

Financial Results & Corporate Strategy Meeting for the Six Months Ended September 30, 2023

November 30, 2023



- I am Tanigaki Kunio, appointed as President of Japan Post Insurance in June of this year. Thank you very much for attending our Financial Results & Corporate Strategy Meeting today.
- Before briefing of the presentation material, I would like to introduce my career background.
- Please look at page 1.

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



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- In 1984, I joined the Ministry of Posts and Telecommunications, which administrated the telecommunications and broadcasting, and the Postal Service, and have spent my career in the Postal Service.
- The Postal Service was privatized and spun off into a separate company in 2007, after being privatized by the Postal Services Agency and Japan Post. I had been in charge of Corporate Planning Department overseeing the postal, savings, and insurance business in Japan Post and Japan Post Holdings, and was involved in the privatization of Japan Post and the simultaneous IPO of the three group companies in 2015.
- Since 2016, I served as Deputy President of Japan Post Insurance, Deputy President of Japan Post Co., and Deputy President of Japan Post Bank, and in June 2023, I was appointed as President of Japan Post Insurance.
- Today I would like to present the issues that I should address as the President of Japan Post Insurance, namely, the challenges we face, and going forward, our strategy to address them.
- Please look at page 2.

Agenda

	Theme	Presenter
1	Strategy to Improve Corporate Value and Achieve Further Growth P.4	Director and President, CEO, Representative Executive Officer TANIGAKI Kunio
2	Capital Policy and Financial Results P.17	Director and Deputy President, Representative Executive Officer ONISHI Toru
	Appendix P.24	

- Today's briefing is composed of two parts.
- First, I would like to explain our strategy for improving our corporate value and achieving further growth, taking into account our current status, followed by Mr. Onishi, Deputy President, on capital policy and financial results.
- Afterward, I would like to answer any questions you may have.
- Please look at page 3.

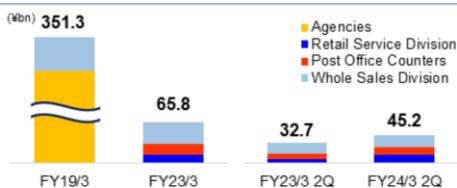
Introduction: Current Status and Future Corporate Strategy

- The Company's number of policies in force has been trending downward. At present, it is also affected by lagging recovery of sales.
- To recover sales and to achieve sustainable growth are our issues.
- By reaffirming our current strengths and developing strategies that leverage them, we will achieve an early recovery and further growth.

Recognition of current status



Annualized Premiums from New Policies (Compared with FY19/3)



Note: "Agencies" is the total of post office offsite sales personnel (currently Retail Service Division) and post office counters in FY19/3

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Issues and future strategy

Issues

Early recovery of sales and achieving sustainable growth

Strategy

Develop strategy to leverage the Company's strengths

Leverage strengths

Channels and human resource + Policies base + Industry's top level of total assets

New measures to secure revenue through alliances with other companies

Capital policy to enhance capital efficiency

Ongoing decline

Affecting

Lagging recovery of sales

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- I will first begin by confirming our current status, and in light of that, will provide a summary of the issues and future strategy.
- The Company's number of policies in force has been trending downward. At present, it is also affected by lagging recovery of sales.
- Our issues are to recover sales and to achieve sustainable growth, by overcoming the situation where consultants are still not performing to their full potential.
- To meet these issues, we will reaffirm our strengths and develop strategies to leverage them.
- We have three strengths.
- The first strength is our nationwide channels and the human resources to support them. We believe that the strength of our nationwide networks of post offices and other channels, and the power of our employees, who continue to support customers' lives and build their trust through the life insurance business throughout Japan, are extremely significant. Enabling further development and demonstrating this ability will be the cornerstone of growth.
- The second strength is a policy base of approximately 20 million policies in force, built through this nationwide channels and the human resources. Further growth will be achieved by protecting this policy base and leveraging it to develop sales and product strategies to provide our unique value to an even greater number of customers.
- The third strength is the power provided of one of the industry's top level of total assets. By leveraging over ¥ 60 trillion in assets, we will work to expand earnings through deepened and sophisticated asset management.
- In addition to leveraging these strengths, we will work to diversify our sources of earnings through alliances with other companies, and together with raising profitability and growth potential. Then we implement a capital policy that can enhance capital efficiency while maintaining a sound financial position.
- Under these policies, we intend to achieve sustainable growth and work to enhance our corporate value.
- Please look at page 5.

