: none"> ● Implement ESG integration in all assets under management and set GHG emission reduction targets for investees. ● Starting / promoting impact investments and academic-industrial collaborations. 	<ul style="list-style-type: none"> ● Strengthen initiatives considering factors such as climate change, natural capital, human rights, and human capital. ● Establishment of a specialized organization, Further promotion of impact investment and academic-industrial collaborations.

Achieving Greater Depth and Evolution of Asset Management (2)

Steadily Securing and Improving Asset Management Earnings

- Under the ERM framework, aim to secure stable asset management earnings and improve those earnings based on ALM management.
- By leveraging the power of total assets that is of the highest standard in industry, promote achievement of greater depth and evolution of asset management through expansion and development of new businesses, organizational restructuring and training of professionals, etc.
- The Company's investment earnings are likely to improve in this market environment because domestic super long-term interest rates have reached a level above the Company's average assumed rate of return and hedging costs are expected to decrease. Aided by the effect of asset portfolio diversification that we have promoted, such as contribution to earnings from alternatives assets, we expect to increase positive spread in FY2026.

Asset Portfolio

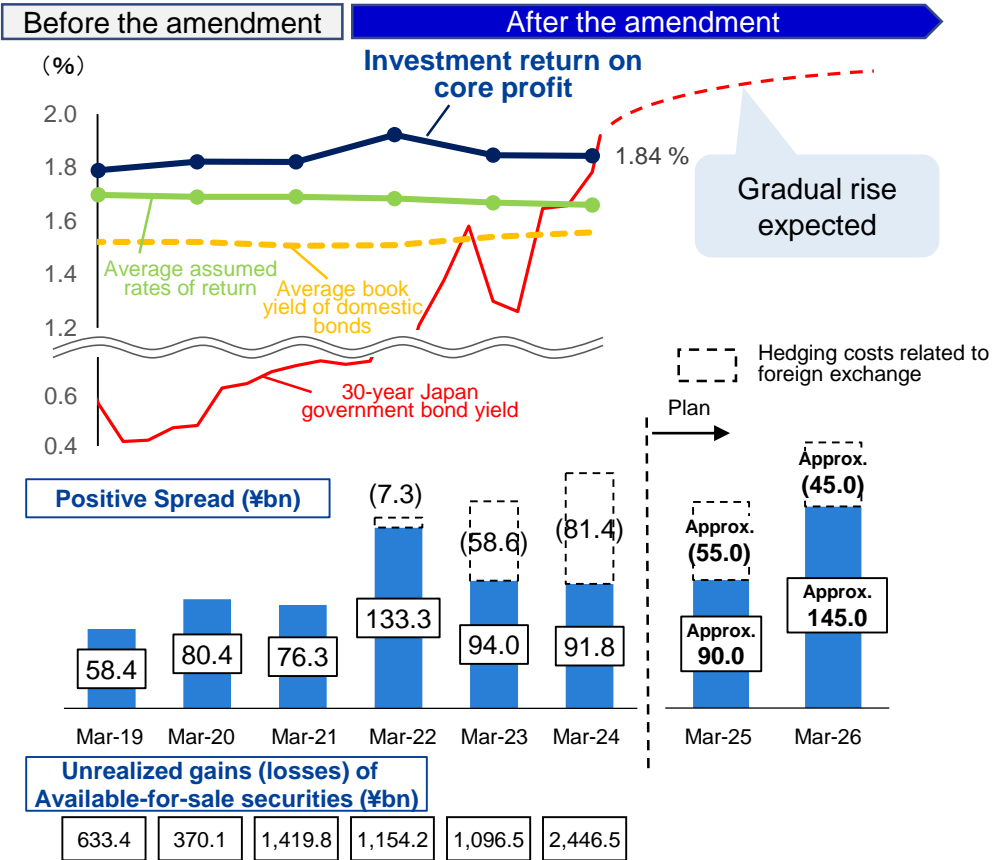


Expansion and development of new businesses

Organizational restructuring and training of professionals

Strengthen the foundation which supports achieving greater depth and evolution of asset management

Positive Spread¹



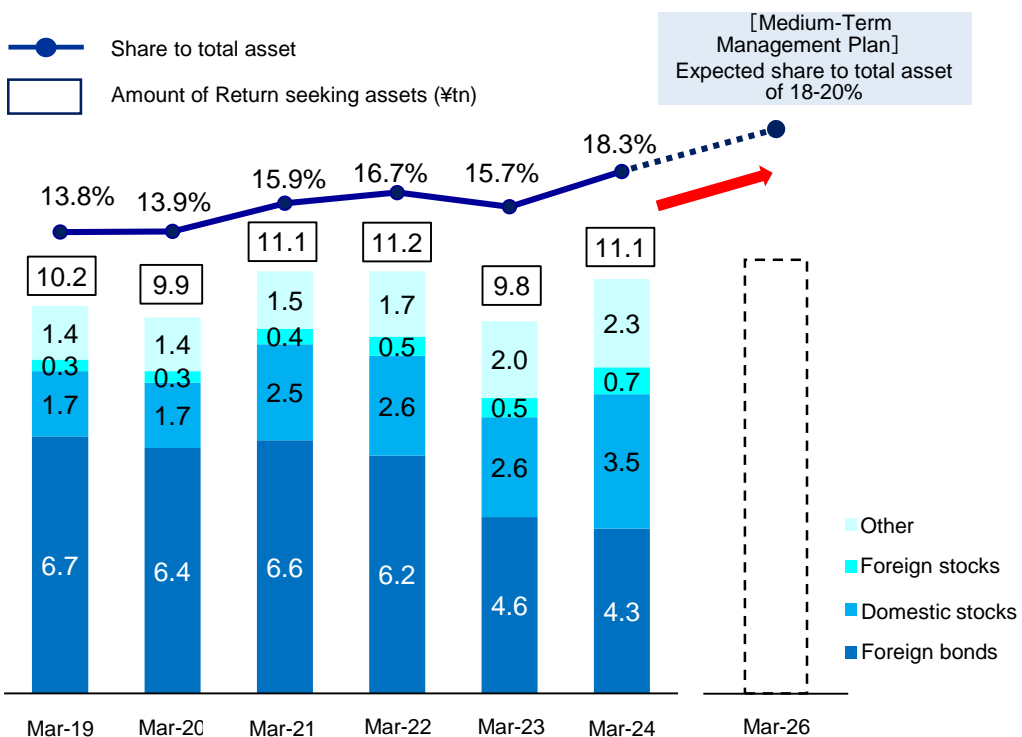
1. Method for calculating core profit was partially amended in FY23/3 (hedging costs related to foreign exchange are included in the calculation of core profit, while gains from cancellation of investment trust are excluded from the calculation of core profit). This amendment started to apply in FY23/3. Positive spread, investment return on core profit, and capital gains (losses) stated in this material are calculated reflecting the aforementioned amendment from FY22/3 onward.

Achieving Greater Depth and Evolution of Asset Management (3)

Improvement of Investment Earnings in Tune with the Market Environment

- We will work to improve return against risks by accumulating return-seeking assets, while diversifying risks.
- In particular, alternative assets, in which investment has been expanded in stages, are beginning to steadily contribute to earnings, and in FY2024 – FY2025, we will allocate them primarily in infrastructure and real estate funds which are expected to be inflation-proof.

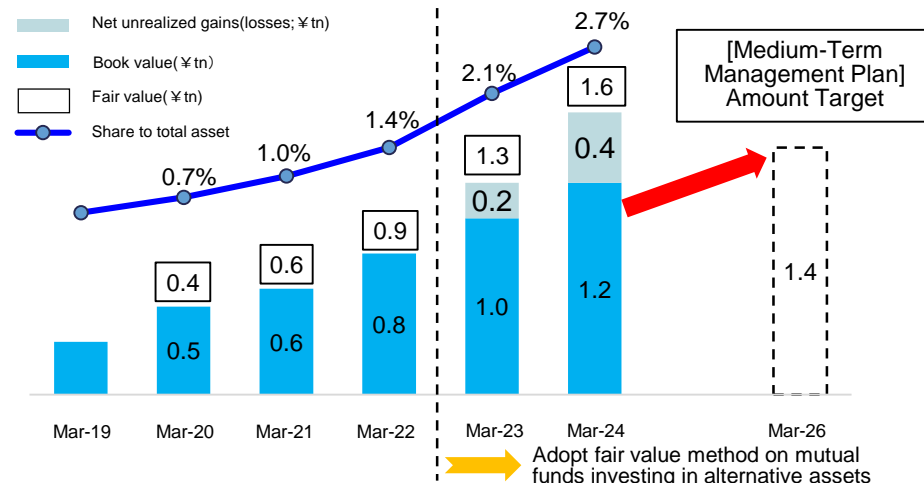
Return seeking assets



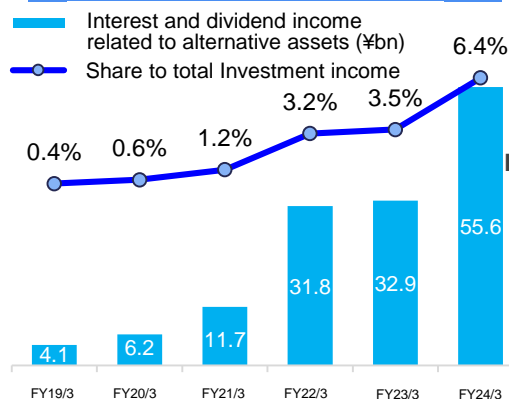
- High hedging costs led to the reduction of the hedged foreign-currency-denominated bonds, and the share to total asset temporarily decreased at the end of FY23/3.
- Expected share to total asset of 18-20% due to prioritized allocation to stocks, infrastructure, real estate, and credits with diversification effects that can be expected to be inflation-proof.

Alternative Investments

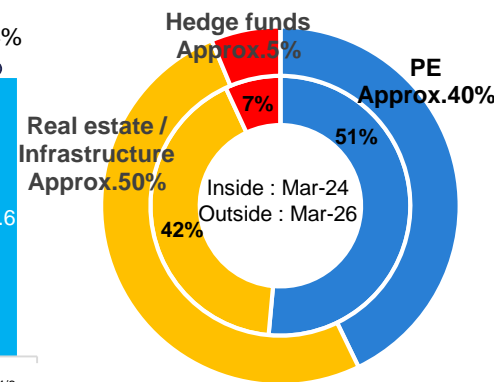
Gradually expand alternative investments



Interest and dividend income



Alternative Portfolio



4 Diversify Sources of Revenue / Create New Opportunities for Growth (1)

- In addition to retaining and expanding customer base based on connections across life stages/generations in domestic life insurance business, we continue to work on measures to secure revenue through alliances with other companies for diversify sources of revenue and create new opportunities.

Domestic Life Insurance Business

Retain and expand customer base based on connections across life stages/generations

Providing Services That Are Close to the Daily Lives of Customers



Diversify sources of revenue and Create new opportunities for growth through alliances with other companies

Expand asset management business

- Expand asset management business and enhance management capabilities through capital and business alliance with Daiwa Securities Group.
 - Through the investment in Daiwa Asset Management Co. Ltd., diversify sources of revenue and improve investment capabilities by upgrading the investment structure and human resource portfolio.
- Initiatives for alternative Investment (Real Estate) through capital and business alliance with Mitsui & Co.
 - In August 2022, an intermediary holding company (MKAM Co., Ltd.) of Mitsui & Co., Realty Management (MBRM) was established for the purpose of collaboration between Japan Post Insurance and Mitsui & Co
 - MBRM launched a flagship fund, in which Japan Post Insurance is investing as a limited partner. And the balance under management is firmly accumulating.
 - We will continue to explore opportunities for future business expansion through this alliance, such as joint investment in asset management companies.

Diversify sources of revenue through overseas alliances

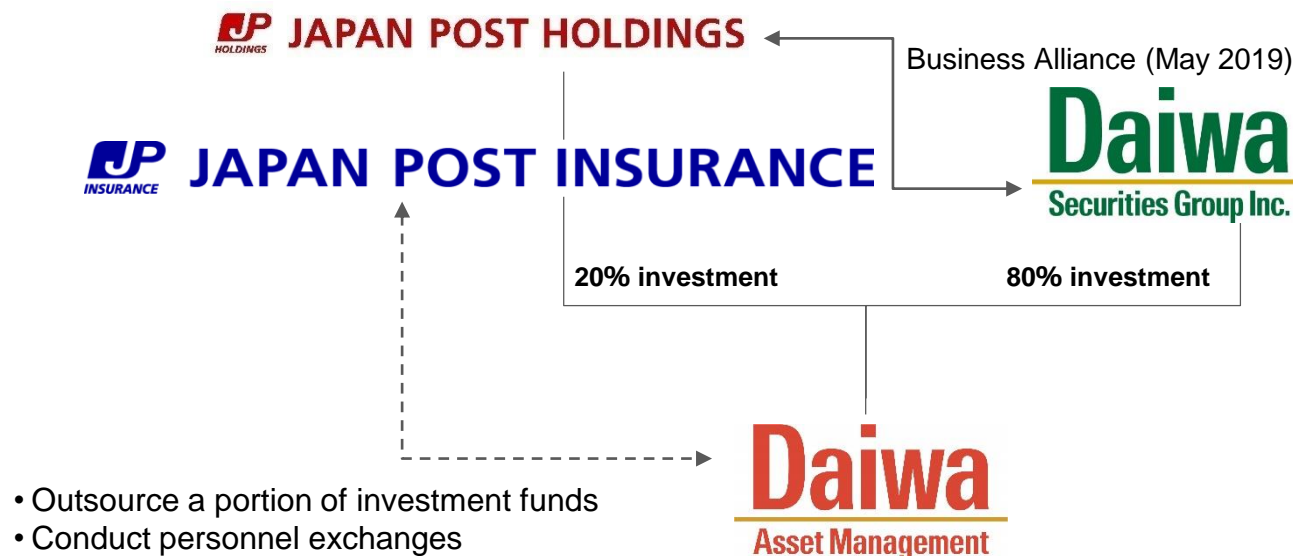
- Diversify sources of revenue and enhance risk control through reinsurance by forming a strategic alliance with KKR and GA.
 - Adding to the strategic partnership (June 2023), we make a material investment in a reinsurance co-investment vehicle sponsored by Global Atlantic.
 - Started discussions to expand business collaboration through regular meetings, etc.

4 Diversify sources of revenue / Create New Opportunities for Growth (2)

- In May 2024, we entered into a capital and business alliance with Daiwa Securities Group in the field of asset management.
- Based on this alliance, we will diversify sources of revenue and strengthen our asset management capabilities through collaboration in the asset management field and mutual exchange of asset management personnel.

Outline of the Alliance

- Invest 20% (capital increase through third-party allotment) in Daiwa Asset Management Co. Ltd. (Daiwa AM).
- Outsource a portion of our funds under management to Daiwa AM. In addition, we will collaborate with Daiwa AM on its full-scale entry into the investment advisory business, including the alternative investment area.
- Mutual exchange of asset management personnel for the purpose of expanding the revenue base, enhancing the sophistication of asset management, and developing dedicated professionals.
- We will continue to deepen our alliance and contribute to promoting Japan as a “Leading Asset Management Center.”



- Outsource a portion of investment funds
- Conduct personnel exchanges

5 Human Capital Management / Corporate Culture Reform

- We will promote the growth of “people,” the source of corporate value, through active investment in human capital.
- We will aim to be a company where all officers and employees are able to grow with the Company and work with confidence and pride.