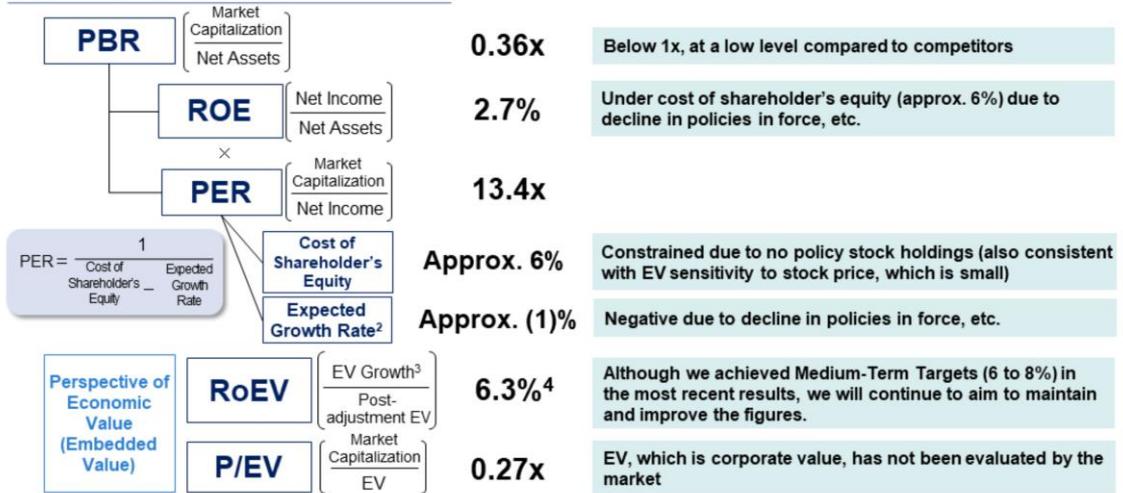
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Strategy to Improve Corporate Value and Achieve Further Growth

Enhancing Corporate Value (1) Analysis of Current Status and Issues

- The Company's P/B ratio is below 1x, which is low compared to competitors, and has not been evaluated by the market.
- To enhance corporate value, it is necessary to attain higher expectation for growth by recovering sales, etc.

The Company's current evaluation status¹



1. Figures above are calculated from following data; Market capitalization as of September 29, 2023, net assets as of September 30, 2023, net income forecast for FY24/3 (¥72.0bn), EV as of September 30, 2023. Note that EV as of September 30, 2023 is a provisional calculation that has not been verified by a third party.
2. Calculated from PER and Cost of Shareholder's Equity
3. Calculated by excluding economic variance factors
4. Annualized FY24/3 2Q results.