Establish a corporate culture in which employees act independently

■ Communication reform

- Establishment of a culture of mutual respect and positive efforts to improve corporate value
- Promotion of mutual understanding throughout the Company, and continuation of the “Japan Post Insurance feedback box” for making proposals directly to management and dialogue between management and employees (frontline meetings)

Increased ES (Engagement Score)

- FY2022: C → FY2023: CC

Frontline meetings

- Held every fiscal year for all sites

■ Human resource development (human resource reform)

- Employee awareness reform, active promotion of motivated employees
- Active use of external human resources for transformation and reform of evaluation system
- Enhancement of nodal functions of managers through coaching and dialogue

Use of feedback box (as of March 2024)

- No. of posts: approx. 7,000
- No. of cases that led to improvement: approx. 2,000

■ Reform of the way we operate

- Thorough implementation of customer-oriented business operations with CX as a top priority

Recruitment and development of human resources strategically

■ Active recruitment and development of sales employees

- Systematic human resource development based on skills at each level from new employee to manager
- Fundamental review of treatment system and recruitment system

Reskill/shift from back-office operations to customer-handling operations

■ Human resource redeployment

- Reskilling (acquiring necessary skills) to shift personnel to priority areas such as production

Establishment of Alumni Network (September 2022)

■ Active recruitment of professionals with specialist knowledge

- Recruitment of actuaries and other professionals skilled in specialized fields

Establishment of recruitment courses specialized in digital technologies (FY2022)

Promote the active participation of diverse human resources and flexible work styles

■ Promotion of diversity

- Promoting expanding roles for female employees, support for balancing work and childcare/nursing care, and employment of persons with disabilities

Selected as a “Next Nadeshiko: Companies Supporting Dual-career and Co-parenting” (March 2024)



Rate of taking childcare leave (FY2023): 100% for both male and female employees

■ Work style reforms

- Creation of a flexible work environment in terms of time and place

Support for diverse career development

- Career challenge system
- Provide role models

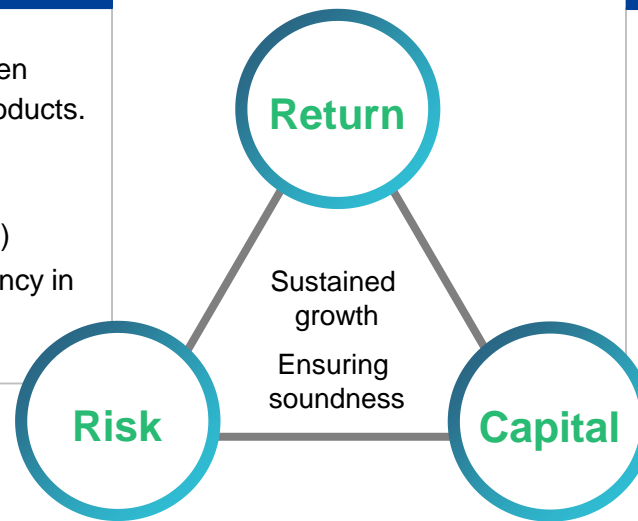
Aim to be a company where all officers and employees are able to grow with the Company and work with confidence and pride

6 ERM and Capital Policy (1)

- Based on ERM under our Risk Appetite Statement, we will ensure soundness in business operation while achieving sustained growth and the medium- to long-term enhancement of corporate value.
- We will aim to secure revenue and give due consideration to efficiency in terms of capital and risk while ensuring financial soundness.
- Recognize that the distribution of profit to shareholders is an important policy of management, we aim to secure profits while maintaining financial soundness based on ERM, and implement stable shareholder return.

Improvement of return against risk

- Build a well-balanced product portfolio between savings-type products and protection-type products.
- Engage in deeper and evolution of asset management to maximize return against risk (Return seeking assets: approx. 18% to 20%.)
- Invest in DX while promoting improved efficiency in business operation.



Improvement of capital efficiency

- Aim for growth exceeding estimated cost of shareholders' equity in the medium- to long-term, at adjusted ROE and RoEV* of approx. 6%.
- Pay due consideration to costs and quality in the capital composition and maintain soundness of the financial base.
- During Medium-term Management Plan, average total payout ratio in the medium term is set at 40~50%. Adjusted profit was introduced in an effort to define sources of shareholder returns while taking their stability into consideration.

* A value obtained by excluding the "difference between the economic assumption and actual results" from the EV variance factors.

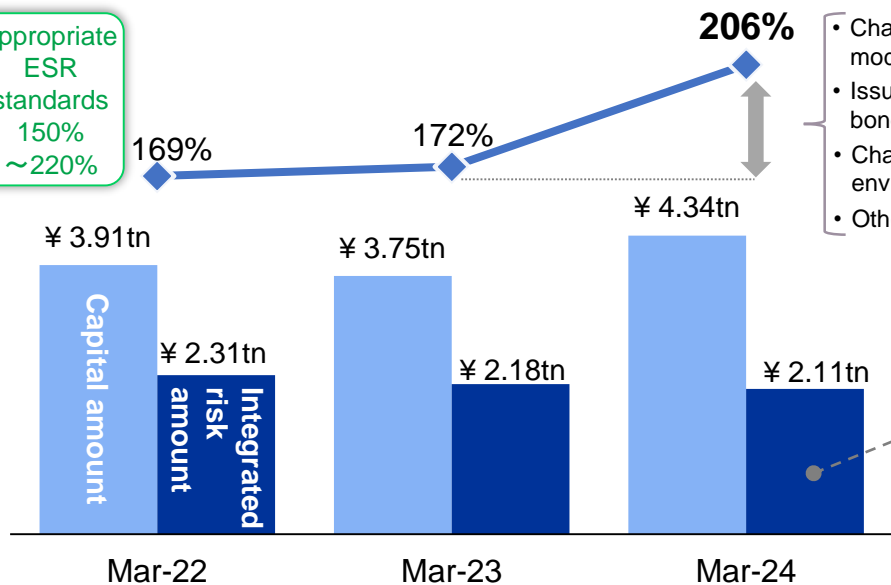
Maintaining financial soundness

- Establish and maintain various levels of financial soundness.
 - ✓ ESR (economic solvency ratio) : appropriate standards (target range) 150%~220% / warning standard 110%.
 - ✓ Solvency margin ratio: standard ratio of 600% / minimum ratio of 400%.
- Implementation of improvement measures aimed at stable achievement of the ESR target range (debt financing, ceded reinsurance, etc.)
- Smooth implementation of the new capital regulations.

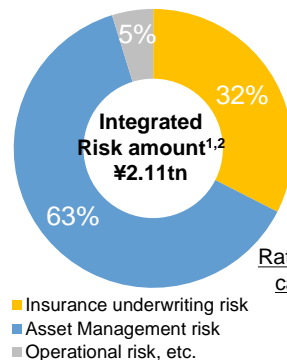
6 ERM and Capital Policy (2) ESR

The ESR as of March 31, 2024 increased from March 31, 2023 to 206% since, while the integrated risk amount slightly decreased, the capital amount increased due to an increase in unrealized gains of domestic stocks holdings resulting from an increase in the market value of domestic stocks, and the issuance of subordinated bonds, etc.

appropriate ESR standards 150% ~220%



- Change in the ESR measurement model + 2 points
- Issuance of subordinated bonds and dividend + 3 points
- Changes in market environment + 24 points
- Other than those above + 5 points



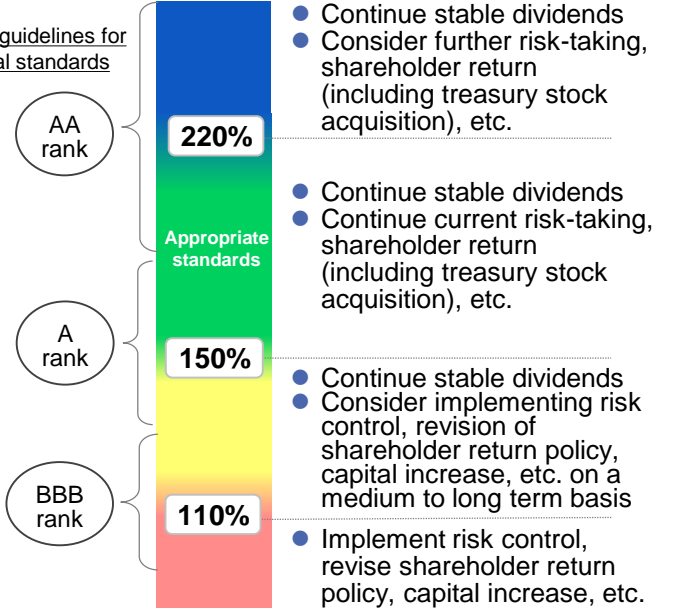
Changes in the ESR measurement model at the end of March 2024

- Considering the maximum amount of certain assets (e.g., deferred tax assets) to be included in the amount of capital in accordance with the new economic value basis solvency regulation.
- Change the classification for the measurement of large volume cancellation risk from product categories to the entire company, in accordance with the new economic value basis solvency regulation.

[Reference] ESR target range and management behavior corresponding to the standards

ESR Sensitivity (As of March 31, 2024)	
50bp increase in risk-free rate ³	(5) points
50bp increase in risk-free rate of domestic interest rates ³	+ 1 points
50bp increase in risk-free rate of foreign interest rates ³	(6) points
50bp decrease in risk-free rate (parallel shift without zero floor) ³	(2) points
30% decrease in equity and real estate value ³	(21) Points
10% appreciation of the yen ³	(4) points
Future volume of policies in force is 105% of the level ^{3,4}	+ 5 points

Rating guidelines for capital standards



1. The integrated risk amount was calculated based on an internal model (holding period: 1 year, confidence level: 99.5%), recognizing fluctuations in the capital amount as risk.
 2. The share of the pie chart in the integrated risk amount did not take into account diversification effect etc. between risks.
 3. For each sensitivity scenario, only one specific assumption is changed and other assumptions remain unchanged from the base. It should be noted that the effect of a change of more than one assumption at a time is likely to be different from the sum of the relevant individual sensitivity results shown.
 4. Assumed in the calculation of EV as of March 31, 2024.

ERM and Capital Policy (3) Ensure Appropriate ESR with Good Stability (Maintain Financial Soundness)

- In preparation for the introduction of the new economic value basis solvency regulation in FY2025, a part of our ESR measurement model is gradually changed to the specifications of the model based on the new capital regulations (the new economic value basis solvency regulation)
- No significant difference is expected in ESR levels between our ESR measurement model as of March 31, 2024, and the new economic value basis solvency regulation.
- Continue efforts to ensure appropriate ESR with good stability.

The major difference in ESR levels between the ESR measurement model as of March 31, 2024 and the new economic value basis solvency regulation¹

Capital amount

- The discount rate for insurance liabilities is the risk-free rate and is not added (adjusted spread) [+].
- Differences in risk margin (MOCE) in terms of risks covered and measurement methods [-].

Life insurance risk²

- Internal model (coefficients based on in-house actual results) used [-]³.

Massive catastrophe risk

- Takes into account the risk of large earthquakes that are not included in the new economic value basis solvency regulation [+].

Asset Management risk

- Volatility and correlation coefficients are estimated in-house from market data [+].

No significant difference is expected in ESR levels

Initiatives for securing appropriate ESR with good stability

Increase in capital amount

- **Increase in new policies**
Promoting initiatives to retain and expand customer base
- **Debt financing**
Domestic subordinated bonds issuance

2023.9	¥100.0bn
2024.4	¥100.0bn

Decrease in risk amount

- **Implementation of interest rate swaps**
Begun in Jan-23
- **Utilization of reinsurance**
Ceded a portion of the life annuity in the Postal Life Insurance Category in March 2024.

1. The sign in [] indicates the impact on our ESR (in the direction of increase or decrease) if the new economic value basis solvency regulation are applied.
2. Excluding business expense risk and large volume cancellation risk.
3. When standard coefficients are applied. When company-specific coefficients can be applied, no significant difference is expected between the internal model and the coefficients.

- Looking at liability status of Postal Life Insurance Category by product, life annuity is at the lower profit level and the higher risk level.
- For the life annuity in Postal Life Insurance Category, we have implemented interest rate swaps since FY2022 and ceded it using reinsurance in FY2023 to enhance our liability management.
- We will continue to consider measures to enhance liability management, including the ongoing implementation of reinsurance, as we aim to improve future profitability and capital efficiency.

Liability status of Postal Life Insurance Category (before implementation of reinsurance)

Duration: long →

The lower the right position,
the lower the profit level, the higher the risk level

Endowments, educational
endowments, etc.
(holding period insurance)

Whole life
insurance

Measures to reduce risk or raise returns

- Implementing interest rate swaps (begun in FY2022)
- Utilizing reinsurance (begun in FY2023)

Life
annuity

Liability market value ratio to liability book value: high

Note: Liability market value is the present value of liability cash flows based on best estimate assumptions.
Liability book value refers to policy reserves.
The bubble area represents the size of the liability market value.

Implementation of reinsurance in FY2023

Transaction block	Some whole life annuity policies (policies with annuity payments in progress)
Transaction scale	Approx. 640 billion yen (policy reserve basis)
Reinsurance premiums	Approx. 690 billion yen
Effective date of reinsurance policy	March 31, 2024

Impact
/
Effect

- Impact on accounting profit in FY2023 due to reinsurance premium payments exceeding the amount of policy reserve deductions was neutralized by internal reserves.
- Increase in positive spread in FY2024 due to improvement of expected interest, etc.
- Slight increase in ESR due to the impact of increased EV and decreased risk

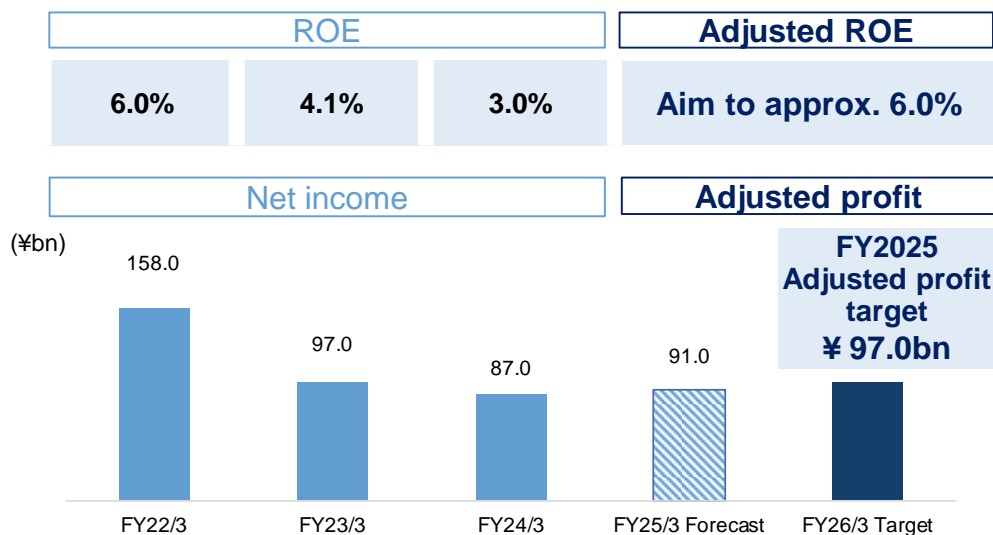
From FY2024
onward

Consideration for ongoing implementation of reinsurance (specific policy to be determined)

6 ERM and Capital Policy (5) Stable Shareholder Returns (Introduction of Adjusted Profit)

- As part of the initiatives set forth in the Medium-term Management Plan, we aim to improve the appeal of savings-type products by responding to changes in the external environment such as rising interest rates, and thus retain and expand the number of customers.
- Considering the characteristics of a life insurance company, where sales recovery measures may cause downward pressure on profits in the short term, we will implement stable shareholder returns by introducing adjusted profit which partially adjust for such impact as a new management target and a source for shareholder returns.

Profits during the Medium-Term Management Plan Period



[Assumptions underlying the financial results forecast for FY25/3]

Domestic and foreign interest rates	Assumed to be trending in line with the implied forward rate as of March 31, 2024.
Foreign exchange and stock price	Assumed to follow the trend as of March 31, 2024 . (USD/JPY 151.4 yen, Nikkei Stock Average 40,369 yen)
Number of policies	Approximately 880 thousands cases of new policies (individual insurance) assumed. Approximately 1,770 thousands cases of cancelled policies (individual insurance) ¹ assumed.

1. The numbers of cancelled policies are the sum of death, maturity, surrender and lapse. Also include postal life insurance policies.