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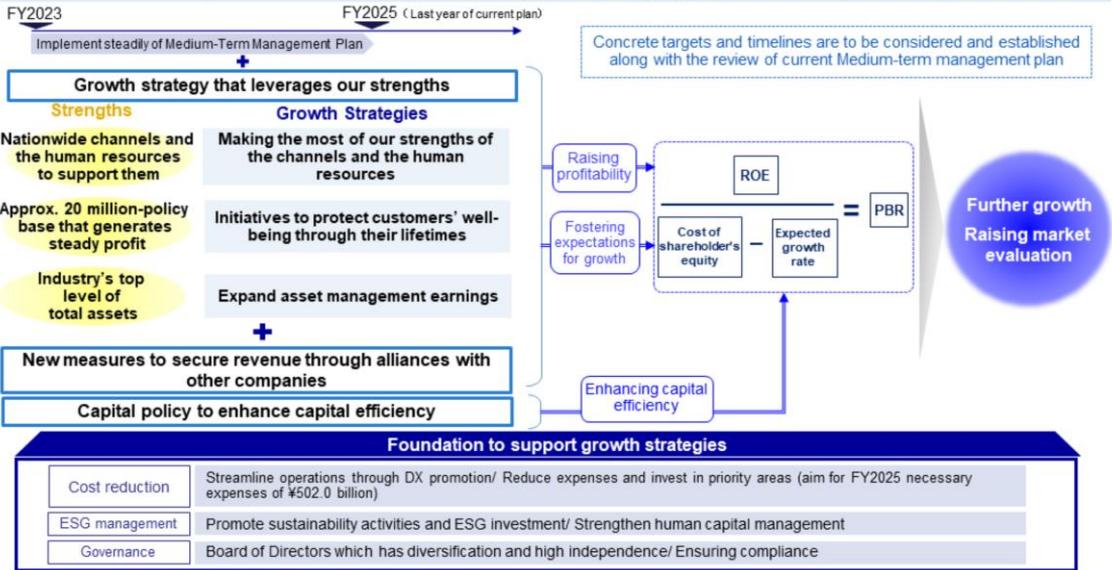
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- With regard to our efforts to improve our corporate value, this fiscal year, the Board of Directors has analyzed the Company's current status and discussed improvement measures.
- I would like to explain the Company's current status and issues from the perspective of corporate value.
- The Company's P/B ratio is below 1 time, which is low compared to competitors, and has not been evaluated by the market.
- We can explain the reason our P/B ratio is low is because both the ROE and PER are at a low level.
- And a major factor contributing to the low ROE is that policies in force are in decline.
- As for PER, our analysis indicates that it is at a low level due to a low expected growth rate, despite the cost of shareholders' equity has been constrained.
- In light of this current status, we recognize the need to recover our sales through strategies that leverage our strengths, to improve ROE by enhancing capital efficiency while maintaining financial soundness, and to improve PER by appealing to the capital market for our growth potential through these measures.
- Please look at page 6.

Enhancing Corporate Value (2) Overall Strengths and Growth Strategies

- Our strengths include nationwide channels and the human resources to support them, a policy base that generates steady profit, and one of the industry's top level of total assets.
- In addition to a growth strategy that leverages these strengths, we aim for further growth and market value by taking new measures to secure revenue through alliances with other companies, and implementing a capital policy to enhance capital efficiency.