[Reference] Definition of adjusted profit and adjusted ROE

Adjusted profit = Net income + Burden of regular policy reserves in the first year (after tax)

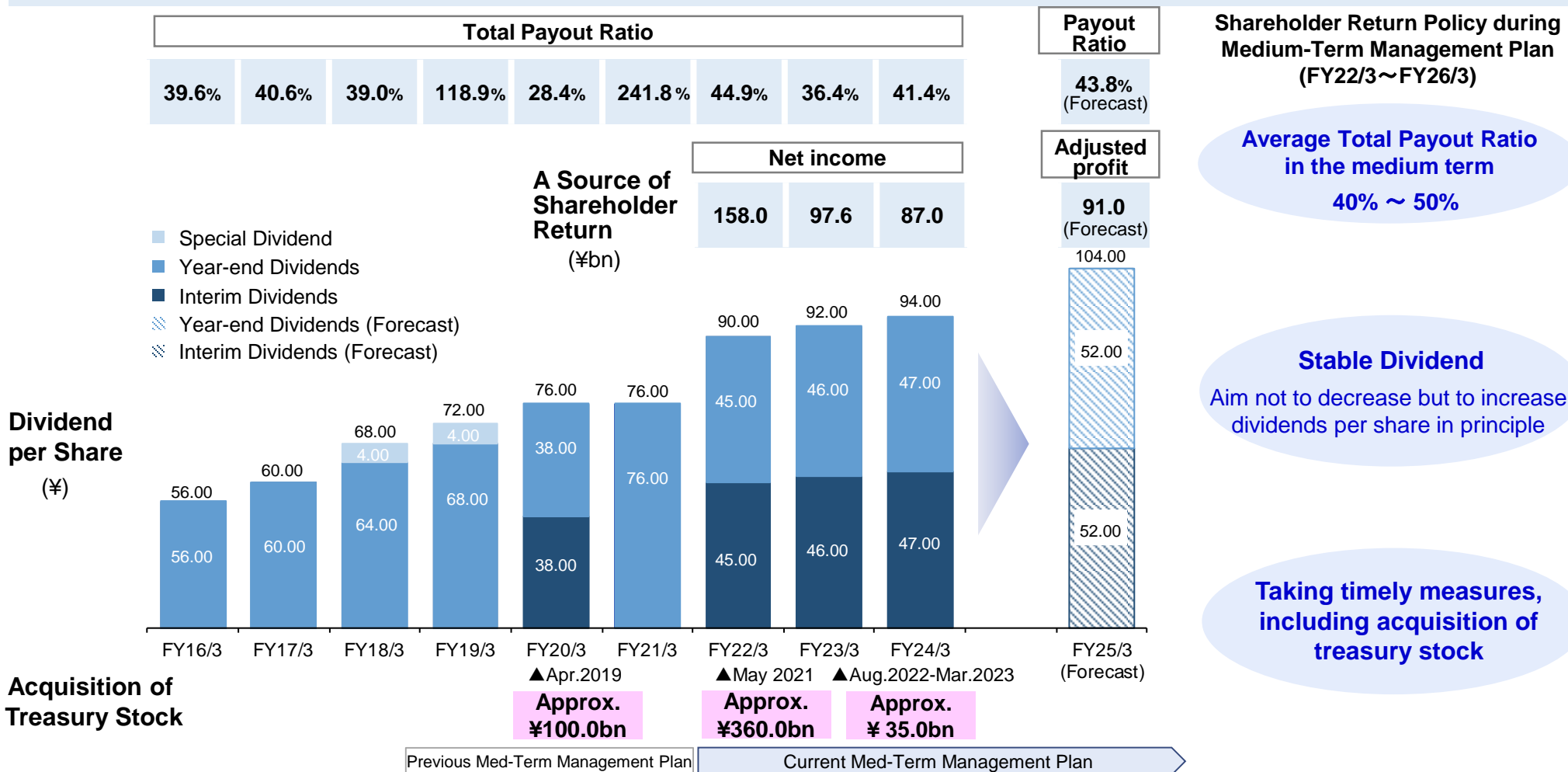
- By adjusting the burden of regular policy reserves from net income, we can mitigate the effect of decline in short-term profits when considering future sales recovery
- Stable returns to shareholders while ensuring soundness by treating adjusted profit as a source of shareholder returns

Adjusted ROE = Adjusted profit ÷ Shareholders' equity (average)

- Our cost of shareholders' equity believed to be approx. 6.0%
- Aim to achieve medium- to long-term growth exceeding the cost of shareholders' equity under adjusted ROE with adjusted profit as the numerator and shareholders' equity as the denominator

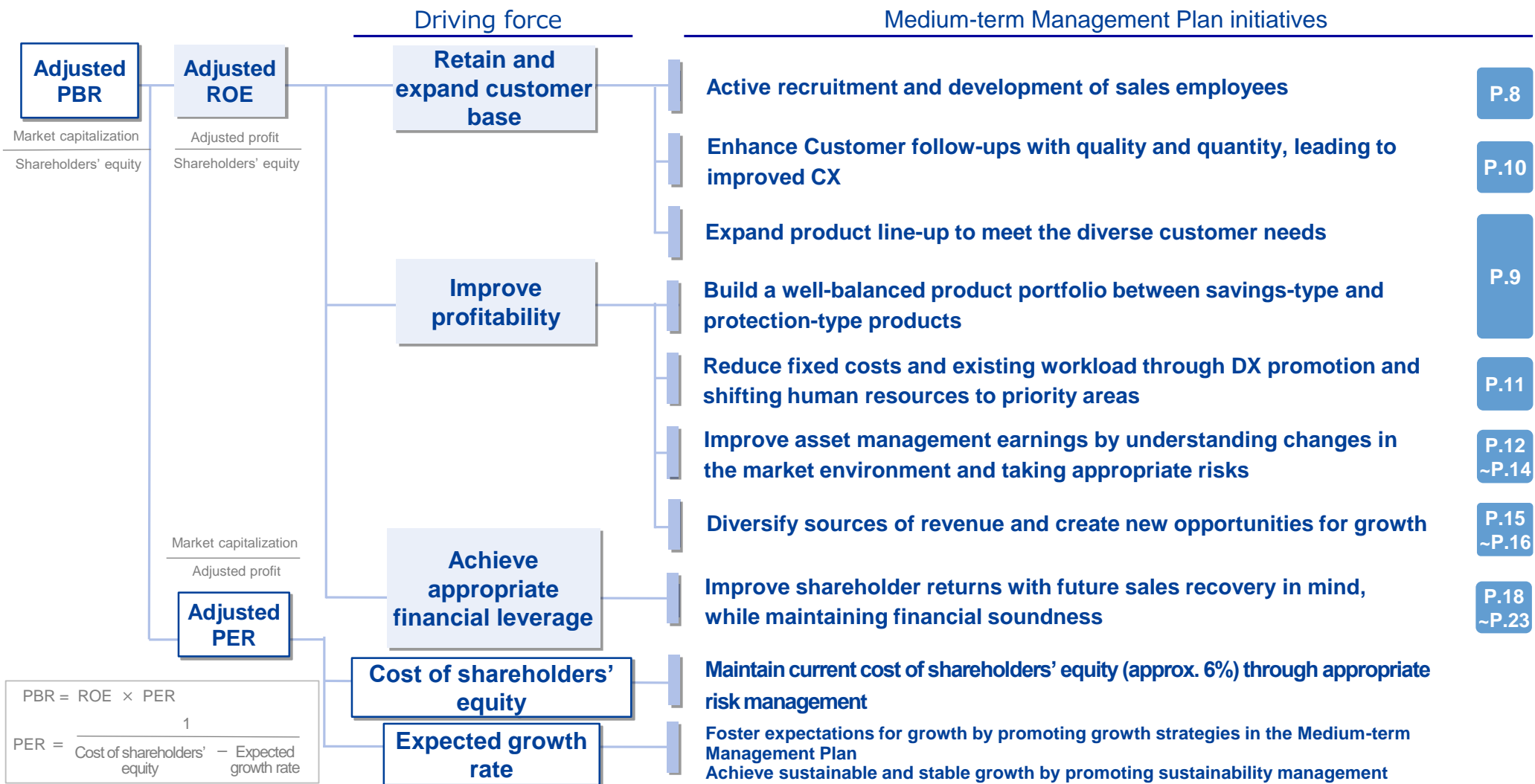
6 ERM and Capital Policy (6) Shareholder Return

- In accordance with the shareholder return policies during the period of the Medium-term Management Plan, we provide returns to shareholders.
- The dividend per share for the fiscal year ended March 31, 2024, is ¥94 as we planned. An annual dividend for the fiscal year ending March 31, 2025 is scheduled to be ¥104 per share.
- We implement “adjusted profit” from FY25/3 and provide stable returns to shareholders by treating adjusted profit as a source of shareholder return.



Improve Market Valuation through Medium-term Management Plan initiatives

- We aim to improve our market evaluation by steadily implementing a series of initiatives set forth in our Medium-term Management Plan, retaining and expanding customer base, improving profitability and achieving appropriate financial leverage.



Progress and Review of Primary Targets in the Medium-term Management Plan

- Based on the progress of the medium-term management plan and changes in the business environment, the primary targets have been reviewed as follows.
- We aim to achieve sustainable growth by continuing to focus on customer-oriented business operations to achieve a bottoming out and upturn of the number of policies in force, and by newly implementing adjusted profit and adjusted ROE provide stable returns to shareholders by treating adjusted profit as a source of shareholder return.

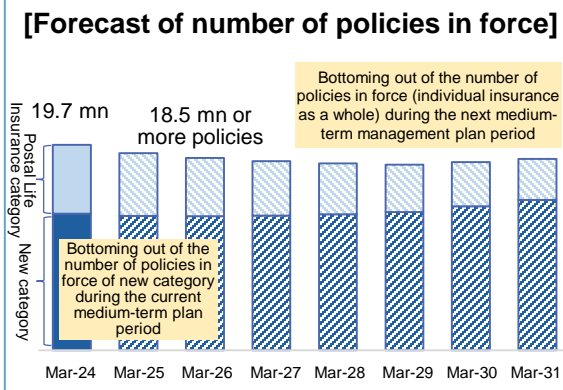
Progress and Review of FY2025 Financial Targets etc.

		Before the review	After the review	FY24/3 Results
reviewed	Numbers of policies in force (individual insurance)	20 million or more policies	18.5 million or more policies	19.7 million policies Change from FY23/3 : (6.1) %
	Adjusted profit [Ref: Net income]	— [¥91.0 bn]	¥97.0 bn [¥80.0 bn]	Net income [¥87.0 bn] Change from FY2023 : (10.8) %
	Adjusted ROE	—	Approx. 6%	—
unchanged	EV growth (RoEV ¹)	Aim for 6% to 8% growth		7.6% [Reference] FY2023 : 3.1 %
	Dividend-per share (DPS)	In principle aim not to decrease but to increase dividend per share for the period of The Medium-term Management Plan		¥94 Change from FY2023 : + ¥2
	Customer satisfaction ² NPS® ³	Customer satisfaction Aim for 90% or more NPS® Aim for One of the highest in the industry		Overall satisfaction in Japan Post Insurance in FY24/3: 83% [Reference] NPS® : (56.1)points (13th/13 companies)

In light of the decline in the number of policies in force, continue efforts to retain and expand customer base by revising targets.

In order to adjust for the effect of reduction of net income in the short term as new policies increase, we implement adjusted profit.

Aim for stable growth exceeding the cost of shareholders' equity (approx. 6%).



1. Calculated by excluding economic variance factors.

2. The total percentage of customers who responded as "satisfied" and "somewhat satisfied" with a 5-level rating of customer satisfaction.

3. NPS® is an abbreviation for "Net Promoter Score" and a registered trademark of Bain & Company, Inc., Fred Reichheld, and Satmetrix Systems, Inc. Values and order shown for reference are sourced from "NPS® Benchmark Study, Life Insurance Division (2023)" by NTTCom Online Marketing Solutions.

Appendix

CEO Profile

[Summary of career background]

- Apr. 1984 Joined the Ministry of Posts and Telecommunications
- Jan. 2006 Senior General Manager of Japan Post Holdings Co., Ltd.
- Oct. 2007 Senior General Manager of General Affairs/Human Resources Department of Japan Post Holdings Co., Ltd.
- Jun. 2008 Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.
- Jun. 2009 Managing Executive Officer and Senior General Manager of Corporate Planning Department of Japan Post Holdings Co., Ltd.
- Jan. 2013 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.
- Jun. 2016 Deputy President, Executive Officer of the Company
- Jan. 2017 Deputy President, Executive Officer of Japan Post Co., Ltd.
- Apr. 2019 Senior Managing Executive Officer of Japan Post Holdings Co., Ltd.
- Nov. 2021 Deputy President, Executive Officer of Japan Post Bank Co., Ltd.
- Jun. 2023 Director and President, CEO, Representative Executive Officer of the Company (current position)
Director of Japan Post Holdings Co., Ltd. (current position)



**Director and President,
CEO, Representative
Executive Officer of the Company**

TANIGAKI Kunio

[Date of Birth] August 26, 1959

Changes in Net Income

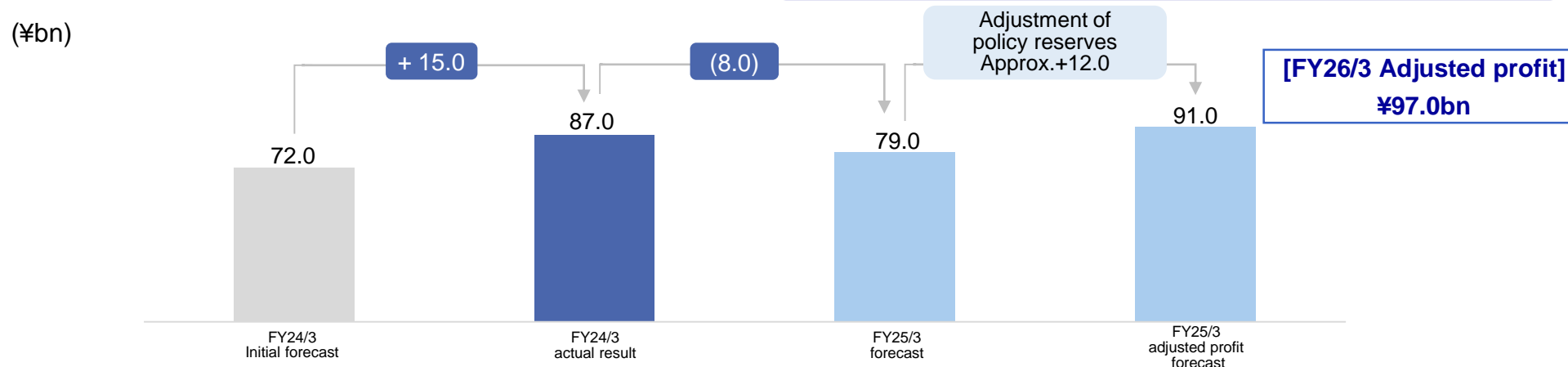
- Net income reached ¥87.0 billion for FY24/3, approximately ¥15.0 billion higher than the initial forecast, due to a significant increase in the positive spread exceeding the initial plan and an increase in core profit.
- Net income for FY25/3 is expected to decrease to ¥79.0 billion from FY24/3 due to a decrease in core profit attributable to life insurance activities resulting from a reduction in policies in force.
- Adjusted profit for FY25/3 is expected to be ¥91.0 billion after adjustment to net income by policy reserves.