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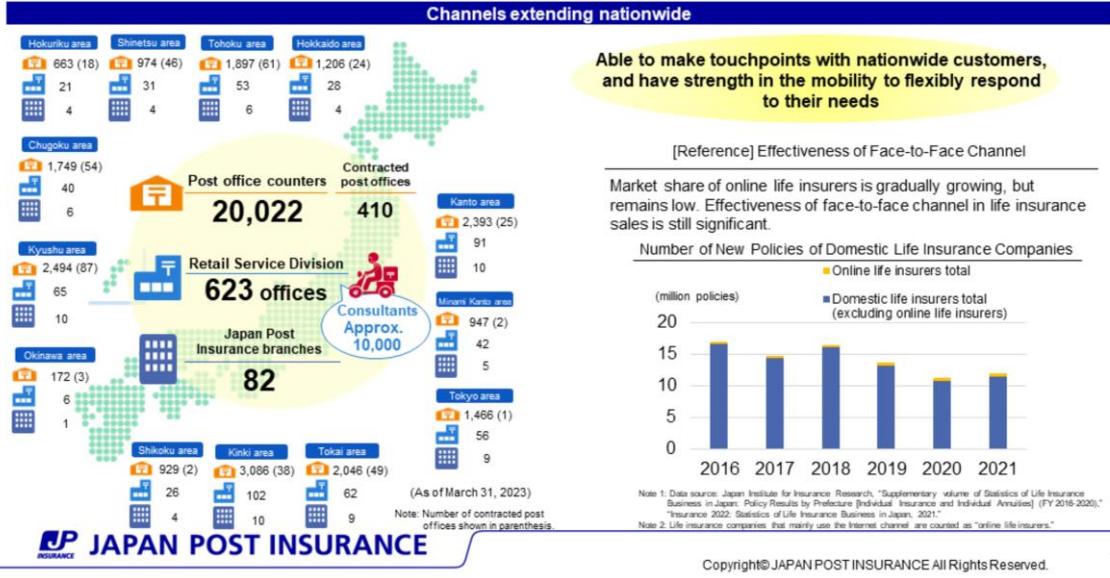
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- This slide shows the “Overall strengths and growth strategies” that we have explained so far.
- We aim for further growth and market value through the growth strategies that leverage our three strengths and two measures, and as a foundation to support these strategies, we will work to reduce costs, promote ESG management, and ensure the effectiveness of governance.
- Please look at page 7.

Strengths (1) Nationwide Channels and Human Resources to Support them

- Our channels are comprised of over 20,000 post offices, approx. 600 Retail Service Division offices, and 82 Japan Post Insurance branch offices, and these are supported by human resource capabilities, chiefly 10,000 consultants, contributing to universal services through insurance sales.
- Face-to-face sales remain effective in life insurance sales. We have many opportunities to meet directly with customers, both in regional and urban areas, and have ability to flexibly respond to the medical coverage needs of an aging regional population, as well as to nursing care and end-of-life care needs.



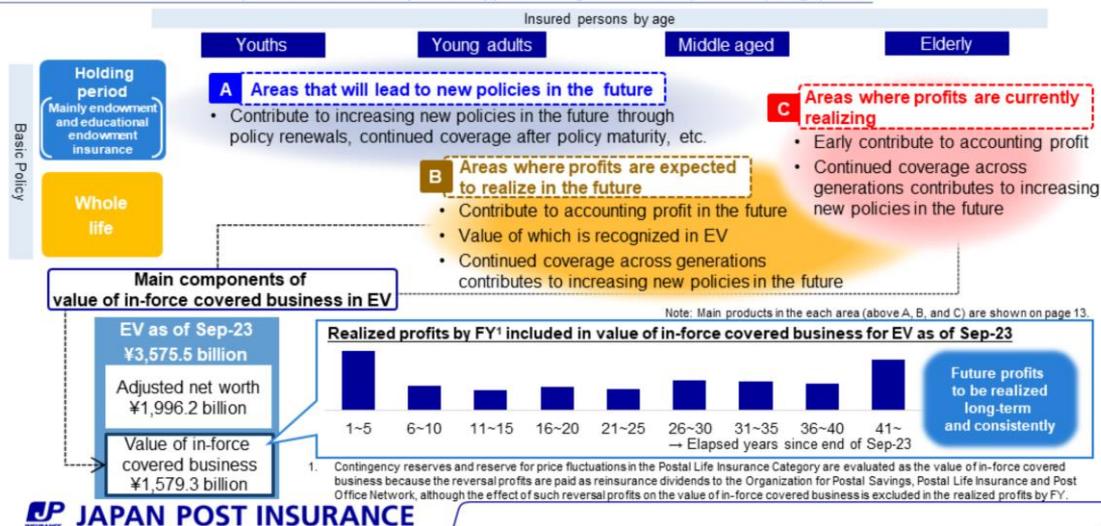
- Now I would like to explain in detail the specifics of our three strengths that I mentioned earlier.
- The first is our nationwide channels and the human resources to support them.
- We contribute to universal services through insurance sales via our network of over 20,000 post offices across Japan. And the 10,000 consultants and other sales employees have built their trust by working closely with each customer in every corner of the country.
- In addition, face-to-face sales remain effective in life insurance sales, and we have many opportunities to meet directly with our customers. Both in regional and urban areas, we have ability to flexibly respond to the medical coverage needs of an aging regional population, as well as to nursing care and end-of-life care needs. We believe this is one of our great strengths as a life insurance company.
- Please look at page 8.