[Major differences between initial forecasts for FY24/3 and actual results for FY24/3]

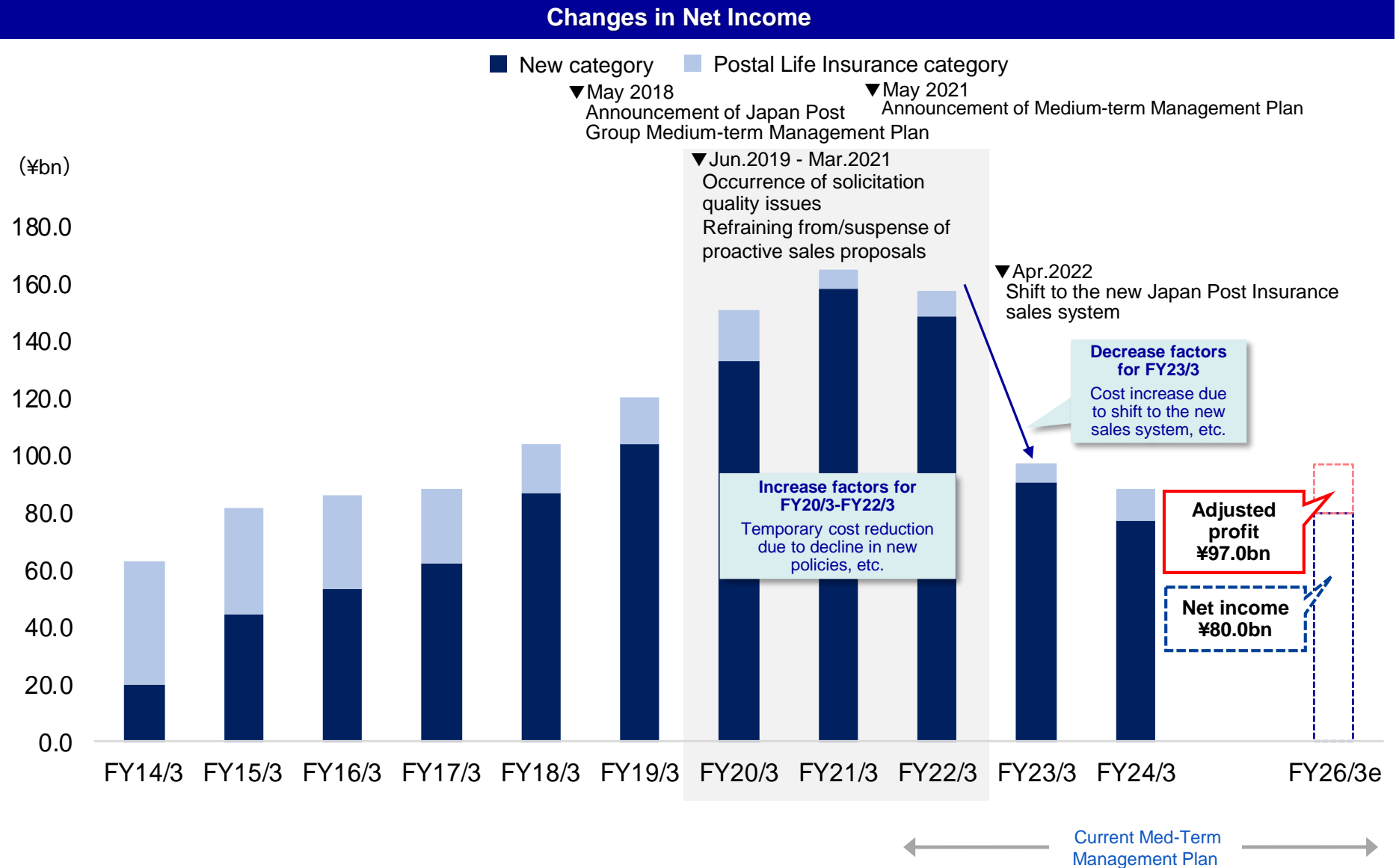
(¥bn)	Results	
Core profit	224.0	<ul style="list-style-type: none"> Decrease in the core profit attributable to life insurance activities : Approx. ¥ (10.0)bn Increase in positive spread : Approx. + ¥ 30.0bn
Ordinary profit	161.1	<ul style="list-style-type: none"> Increase in core profit : Approx. + ¥ 15.0bn Increase in capital gains/losses : Approx. + ¥ 10.0bn Decrease in other one-time profits/losses : Approx. ¥ (5.0)bn
Net income	87.0	<ul style="list-style-type: none"> Increase in ordinary profit : Approx. + ¥ 20.0bn Decrease in reversal of reserve for price fluctuations : Approx. ¥ (5.0)bn

[Major differences between actual results for FY24/3 and forecasts for FY25/3]

(¥bn)	Forecasts	
Core profit	Approx. 180.0	<ul style="list-style-type: none"> Decrease in policies in force, etc. : Approx. ¥ (40.0)bn (core profit attributable to life insurance activities)
Ordinary profit	Approx. 200.0	<ul style="list-style-type: none"> Decrease in core profit : Approx. ¥ (40.0)bn Increase in capital gains/losses : Approx. + ¥ 20.0bn Decrease in contingency reserve provision : Approx. + ¥ 55.0bn
Net income	Approx. 79.0	<ul style="list-style-type: none"> Increase in ordinary profit : Approx. + ¥ 35.0bn Increase in provision for reserve for price fluctuations : Approx. ¥ (30.0)bn Increase in provision for policyholder dividends : Approx. ¥ (20.0)bn Decrease in total income taxes : Approx. + ¥ 5.0bn

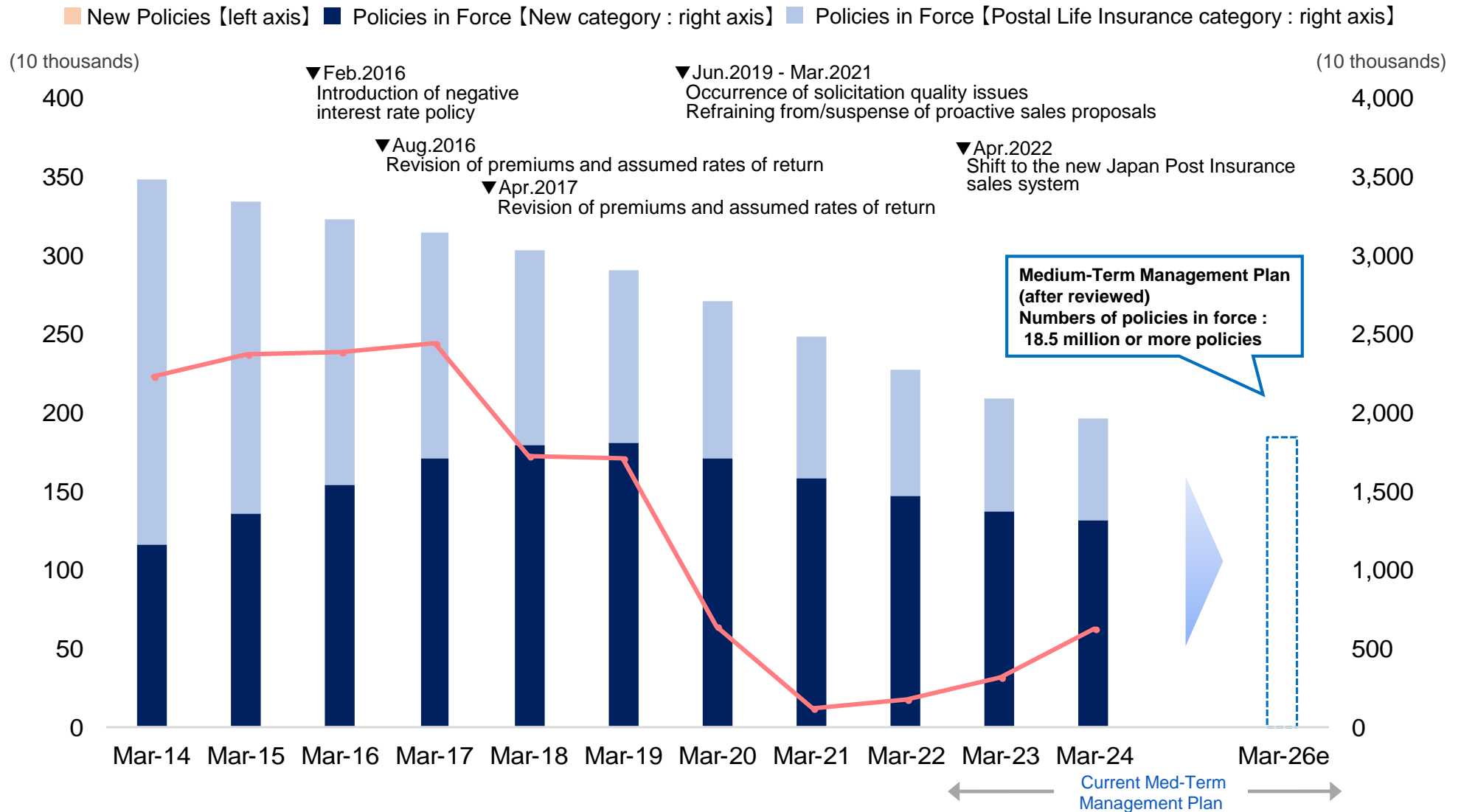


Changes in Net Income (Figures by New and Postal Life Insurance Categories)



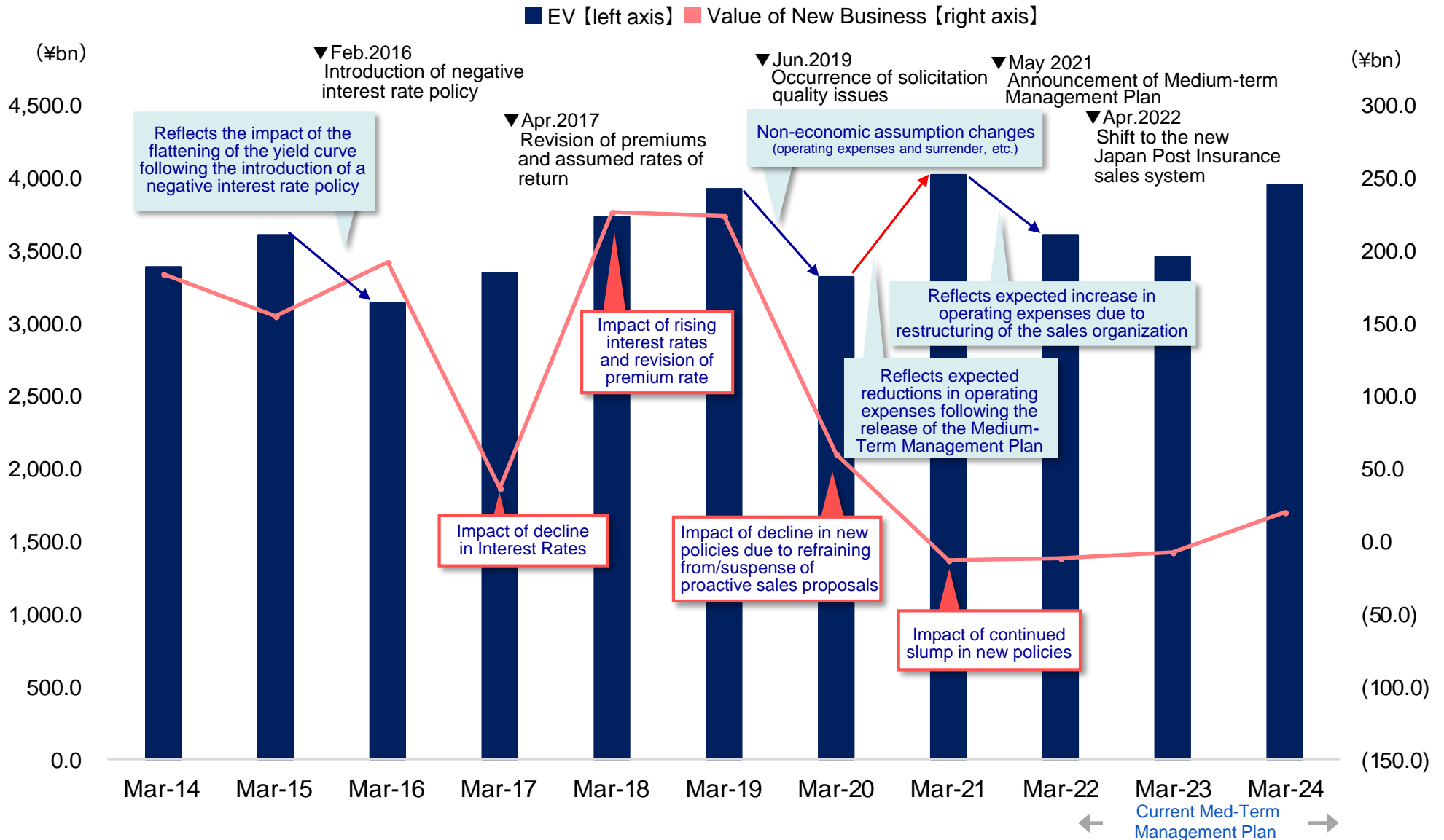
Changes in Number of Policies

Changes in Number of New Policies and Policies in Force (Individual Insurance)



Changes in EV

Changes in EV and Value of New Business



Sensitivity Analysis of EV

Sensitivity to Economic Assumptions (EV)

(¥bn)

Assumptions	EV	Change (%)
50bp increase in risk-free rate ¹	3,865.2	(99.7) ((2.5) %)
50bp increase in risk-free rate of domestic interest rates ¹	3,927.4	(37.5) ((0.9) %)
50bp increase in risk-free rate of foreign interest rates ¹	3,903.4	(61.6) ((1.6) %)
50bp decrease in risk-free rate ¹	4,047.0	+ 81.9 (+ 2.1 %)
50bp decrease in risk-free rate (parallel shift without zero floor) ¹	4,045.0	+ 80.0 (+ 2.0 %)
10% decrease in equity and real estate value ^{1,2}	3,784.6	(180.3) ((4.5) %)
10% appreciation of the yen ¹	3,877.8	(87.2) ((2.2) %)

Adjusted net worth	Value of in- force covered business
1,955.1	1,910.1
1,961.2	1,966.2
1,974.8	1,928.5
2,005.7	2,041.3
2,008.6	2,036.4
1,973.1	1,811.5
1,983.1	1,894.6

Sensitivity to Non-economic Assumptions (EV)

(¥bn)

Assumptions	EV	Change (%)
Future volume of policies in force is 105% of the level assumed in the calculation of EV as of March 31, 2024 ¹	4,018.4	+ 53.3 (+ 1.3 %)
10% decrease in maintenance expenses ¹	4,143.0	+ 177.9 (+ 4.5 %)

Adjusted net worth	Value of in- force covered business
1,980.9	2,037.4
1,980.9	2,162.1

Sensitivity to Economic Assumptions (Value of New Business)

(¥bn)

Assumptions	Value of New Business	Change (%)
50bp increase in risk-free rate ¹	48.6	+ 27.8 (+ 133.5 %)
50bp decrease in risk-free rate (parallel shift without zero floor) ¹	(22.5)	(43.4) ((208.2) %)

1. For each sensitivity scenario, only one specific assumption is changed and other assumptions remain unchanged from the base. It should be noted that the effect of a change of more than one assumption at a time is likely to be different from the sum of the relevant individual sensitivity results shown.

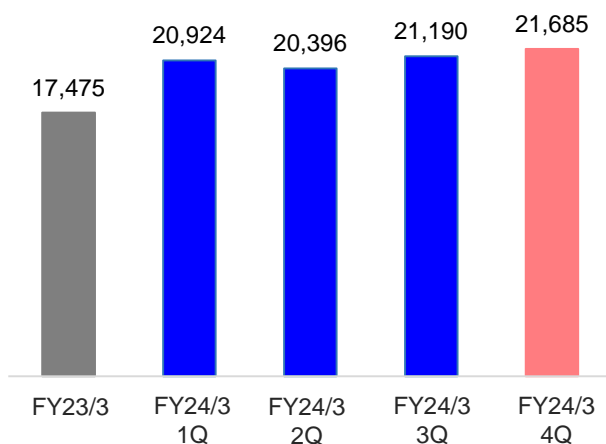
Improvement of Sales Activities (Retail Service Division)

- From FY23/3 to FY24/3, the status of activities has gradually improved. In the fourth quarter, sales activities were further stimulated by the system reforms (sales of lump-sum payment whole life insurance policies and the resumption of solicitations to customers aged 70 and older), which made it possible to respond to a wider range of customer needs than ever before.

Status of activities of the retail division (Retail Service Division)¹

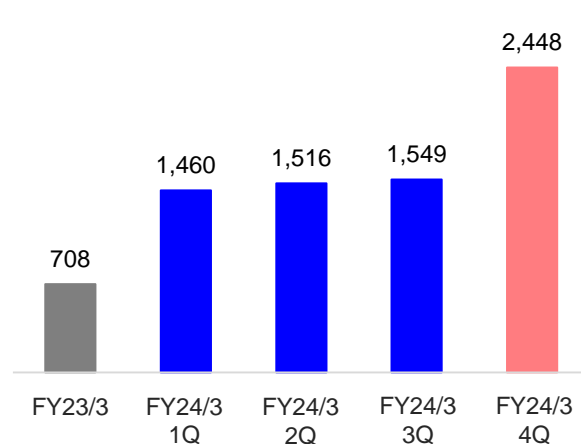
Number of interviews

(case)



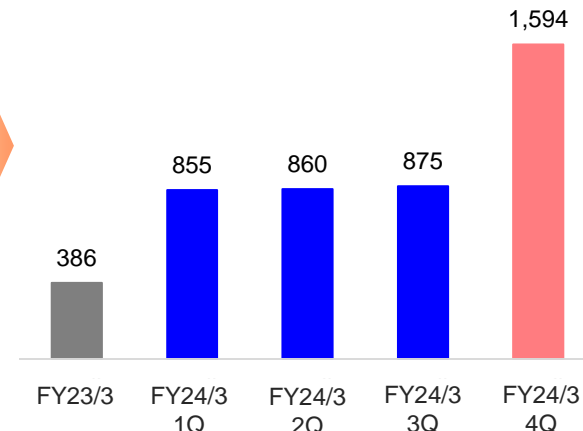
Number of insurance policy documents prepared after the interview

(case)



Number of new policies sold²

(case)

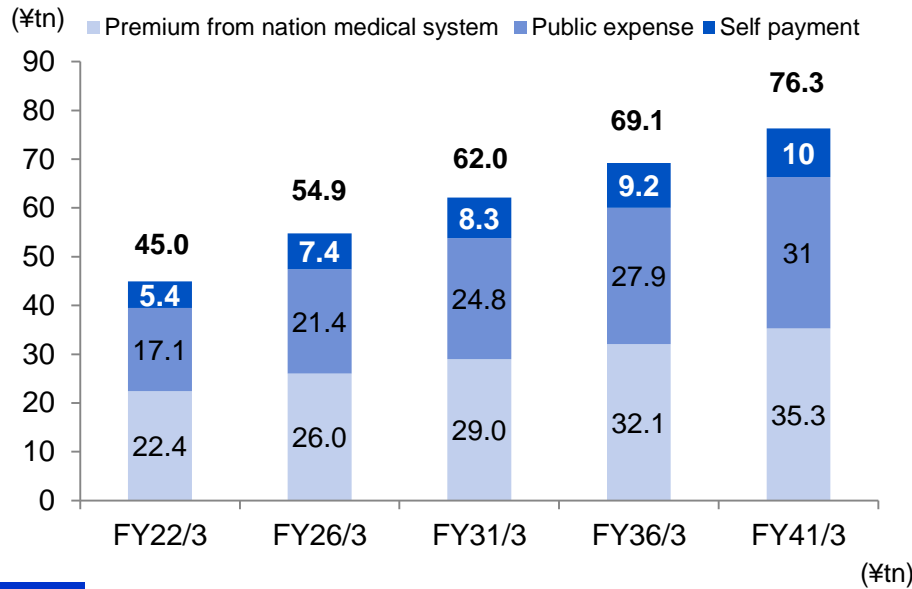


1. Average number of cases per business day during the quarter.
2. The number of new policies sold includes policies after conversion and renewed policies.

Business Environment in the Japanese Life Insurance Industry

- As social security cost such as medical expenditures are expected to increase going forward, the necessity of self-help effort for the risk of living expenses, injuries, diseases and nursing care has been increasing.
- Detecting a disease at an early stage before it gets serious and taking measures to prevent or delay the onset of serious illness have been becoming more important in Japan.

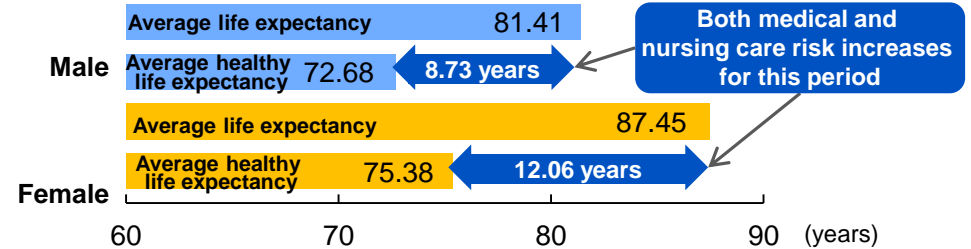
Increase in National Medical Expenditure(NME)



	FY22/3	FY26/3	FY31/3	FY36/3	FY41/3
GDP	550.5	645.6	694.8	741.2	790.6
NME	8.2%	8.5%	8.9%	9.3%	9.7%

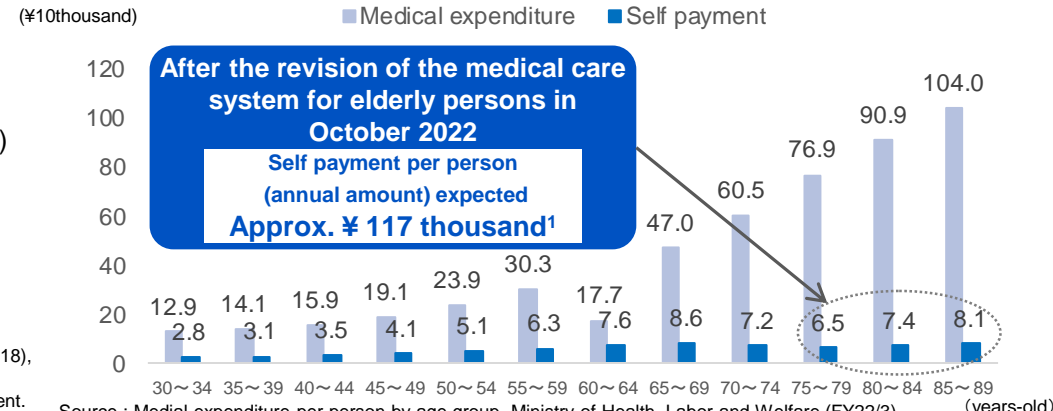
Sources: Cabinet Secretariat, Cabinet Office, Ministry of Finance, Ministry of Health, Labor and Welfare (May 21,2018), Ministry of Health, Labor and Welfare(October 24, 2023).
 Note: Figures at FY21/3 are actual results. Figures at FY26/3 onwards are estimated amount at official announcement.

Difference between Average Life Expectancy at Birth (years) and Average Healthy Life Expectancy at Birth (years)



Source: Ministry of Health, Labor and Welfare, 16th meeting of Health Japan 21 (the 2nd term), material No. 3-1

Medial expenditure per person by age group and self payment (annual amount) (estimated based on actual result in FY22/3)



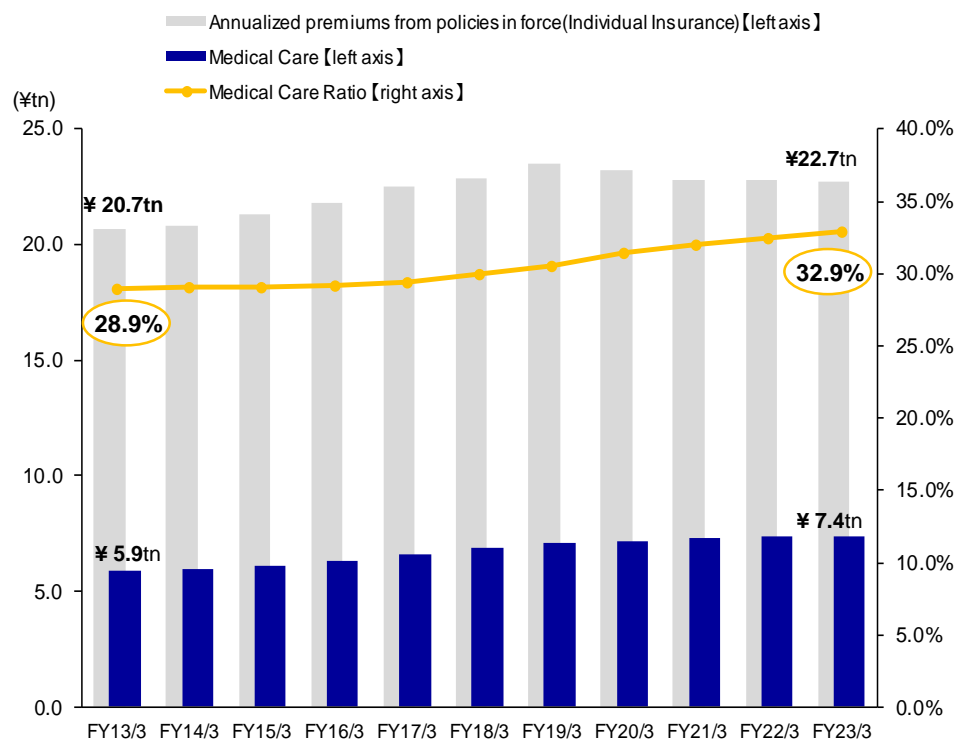
Source: Medical expenditure per person by age group, Ministry of Health, Labor and Welfare (FY22/3)
 1. Website of Ministry of Health, Labor and Welfare, "Outline of the medical care system for elderly person (6)Reference material," P8. Under transitional measures taken for 3 years after the revision to restrain its impact, the figure is expected to be approx. ¥ 109 thousand.

Medical Care Market

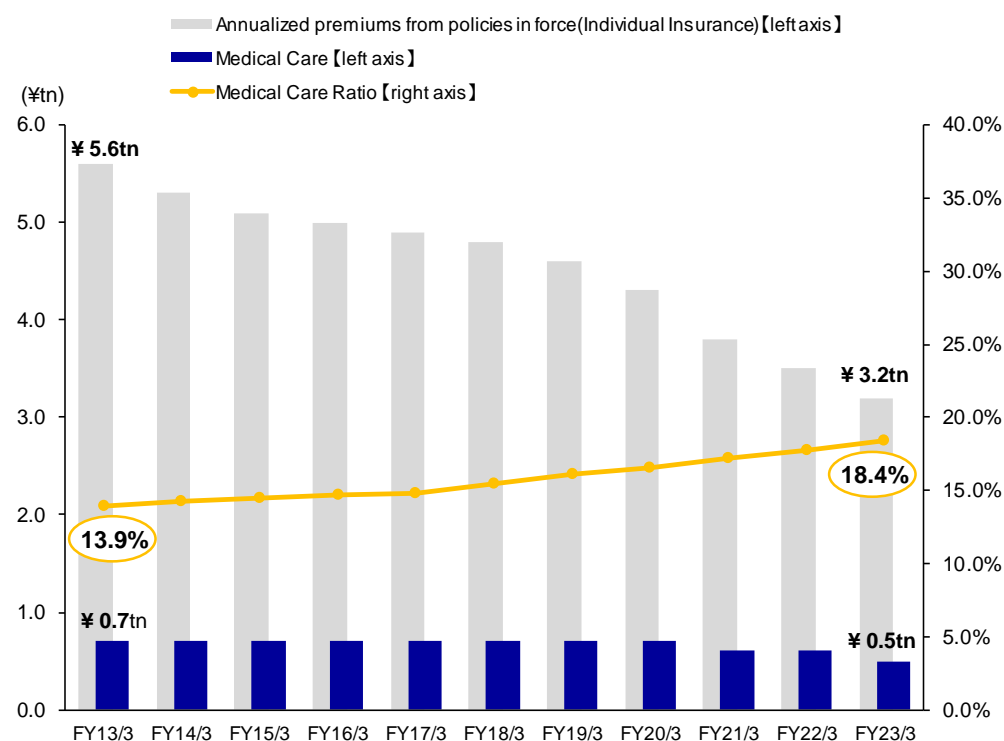
- As the domestic market for medical care is expanding, medical care ratio to annualized premiums in force is also increasing.
- While our medical care ratio to annualized premiums in force is increasing as well, it is still low compared with the domestic market, and we believe there is room to further increase that ratio by meeting customers' protection needs.

Annualized Premium from policies in force (medical care)

Domestic Life Insurance Companies



Japan Post Insurance

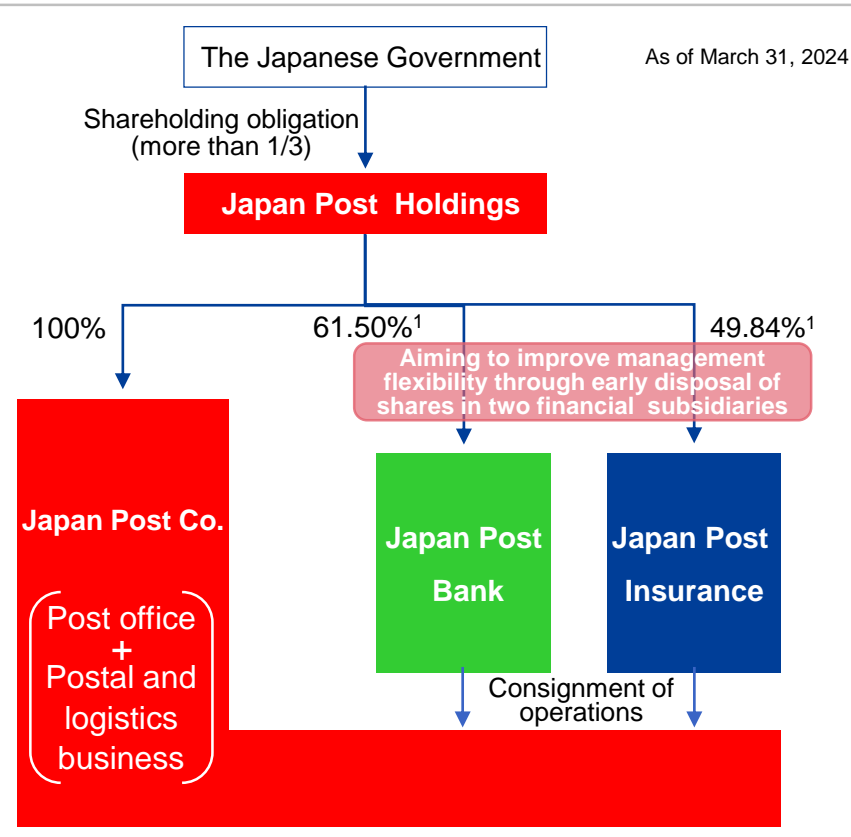


Source: The Life Insurance Association of Japan: Summary of Life Insurance Business in Japan
 Note: "Domestic Life Insurance Companies" includes postal life insurance policies.

Relaxation of Additional Restrictions under the Postal Service Privatization Act

- In June 2021, Japan Post Holdings' voting rights in the Company fell below 50.0%. This meant relaxed additional regulatory restrictions related to new businesses, making it even easier for the Company to provide insurance services that meet customer needs.

Structure of Japan Post Group



Item	Additional Restrictions under the Postal Service Privatization Act
New business	<p>【Until Japan Post Holdings disposes of 50% or more of all the shares of the Company】</p> <ul style="list-style-type: none"> Approval by competent ministers² (a hearing at the Postal Service Privatization Committee is required) <p>【After Japan Post Holdings disposes of a 50% or more of all the shares of the Company until the designated date³】</p> <ul style="list-style-type: none"> Notification to competent ministers² (obligation to consider competitors, notification to Postal Service Privatization Committee is required) <p>【After designated date³】</p> <ul style="list-style-type: none"> No regulations under Postal Service Privatization Act (regulations under Insurance Business Act will continue)
Limit on coverage amount	<p>【Until the designated date³】</p> <ul style="list-style-type: none"> Prescribed in a cabinet order (a hearing at the Postal Service Privatization Committee is required to revise) <ul style="list-style-type: none"> - Limit on coverage amount: in principle, ¥ 10mn (total of ¥ 20mn after 4 years have elapsed since start of coverage (age 20-55)) <p>【After designated date³】</p> <ul style="list-style-type: none"> No regulations based on Postal Service Privatization Act
Subsidiary	<p>【Until the designated date³】</p> <ul style="list-style-type: none"> Prohibited from acquiring or holding as a subsidiary or merging with any insurance company <ul style="list-style-type: none"> - no specific statutory rules applicable to our minority investments, which is acquiring voting rights below 50% <p>【After designated date³】</p> <ul style="list-style-type: none"> No regulations based on Postal Service Privatization Act

1. Ratio of the number of shares held to the total number of issued shares excluding treasury shares. Figures are rounded to two decimal places.

2. Specified ministers: Prime Minister (Commissioner of the Financial Services Agency) and Minister of Internal Affairs and Communications.

3. Designated date: The earlier of (i) the disposal of Japan Post Holdings' entire equity interest in the Company and (ii) the disposal of 50% or more of Japan Post Holdings' equity interest in the Company and the determination by the Prime Minister and the Minister for Internal Affairs and Communications that the additional restriction does not apply to the Company.