Strengths (2) Policy Base that Generates Steady Profit

- The Company has approx. 20 million policies in force, which can be categorized into “A. Areas that will lead to new policies in the future,” “B. Areas where profits are expected to realize in the future,” and “C. Areas where profits are currently realizing,” from the perspective of when profits realize.
- Future profits included in EV’s value of in-force covered business are generated from areas B and C on a long-term ongoing basis, which consist our solid policy base.

Policy base and profit realization prospects

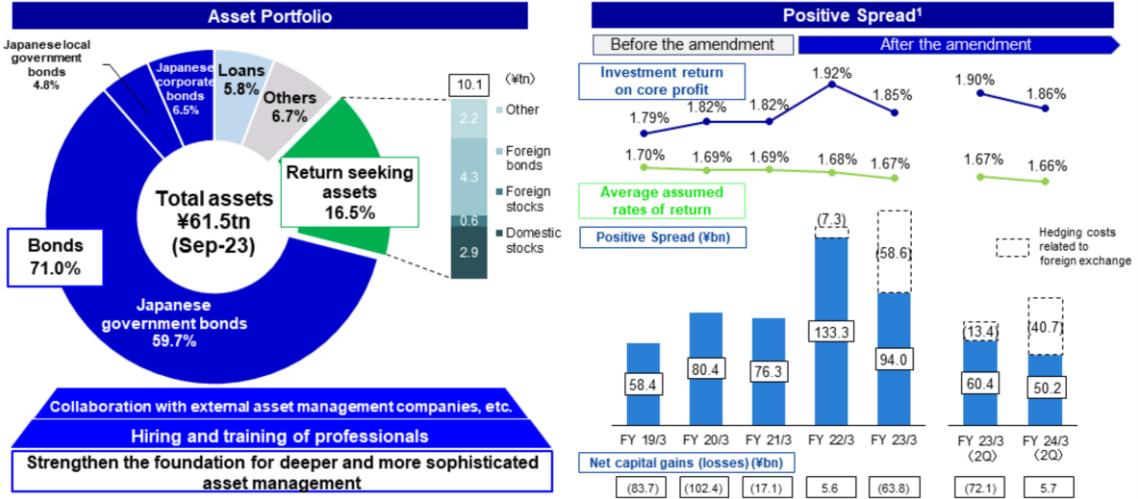
Classification of in-force policies in terms of product types and age of insured persons (Image)



- I would like to explain our policy base, our second strength, from the perspective of realizing steady profits.
- The approximately 20 million policies in force can be categorized into three areas from the perspective of when profits are mainly realized. As shown in this slide, the first is the “A. Area that will lead to new policies in the future”; the second is the “B. Area where profits are expected to realize in the future”, and the “C. Area where profits are currently realizing.”
- Area A is an important area for expanding the number of customers and future growth, as it is expected to contribute to increasing new policies in the future through policy renewal and continued coverage after policy maturity, etc.
- Areas B and C are areas where future profits included in value of in-force covered business for EV are generated on a long-term ongoing basis.
- These three areas constitute the policy base that enables us to secure steady profits and realize sustainable growth.
- Please look at page 9.

Our Strength (3) Industry's Top Level of Total Assets

- The Company will promote deeper and more sophisticated asset management through hiring and training of professionals with specialized knowledge and collaboration with external asset management companies, etc., by leveraging the power of one of the industry's top level of total assets.
- Under the ERM framework, we aim to grow asset management earnings through deepened and sophisticated asset management based on ALM management.
- For the six months ended September 30, 2023, we secured a positive spread of ¥ 50.2 billion, which reflects the effect of asset portfolio diversification we have been pursuing.