Commissions

Sales Commissions

- Commissions are calculated based on a formula generally used in the life insurance industry, which is mainly linked to new policy sales results.
- Commissions are paid in installments over several years, and they include those paid for policies in force acquired in the period between 84 months earlier and 13 months earlier.

Comparison of FY23/3 and FY24/3

Commission for new policies acquired in the fiscal year (Y on Y +¥ 2.9bn)

- Increased for FY24/3 due to the growth of new policies during the fiscal year under review.

Commission for new policies acquired in the period between 84 months earlier and 13 months earlier (Y on Y ¥ (9.2)bn)

- While the commissions are paid in multi-year installments in principle, commissions are on a decreasing trend due to a decrease in the number of new policies from FY18/3, as well as a significant decrease in the number of new policies from FY20/3 attributable to the influence by refraining from proactive sales proposal from mid-July 2019 and business suspension from January to March 2020.

Incentive commissions (Y on Y ¥ (1.0)bn) ¹

- In FY24/3, incentive commissions decreased due to an increase in reduction in sales commissions resulting from improper solicitation which had occurred and detected in previous fiscal years.

Note: For FY25/3, the amount of commissions is expected to be ¥111.0bn (a decrease of ¥12.7bn year on year), of which sales commissions are expected to be ¥23.0bn (a decrease of ¥4.0bn year on year), and maintenance commissions are expected to be ¥87.9bn (a decrease of ¥8.6bn year on year).

1. If the decrease in sales commission in resulting from improper solicitation is not taken into consideration, then ¥ (0.1) bn compared to FY23/3.

Maintenance Commissions

- For services outsourced to Japan Post Co., the unit price is set based on the time spent on processing, etc. assuming that the service was properly conducted at the post office.
- Comprises commission that is proportionate to the number of policies in force, the number of post offices, and other factors (basic commission), and the commission based on results (incentive commission) to encourage the achievement of targets for maintaining policies in force.

Comparison of FY23/3 and FY24/3

Basic commission (Y on Y ¥ (0.2) bn)

- Decreased in FY24/3 due to a decrease in the number of policies in force.

Incentive commissions (Y on Y ¥ (3.3)bn)

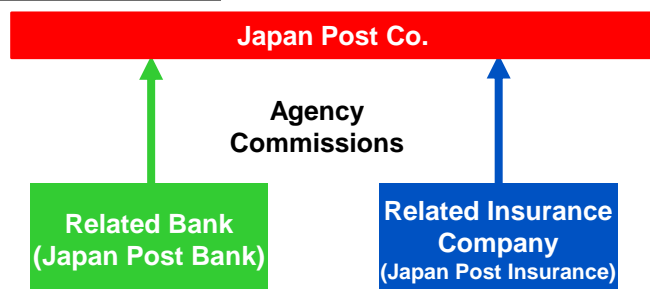
- Decreased in FY24/3 due to a revision of incentive commissions

Overview of Funds and Contributions

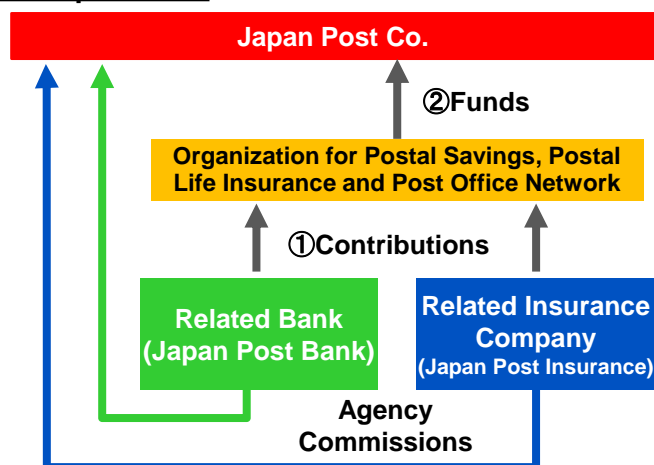
- Amendments to the Act on the Management Organization for Postal Savings and Postal Life Insurance have taken effect since December 1, 2018.
- From April 2019, we and Japan Post Bank are required to contribute to the Organization for Postal Savings, Postal Life Insurance and Post Office Network which will pay the fundamental necessary expenses for Japan Post Co. to maintain its post office network.

System of Funds and Contributions

【Until March 2019】



【From April 2019】



- Along with the establishment of the system of funds and contributions, we revised the structure of agency commissions

Calculation for contributions

* pursuant to an ordinance of the MIC

- The amount of contribution is calculated as follows,
 - Calculate and sum necessary expenses for post office network and administrative expenses of the Organization
 - Allot expenses above in proportion to the degree of use of the post office network by mail counter work, bank counter work and insurance counter work

[Example of distribution : usage volume]



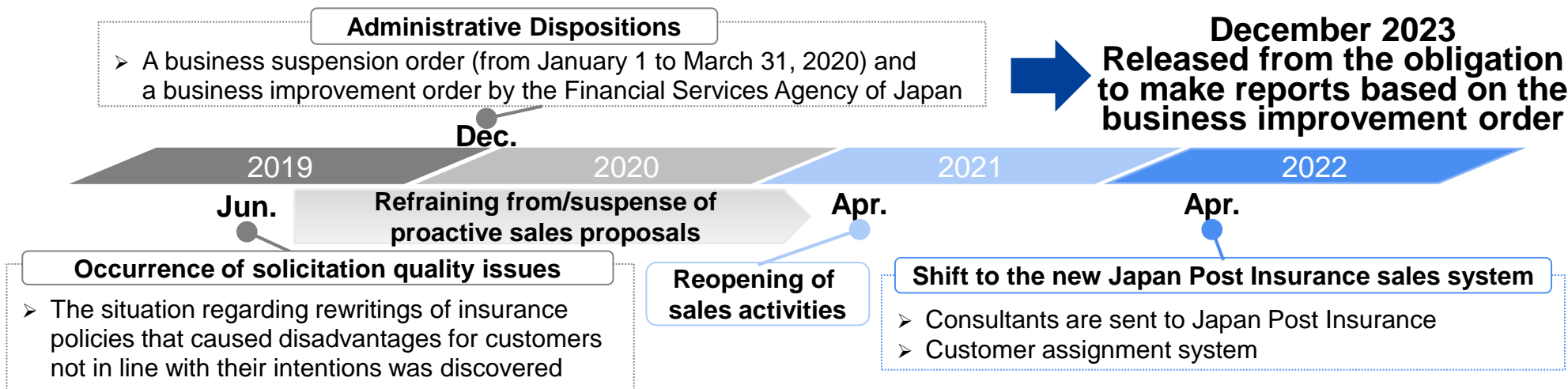
Regarded as usage volume, which is main element for distribution

Commissions and contributions

(¥bn)

	FY21/3	FY22/3	FY23/3	FY24/3	FY25/3 (Forecast)
Commissions	198.1	178.6	134.8	123.7	111.0
Contributions	56.0	54.0	50.1	56.4	56.3
Total	254.1	232.6	185.0	180.2	167.3

Solicitation Quality Issues and Preventive Measures



After the issue occurred, adding to the investigations of rewriting cases, we have sequentially conducted the investigation of all insurance policies and follow-up support activities for customers, as well as having steadily implemented the business improvement plan. **We have finished the responses to customers and have implemented all of the preventive measures.**

<Main Preventive Measures>

Creation of a healthy corporate culture	<ul style="list-style-type: none"> ✓ Create an appropriate solicitation policy that is well understood by employees (code of conduct, the “Standard of Japan Post Insurance sales”)
Establishment of an appropriate sales promotion scheme	<ul style="list-style-type: none"> ✓ Set appropriate sales targets according to the appropriate solicitation quality ✓ Review the incentives for policy rewriting
Establishment of an appropriate solicitation quality control scheme	<ul style="list-style-type: none"> ✓ Record and keep a voice record of solicitation process ✓ Introduction of a conditional cancellation system ✓ Introduction of a policy conversion system
Strengthening governance drastically	<ul style="list-style-type: none"> ✓ Strengthen investigation of circumstances of solicitation process and thoroughly implement PDCA cycle ✓ Strengthen the governance function of the Board of Directors and Audit Committee

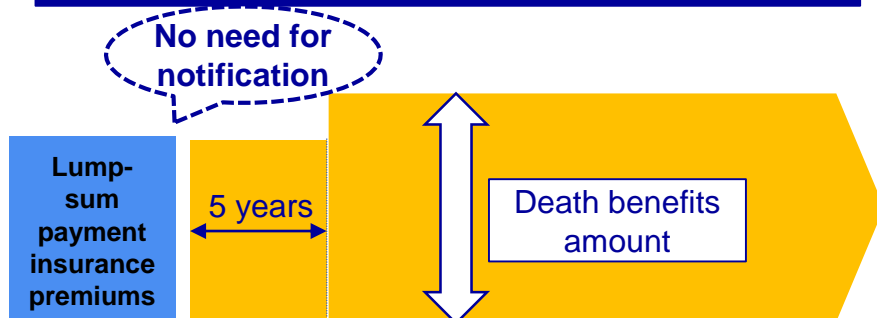
Outline of Lump-Sum Payment Whole Life Insurance

- We launched sales of lump-sum payment whole life insurance policies in January 2024, for which premiums are paid all at once.

Outline

- By making a lump-sum payment of insurance premiums, customers can receive a death benefit greater than the amount of the lump-sum premiums.
- Notification is not required, enabling customers to apply regardless of their state of health.
- The limit of age to apply: 55-85 years old (the upper limit could be changed in accordance with revision of insurance premium rate).

Lump-Sum Payment Whole Life Insurance

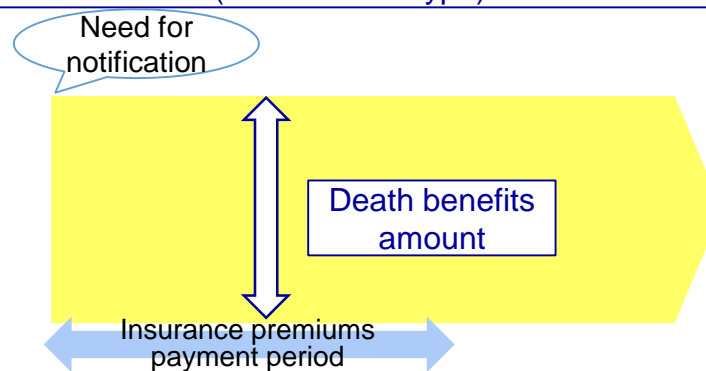


Premiums are paid in a lump sum at the time of enrollment.

Only available are lifetime death benefits. (no claims for severe disability or double payments)

The medical rider “Motto Sonohi-kara Plus” can be added.²

Reference: Current ordinary whole life insurance (fixed amount type)¹



Premiums are paid monthly until the predetermined age.³

In addition to lifetime death benefits, claims for severe disability or double payments are available.

The medical rider “Motto Sonohi-kara Plus” can be added.

Insurance premiums payment

Coverage

Medical coverage

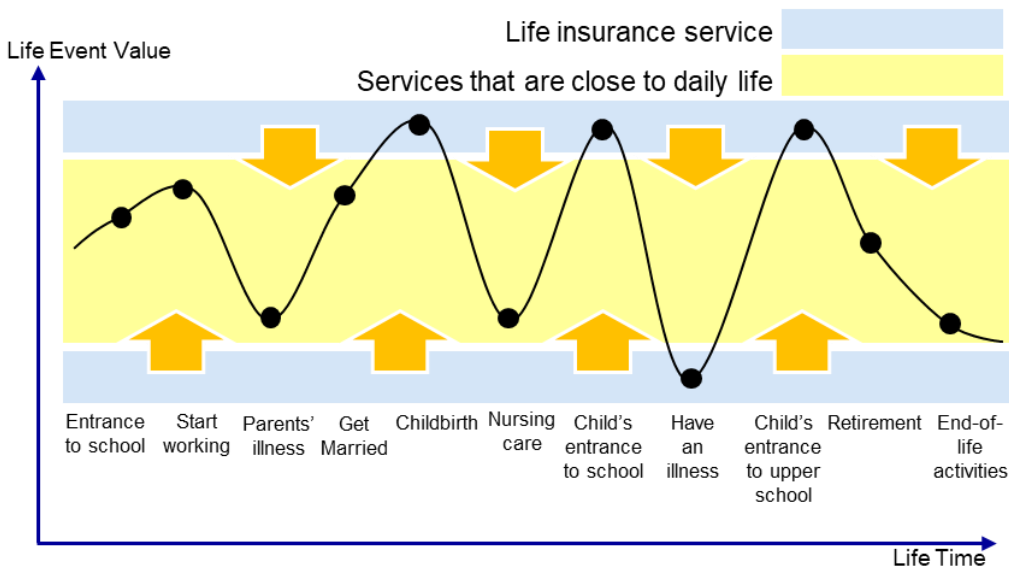
1. The current ordinary whole life insurance (fixed amount type) will continue to be sold, even after the launch of ordinary whole life insurance that offers availability of lump-sum payment.
2. When adding a rider, customers may be required to provide notification of their health condition. Riders cannot be added in the middle of a policy term.
3. It will also be possible to pay for multiple months in advance.

Services That Are Close to the Daily Lives of Customers

- By providing services to customers in all aspects of their lives and continuing to connect with them, we will be able to understand their needs in a more timely and accurate manner and to make optimal proposals that meet the needs of each individual.
- By providing services that are close to the daily lives of customers, we will continuously work to resolve social challenges our customers are facing.

Connections between customers' lifetimes and Japan Post Insurance (from points to lines)

- Help customers resolve their problems as they come by providing support as a trusted partner easy to consult with through daily after-sales follow-ups, etc.
- Build lasting connection with customers in all aspects of their lives (lines), as opposed to our conventional connection with customers in limited aspects of their lives (points)



Examples of new services

- Solve problems for customers through cooperation with businesses that provide services that contribute toward solving social issues

End-of-life activities / inheritance

Family Trust Service (From Oct 2022)

- Launched the Family Trust Service as our complementary service, enabling flexible decision-making related to various methods for managing and disposing of customers' property according to family circumstances

Nursing care

Support for daily life and nursing care (From May 2023)

- Launched a complementary service, in which professionals such as care managers attend to the concerns and problems of the elderly customers themselves and their family members and provide appropriate information

Initiative for service expansion

CVC

Kampo NEXT Partners established (From May 2023)

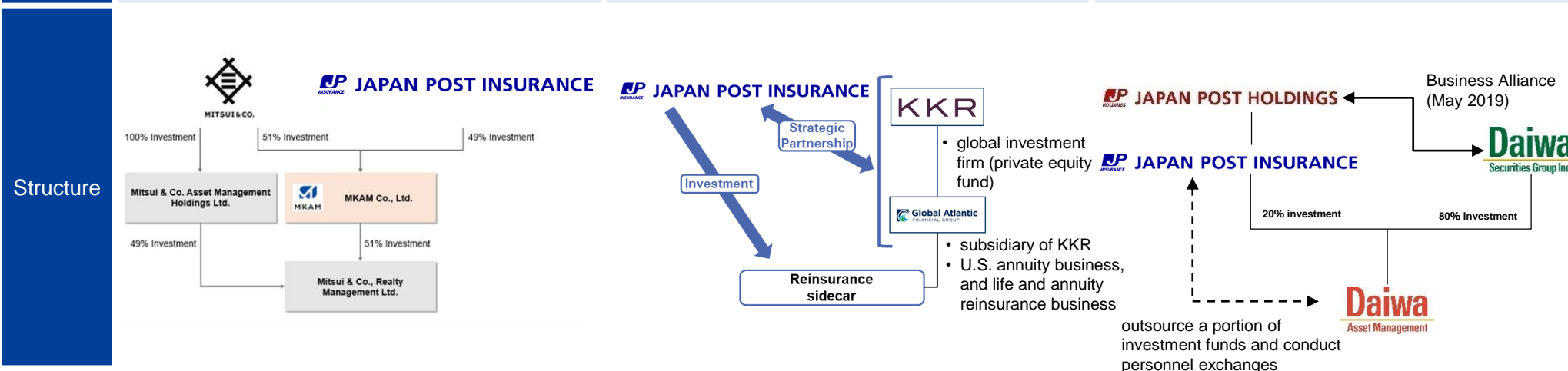
- Established a subsidiary (CVC) to create business partnerships to enhance services that are close to the daily lives of customers and promote investment in promising venture companies

[Investment results] approx. ¥1.5bn in 8 companies as of March 2024

Diversify Sources of Revenue / Create New Opportunities for Growth

- We have implemented capital and business alliances with MITSUI & CO., LTD. and a strategic partnership with KKR and Global Atlantic (GA) with the aim of diversifying our sources of revenue and creating new opportunities for growth. Furthermore, in May 2024, we entered into a capital and business alliance with Daiwa Securities Group.
- Based on these alliances, we will expand collaborations aimed at further growth, and continue discussion for the creation of new opportunities for growth.