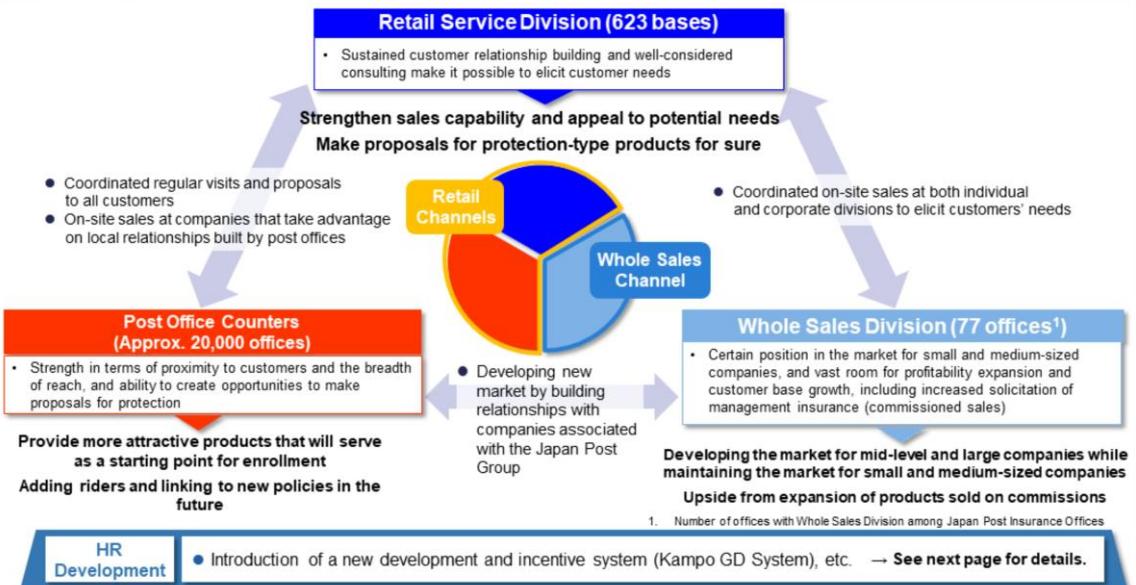


1. Method for calculating core profit was partially amended in FY23/3 (hedging costs related to foreign exchange are included in the calculation of core profit, while gains from cancellation of investment trust are excluded from the calculation of core profit). This amendment started to apply in FY23/3. 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.

- The third strength is industry's top level of total assets.
- By leveraging the power of over ¥ 60 trillion in assets, we will promote deeper and more sophisticated asset management through hiring and training of professionals with specialized knowledge and collaboration with external asset management companies, etc., and aim to grow asset management earnings.
- In September 2023, we secured a positive spread of ¥50.2 billion, which reflects the effect of asset portfolio diversification we have been pursuing.
- Please look at page 10.

Growth Strategy (1) Making the Most of Strengths of the Channels and the Human Resources (Strengthening Collaboration among the Channels)

- Retail Sales Division, Whole Sales Division, and Post Office counters will each strengthen sales capability to maximize the power of our human resources, while these three channels perform in unison, bolstering collaboration on proposals and eliciting potential needs, thereby enhancing overall sales capabilities.



- From here, I would like to explain in detail our growth strategies based on our three strengths.
- The first is making the most of strengths of the channels and the human resources.
- Retail Sales Division, Whole Sales Division, and Post Office counters will each strengthen sales capability to maximize the power of our human resources, while these three channels perform in unison, bolstering collaboration on proposals and eliciting potential needs, thereby enhancing overall sales capabilities.
- Please look at page 11.