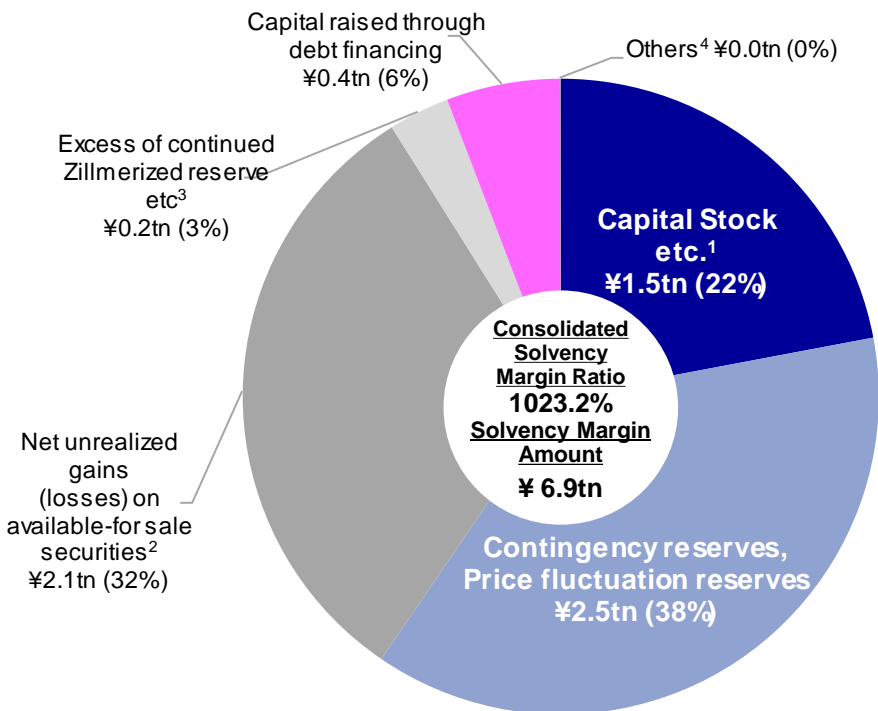
Partner	MITSUI & CO.,LTD. (From June 2022)	KKR and GA (From June 2023)	Daiwa Securities Group (From May 2024)
Summary	<ul style="list-style-type: none"> ● As an intermediary holding company, MKAM Co., Ltd. was established for the purpose of collaboration between JAPAN POST INSURANCE and MITSUI & CO., LTD. ● Mitsui & Co., Realty Management Ltd. launched a flagship fund, in which JAPAN POST INSURANCE is investing as a limited partner. And the balance under management is firmly accumulating 	<ul style="list-style-type: none"> ● The first international partnership for JAPAN POST INSURANCE ● Adding to the strategic partnership, we make a investment in a reinsurance sidecar sponsored by Global Atlantic ● Started discussion to expand business collaborations 	<ul style="list-style-type: none"> ● Invest 20% in Daiwa Asset Management Co. Ltd. and also outsource a portion of our investment funds and conduct a mutual exchange of asset management personnel ● Through this alliance, we aim to acquire new sources of revenue and further strengthen our asset management capabilities



High-quality Capital Structure

- Secure the solvency margin ratio in adequate level, maintaining a high level of soundness. The high proportion of capital stock and internal reserve results in high capital quality.
- In September 2023 and April 2024, we issued ¥100 billion of subordinated unsecured bonds and thus further strengthen the financial soundness of the Company.

Breakdown of Consolidated Solvency (as of March 31, 2024)



1. Subtracted deduction item values from capital stock.
2. Net unrealized gains and losses on available-for-sale securities and land.
3. Subtracted values not included in the margin, among an excess of continued Zillmerized reserve and capital raised through debt financing, from an excess of continued Zillmerized reserve.
4. Combined and unrecognized prior service cost the total amount, among others, of general reserve for possible loan losses, sum of unrecognized actuarial differences.

Bond Information

Subordinated unsecured bonds with interest deferral option and early redemption option

As of Apr. 30 2024

Issue date	Principal amount
January 29, 2019	¥100 billion
January 28, 2021	¥200 billion
September 7, 2023	¥100 billion
April 17, 2024	¥100 billion

Credit Ratings¹

As of Mar. 31, 2024







	S&P	R&I	JCR
Japan Post Insurance	A+ (Stable)	AA- (Stable)	AA (Stable)
(Reference) Japanese government	A+ (Stable)	AA+ (Stable)	AAA (Stable)

1. JPI's ratings fall under insurance financing (rating on insurance benefit solvency).

Promoting Sustainability Management (Contribute to Resolving Social Challenges)

- To fulfill the Company's social mission (purposes) of "We will remain trusted and selected by customers, thereby protecting their lives by providing life insurance product.", we have identified 5 materiality (important issues) and aim to achieve the SDGs by contributing to resolving social challenges related to sustainability.

Materiality (5 important issues)

	Materiality	KPI (FY2025 targets)	Main initiatives
<p>Issues related to business</p>  <p>Issues related to business infrastructure</p>	<p>1 Provide insurance products and services through the network of post offices, etc.</p> 	<ul style="list-style-type: none"> Numbers of policies in force: 18.5 million or more policies Customer satisfaction: 90% or more NPS®: one of the highest in the industry "Radio-Taiso" performance rate: 25% 15 funds totaling 50.0 billion yen certified by Impact "K" Project 	<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, etc.
	<p>2 Deploy solutions to improve well-being and protect smiles and health</p> 	<ul style="list-style-type: none"> Implementing social contribution activities 15 funds totaling 50.0 billion yen certified by Impact "K" Project 	<ul style="list-style-type: none"> Popularize "Radio-Taiso" Provide services utilizing health promotion app. "Sukoyakanpo" Promote sustainable investment, etc.
	<p>3 Contribute to development of safe, secure and comfortable communities and society where diversity and human rights are respected</p> 	<ul style="list-style-type: none"> CO2 emissions (Scopes 1, 2): <ul style="list-style-type: none"> — FY2030 target: 46% reduction (compared to FY2019) — 2050 target: Achieve carbon neutrality Implement initiatives based on the Compliance Program 	<ul style="list-style-type: none"> Initiatives to realize a society that respects human rights Support for wheelchair tennis and social contribution activities at local level Promote sustainable investment, etc.
	<p>4 Contribute to environmental conservation that nurtures abundant nature</p> 	<ul style="list-style-type: none"> Results of ES (engagement score) survey: target score B Ratio of female managers at the head offices: 30% (FY2030 target) 	<ul style="list-style-type: none"> Climate change initiatives Initiatives related to biodiversity and natural capital Promote sustainable investment, etc.
	<p>5 Build a foundation to support sustainability management</p> 	<ul style="list-style-type: none"> Rate of taking childcare leave: 100% for both male and female employees Ratio of employees with disabilities: 3.0% (for the entire Japan Post Group) 	<ul style="list-style-type: none"> Promote human capital management Thorough compliance Strengthen corporate governance, etc.

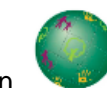
(Reference) Assessment from external party

Our sustainability initiatives have been recognized and received the following evaluations as of May 2024.

* ISS ESG, the responsible investment arm of a proxy advisory firm Institutional Shareholder Services Inc. (ISS), provides sustainability rates and scores. (<https://www.issgovernance.com/esg/ratings/>)

We have been recognized with the "Prime Status" and have achieved evaluations placing it in the top 10% globally in the insurance industry.

- ▶FTSE4Good Index Series
- ▶FTSE Blossom Japan Index Series
- ▶the "Prime Status" designation by ISS ESG in its ESG Corporate Rating*



FTSE4Good



FTSE Blossom Japan Index



Corporate ESG Performance

RATED BY ISS ESG

Prime

Embark on a New Stage of Sustainable Investment

- We will lead the finance industry as a universal owner and promote initiatives such as impact-oriented investment (“Impact ‘K’ Project”), investment and financing that generate innovation based on academic-industrial collaboration, stewardship activities, and expansion of external communications to realize high-quality and responsible investment activities.

Under the priority themes of “increase in well-being”, “development of communities and society,” and “contribution to environmental conservation,” we strive for greater depth and evolution of sustainable investment with Impact “K” Project at its core that create a feeling of warmth unique to Japan Post Insurance.

The Responsible Investment Office was established to take on the challenge of a new stage of sustainable investment with Impact “K” Project at its core.

Impact “K” Project

- Under the “Impact ‘K’ Project”, promote impact-oriented investment and financing taking into consideration priority themes based on an original framework
 - 【Impact investment】
Investment activities intended to generate positive and measurable social and environmental impact as well as financial returns
 - 【Characteristics of Impact “K” Project】
 - Ensure quality and transparency of impact creation
 - Accumulate a variety of impact-investment projects
 - Contribute to society and to the development of the impact investment industry as an asset owner
 - 【Examples of investment】
 - Investment in a real estate fund whose main tenants are licensed nursery schools in urban areas with large numbers of children on waiting lists (March 2022)
 - Investment in companies that are actively engaged in creating social impact and domestic-listed equity fund that aims to achieve both social and economic returns (May 2022)



Academic-industrial collaboration

- Strengthen academic-industrial collaboration linked to solving social issues and bringing about innovation, including possible implementation of impact investment
 - 【Parties with whom we signed memorandums of understanding for impact investment】
(date of agreement shown in parenthesis)
 - Keio University (January 2022)
 - Osaka University (January 2023)
 - The Ritsumeikan Trust (March 2023)
 - 【Examples】
 - Invest in KII3, LPS., the first impact fund as a university VC. (October 2023)
 - Set up impact funds for startups that utilize academic research findings
 - Education on finance (university lectures on sustainable investment, etc.)

Stewardship activities

- Promote stewardship activities that focus on sustainability and enhance corporate value of investees
 - 【Case studies】
 - Setting “climate change,” “natural capital,” “human rights,” and “human capital” as important issues in dialogue with investees
 - Dialogues based on TCFD scenario analysis results and TNFD portfolio analysis results, taking into account the sector, industry and policies of the investee
 - Exercising shareholder voting rights in all shares held by the Company, etc.

Multi-directional dissemination of information

- Further dissemination to all stakeholders on advanced initiatives for sustainable investment through the “Responsible Investment Report,” etc.
 - 【Examples】
 - Initiatives for sustainable investment
 - ESG integration
 - Sustainability-themed investments
 - Stewardship activities
 - Initiatives to address sustainability issues (“climate change,” “natural capital,” “human rights,” and “human capital,” etc.)

Response to the TCFD Proposal, etc.

- We expressed our support for the TCFD proposal in April 2019, and disclose information on our response to climate change, scenario analysis, and reduction target for greenhouse gas emissions.
- In order to achieve carbon neutrality, we will engage in initiatives relating to a shift to a low-carbon society both as Initiatives as an operating company and an institutional investor, and increase the robustness of our businesses.
- In addition, we are engaging in initiatives toward conservation of the natural environment and ecosystems (preservation of biodiversity) and enhancing information disclosure in line with the TNFD framework.

Initiatives as an operating company

With the aim of reducing GHG (greenhouse gas) emissions in our business operations, we will promote initiatives for environmental conservation.

- Engage in initiatives in our offices to reduce energy consumption through improving the use of lighting/AC equipment, introducing energy-saving equipment, etc.
- Use electricity generated by renewable energy at Otemachi Place and other buildings where we have our offices in order to help reduce CO₂ emissions.
- Regarding work vehicles also, we will strive to reduce CO₂ emissions by gradually introducing eco-vehicles such as hybrid vehicles.

Target: Scopes 1 & 2 of decarbonization
FY2030: 46% reduction compared to FY2019
By 2050: Aim for carbon neutrality

[Reference]
TNFD

TNFD is an international initiative to establish an information disclosure framework for nature-related risks and released its final recommendation in September 2023. We support the philosophy of TNFD and participated in the TNFD Forum in June 2023 supporting its activities. In addition, in December 2023, we, as an Early Adopter, registered on the TNFD website our intention to make a disclose based on TNFD recommendations.

Initiatives as an institutional investor

Promote investment/financing activities considering risk and opportunity relating to climate change

- Incorporating climate change factors into investment and financing decisions
- Implementation of stewardship activities that focus on climate change measures
- Measurement and management of GHG emissions from the investment portfolio
- Promoting investments that contribute to the decarbonization of society

Target: Decarbonization of portfolio companies (Scope 3, category 15)¹
FY2029: 50% reduction compared to FY2020
By 2050: Aim for carbon neutrality

1. Target assets are domestic and foreign listed stocks and domestic and foreign credits (including loans to business companies, etc.).

Contribution to Local Communities and Society

- As a contribution to local communities and society, we assist in promoting health by popularization and promotion of “Radio-Taiso” exercise, as well as supporting the children who will lead the next generation.

Popularization and Promotion of “Radio-Taiso”

- With the aim to “deploy solutions to improve well-being and protect smiles and health” one of our social challenges (materiality), we are engaged in popularizing and promoting “Radio-Taiso” through initiatives such the Festival of 10 Million People’s “Radio-Taiso”, touring “Radio-Taiso” events, and a “Radio-Taiso” contest, etc.
- We also provide 8.5 million “Radio-Taiso” attendance cards to create connection between children and local communities, thus vitalizing local communities.



Festival of 10 Million People’s “Radio-Taiso” and *Minna no Taiso* (“Exercise for Everyone”)



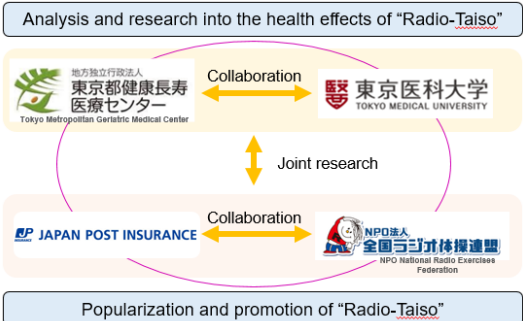
Touring “Radio-Taiso” events

Welcoming participation of a wide range of people across all age groups and genders nationwide



Sakutto (“Quick”) “Radio-Taiso”, Providing opportunities to exercise during the COVID-19 pandemic through broadcasting videos

Implementation structure of joint research to verify the health effects of “Radio-Taiso” (since Oct. 2021)



Next generation development and support for children

- Conduct on-site classes for elementary school students using original financial education materials
- Aiming to contribute to community and social development through the improvement of financial literacy



▲ The Japan Post Insurance-original educational material, “Money and the Future”



▲ A class at Ritsumeikan Primary School (June 2023)

Forming a Diverse Society

- We sponsor and support measures for wheelchair tennis, namely, the launch of a project to send junior players to tournaments overseas. Such measures support the development of a diverse society where all people can flourish in their own way.
- We have introduced a sign language interpretation service as one way to make all customers feel more at ease.

Sponsoring and support for wheelchair tennis

- Together with the Japan Wheelchair Tennis Association (JWTA), we launched a special strengthening support project to send the next generation of wheelchair tennis players to overseas tournaments, with the aim of developing top athletes who can compete on the world stage.
- Supporting wheelchair tennis through the development of junior players and other activities contributes to the realization of a society in which all people can be active in their own way.



[Next Generation Special
Reinforcement Support Project]

Selection of players to be sent to the tournaments is based on the results of the KAMPO JUNIOR OPEN 2023, newly held in 2023, and the ITF (International Tennis Federation) Boys/Girls Singles Ranking.



▲ At "KAMPO JUNIOR OPEN 2023"

Two 15-year-old athletes compete on the world stage.

They participated in the ITF event in Türkiye in December 2023.

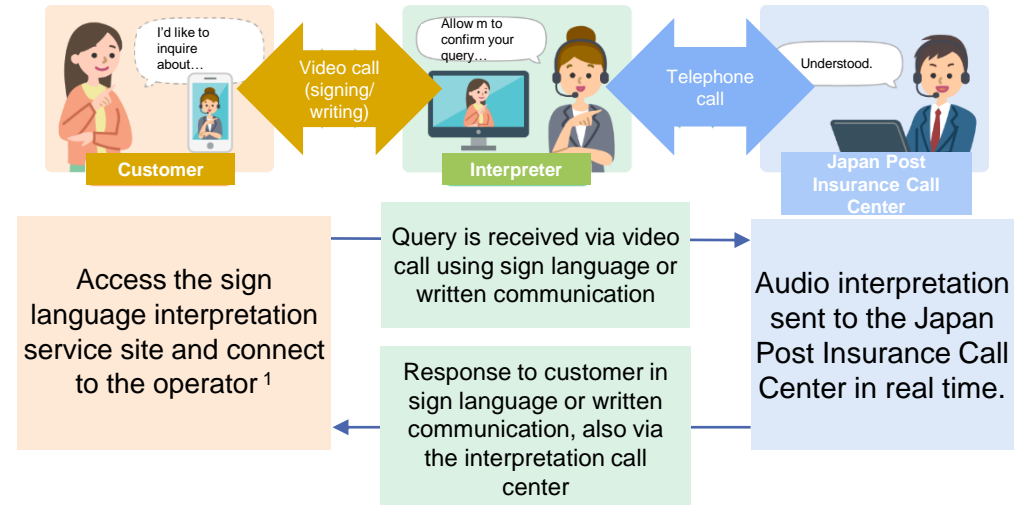


▲ December 2023 Tournament in Türkiye
(From left: Athletes TACHIBANA Ryuhei and YANO Sota)

Introduction of a sign language interpretation service

- Introducing a service that enables customers who are deaf or hard of hearing, have difficulty in speaking, or have speech impediments to smoothly contact us through sign language or written communication.
- Enables users to contact the Japan Post Insurance Call Center via video call using sign language or written communication.

The service began on July 25, 2023 based on a business alliance with PLUSVoice, Inc. (PLUSVoice).



1 Connection to the interpretation call center operated by PLUSVoice

Promotion of Diversity and Work Style Reform

- Promote diversity management, mainly in the areas of “promoting expanding roles for female employees,” “providing support for balancing work and childcare/nursing care,” “promoting employment of persons with disabilities,” and “work-life balance.”

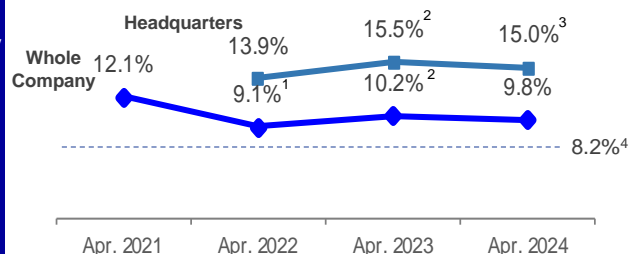
----- Nationwide average

Promotion of diversity

Ratio of female managers

Target: Above 30% by FY2030 (Headquarters)

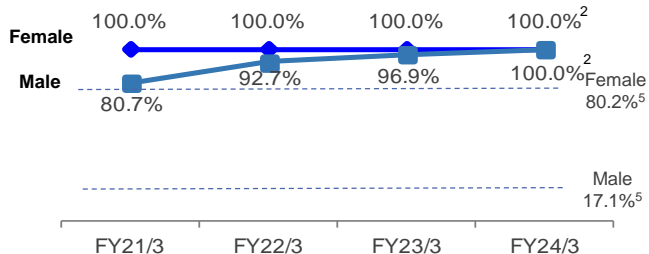
- Support expansion of roles for female employees through trainings for those who are expected to play active parts as managers in the future, etc.



Rate of Taking Childcare Leave

Target: 100% for both male and female by FY2025

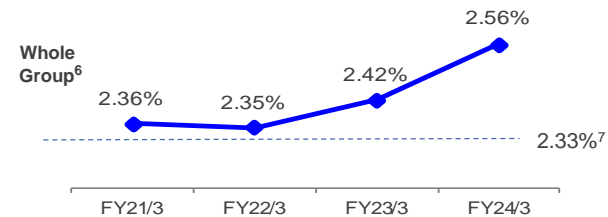
- Establish an environment where employees can continue to work with peace of mind regardless of gender, and encourage employees to take childcare leave.



Ratio of Employees with Disabilities (Japan Post Group overall)

Target: 3.0% by FY2025

- Actively promoting the employment of people with disabilities recognizing that fairly evaluating and providing work opportunities for a diverse population, and supporting the retention of employees with disabilities in the workplace.



- Increase in the number of employees under the new Japan Post Insurance sales system (Approx. + 13,000 staff)
- Partial amendments have been made to the calculation procedures from FY24/3 (excluding the employees assigned from other companies, but including the employees assigned from the Company to others).
- Partial amendments have been made to the calculation procedures from FY25/3 (expansion of the scope to be counted as the headquarters' employees due to reorganization, etc.).

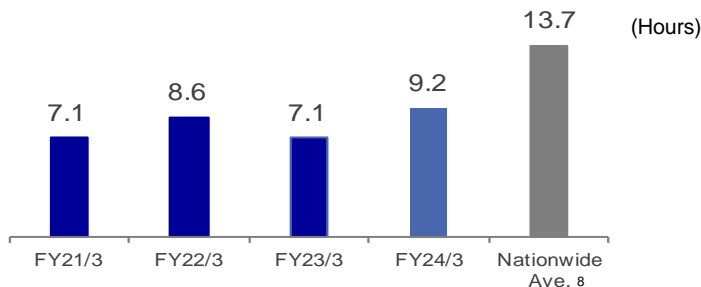
- Ratio of female managers for companies with 5,000 employees or more (2022 Basic Survey of Gender Equality in Employment Management, MHLW).
- Rate of Taking Childcare Leave (2022 Basic Survey of Gender Equality in Employment Management, MHLW).

- Combined figures for the six companies in the Japan Post Group as of June 1 of each fiscal year.
- Private company Ave. (2023 Status of Employment of Persons with disabilities MHLW)

Work-Life Balance

Monthly average amount of overtime

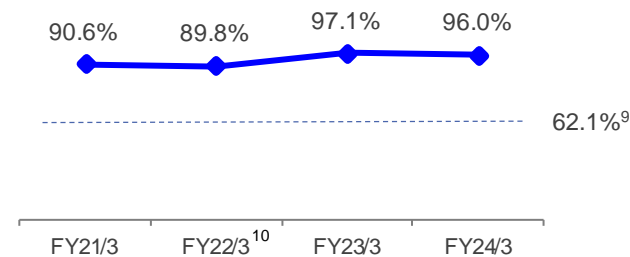
- Promote initiatives in work style reform and decrease the average overtime per month/per employee



- Overtime work hours (excluding part-time work) (Monthly Labor Survey, 2023, MHLW)

Rate of taking paid leave

- Encourage employees, including managers, to take paid leaves as they planned and consecutive leaves



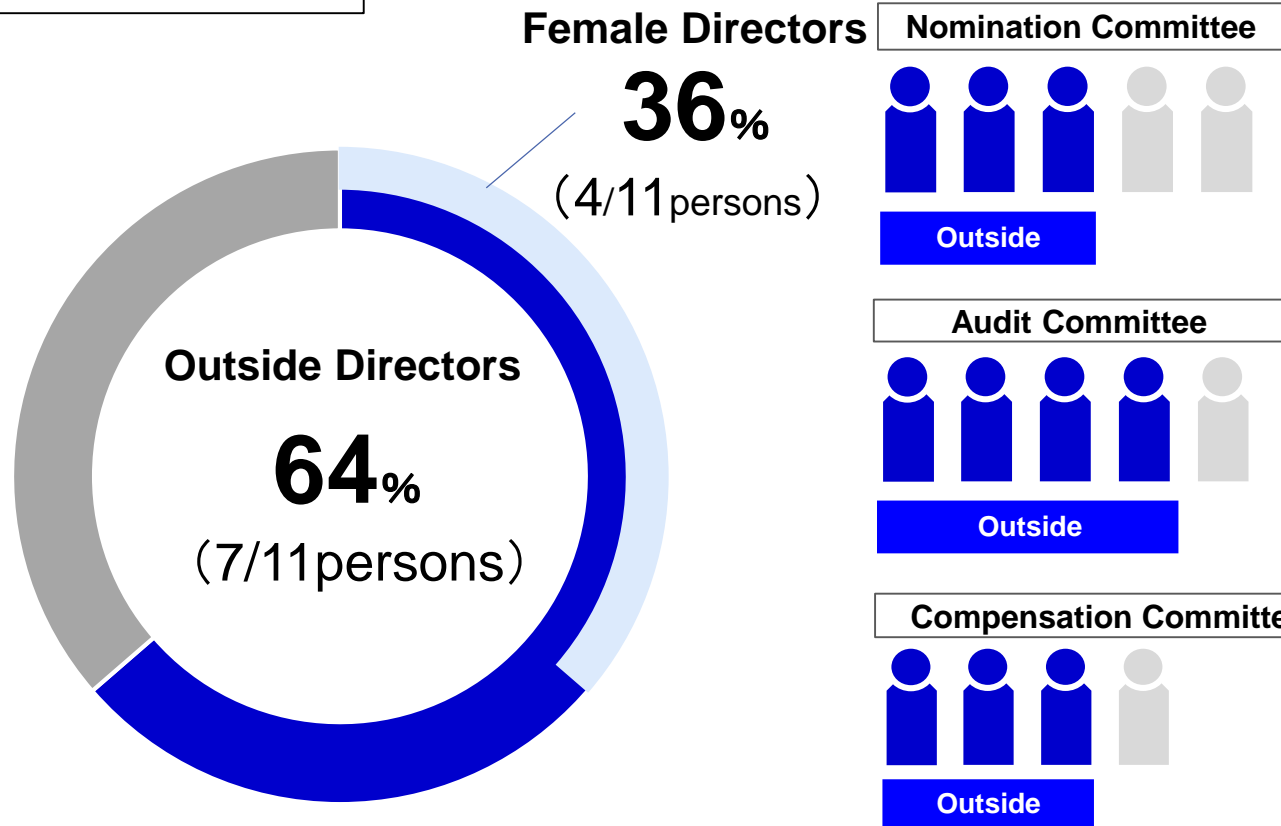
- Nationwide Ave. (2023 General Survey on Working Conditions, MHLW)
- Partial change in calculation method from FY22/3 (excluding from the denominator, employees who took zero days of paid leave during the period due to childcare leave, leave of absence, etc.)

Board of Directors and Committee Meetings

- Strengthened corporate governance and enabled faster decision-making by adopting the corporate structure of a company with a Nominating Committee and other committees, and clearly separate the business execution and supervisory functions.
- Majority of directors in our Board of Directors are outside directors, and that includes four female directors. We achieve diversification and high independence in our Board.

Composition of the Board of Directors

Board of Directors



Meetings held in FY2023

[Number of Meetings held]

Board of Directors	14
Nomination Committee	7
Audit Committee	16
Compensation Committee	6

[Principal Matters resolved by the Board of Directors in FY2023]

- Business collaboration with KKR and Global Atlantic Financial Group
- Issuance of subordinated bonds
- Action to Implement Management that is Conscious of Cost of Capital and Stock Price
- Management Plan for the fiscal year ending March 31, 2025

Note: Composition of the Board of Directors as of March 31, 2024

Compensation System for Executive Officers

- By introducing Trust-Based Performance-Linked Stock Compensation System, the risk of depreciation as well as the advantage of appreciation in the company's stock price with shareholders gives executive officers an even greater awareness of the importance of contributing to sustainable growth of the company and the long-term improvement in corporate value.

Summary of Compensation System for Executive Officers

- Basic Compensation (Fixed) : A basic compensation (fixed monetary compensation) commensurate with their duties
- Stock compensation (Performance-linked) : Points calculated by the following formula are awarded annually, and shares corresponding to the accumulated points are distributed.

[Point calculation formula] (①+②) × ③

①Basic points based on job responsibilities ②individual evaluation points ③company performance-linked coefficient

- Ratio of actual value of basic compensation (fixed) and performance-linked stock compensation for all executive officers

Basic Compensation¹ (Fixed) : performance-linked stock compensation² = 73 : 27












1. Basic compensation (fixed) is calculated based on the actual payment in FY 2023.

2. Performance-linked stock compensation is calculated by multiplying the points granted based on the performance in FY 2023 by the stock price on the date of point grant for those in office and by the stock price on the date of retirement for those retiring.

Targets and Results of Indicators Related to the Relevant Performance-linked Compensation in FY2023

Indicator	Target	Result
Income target for the fiscal year : Consolidated net income	¥ 72.0bn	¥ 87.0bn
Degree of achievement in matters related to sales/solicitation quality: Net increase in life insurance policies	¥ 5.22bn	¥ 3.99 bn
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, transformation of business model, asset management, ERM, measures for preventing crime and money laundering, etc.	Progress of measures generally in line with the plan
Progress in promotion of ESG management	Contribution to the development of communities and society; and environmental conservation, extension of healthy life expectancy and increase in well-being, and establishment of an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself, etc.	Progress of measures generally in line with the plan

Skill Matrix for Directors

Position	Name	Major concurrent post	Corporate management	Financial affairs /Accounting	Legal/Risk management /Compliance	Human resources/Human resources development	Sales/Marketing	ICT/DX	Community /Society	Finance /Insurance	Asset management
Outside Directors	SUZUKI Masako	 Outside Director of NIPPON SIGNAL CO., LTD.	●		●	●	●	●	●		
	HARADA Kazuyuki	 Representative Director, Chairman of the Board of Keikyu	●		●	●	●		●		
	TONOSU Kaori	 Outside Director of Internet Initiative Japan Inc.	●		●	●		●	●	●	
	TOMII Satoshi	 Chairman of DBJ Investment Advisory Co., Ltd.	●	●	●				●	●	●
	SHINGU Yuki	 Director of Future Corporation	●		●	●	●	●	●		
	OMACHI Reiko	 Attorney-at-law			●				●	●	●
	YAMANA Shoei	 Outside Director of TDK Corporation	●		●	●	●	●	●		
Internal Directors	TANIGAKI Kunio	 Director and President, CEO, Representative Executive Officer of the Company	●	●	●	●	●		●	●	
	ONISHI Toru	 Director and Deputy President Representative Executive Officer of the Company	●	●	●	●	●	●	●	●	
	NARA Tomoaki	 Director of the Company	●	●	●	●		●	●	●	●
	MASUDA Hiroya	 Director and Representative Executive Officer, President & CEO of Japan Post Holdings Co., Ltd.	●		●	●			●	●	

Note1: Scheduled to be appointed at the Ordinary General Meeting of Shareholders to be held on June 17, 2024.

Note2: The table above 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. 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," "Human resources/Human resources development," "Community/Society," and "Asset management."

<Guidance>

Various materials and financial/non-financial data are available on the Company's IR website and Sustainability website (please refer to "Investor Relations" and "Sustainability").

Financial data (in Excel format)

Balance Sheets and Income Statements

▶ <https://www.jp-life.japanpost.jp/IR/en/finance/data.html>

Other Financial Data

▶ https://www.jp-life.japanpost.jp/IR/en/finance/financial_highlights.html

Disclosure materials

Annual Report

▶ https://www.jp-life.japanpost.jp/english/aboutus/financial/en_abt_fnc_ar.html

ESG information

Sustainability Report

▶ https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg_library/sustainability_report.html

ESG Data

▶ https://www.jp-life.japanpost.jp/english/aboutus/sustainability/esg_library/databook.html

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The financial results forecasts and other forward-looking statements herein are based on certain assumptions deemed reasonable by Japan Post Insurance at the time of this document's disclosure. Please note that actual results may differ materially from such forward-looking statements due to various factors including changes in the operating environment, interest rates or general economic conditions or other future events and circumstances.

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Although Japan Post Insurance 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.