Growth Strategy (1) Making the Most of Strengths of the Channels and the Human Resources (Develop and Empower Sales Personnel)

- Link strengths of each channel to growth by enhancing and demonstrating medium- to long-term sales capabilities through initiatives such as the introduction of a new development and incentive system

Introduce new development and incentive system

Comprehensive and quantitative evaluation of achievements

- Through comprehensive and quantitative evaluation of consultants' achievements and activity processes, visualize ability to build trusting relationships with customers and individual growth

Increase management sophistication

- Define the target levels for sales employees from multiple and quantitative perspectives, and implement development tailored to each individual employee

Reward employee growth

- Also reflect growth of individual employees to evaluation standards for managers
- Pay incentives to employees based on their personal growth, and results of their HR development efforts for their subordinates and junior members

Introduction/ consideration's progress

Retail Service Division

Jul. 2023 Introduced
Oct. 2023 Evaluated first time

Whole Sales Division

Introduction planned
(Started trial in Nov. 2023)

Post office counters

A system is to be considered in the future to evaluate employee growth and HR development

Strengthen sales system and improve sales environment

- Boost sales employee hiring, strategically acquire human resources
- Create a sales environment in which sales employees can further demonstrate their abilities while improving customer convenience and operational efficiency through a review of the flow of solicitation processes, etc.

[Initiative examples]

Review and improve the flow of solicitation processes

- Reduce duplicate checks (completed in Apr. 2023)
- Introduce online participation by specialists at the customer center (nationwide rollout from Oct. 2023, steadily update)
- Expand on paperless services (planned)

Promote flexible sales activities

- Develop structure to create time for sales activities
- Improve internal procedures to enable consultation with customers who cannot meet on weekdays, or for flexible visits to remote locations, etc.

Strengthening the sales capability in each channel and demonstrate the strength of human resources, linking strengths of each channel to growth

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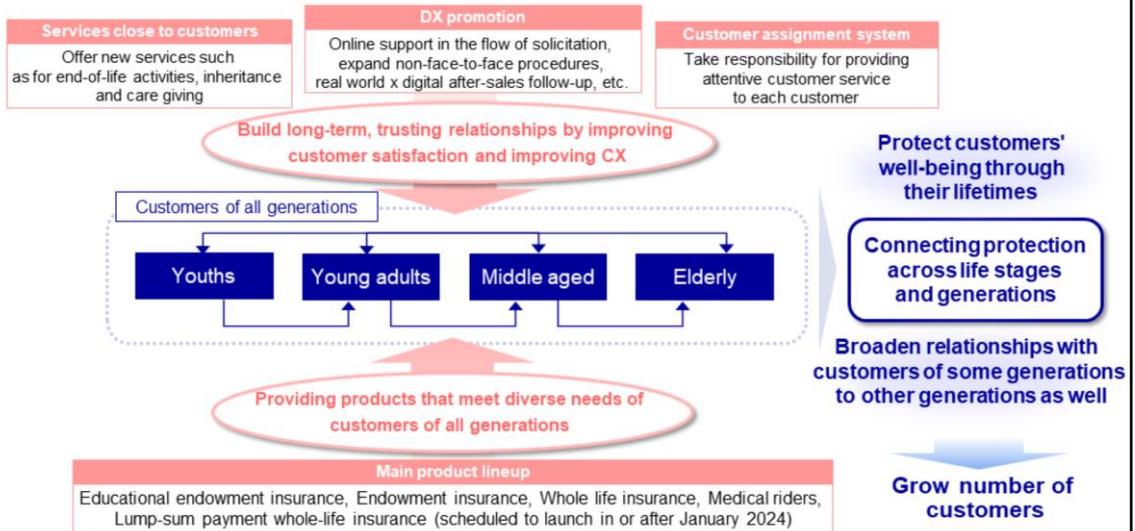
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- This slide shows initiatives to enhance and demonstrate the human resources. Through introduction of a new development and incentive system, strengthen sales system and improvement of sales environment, we will link the strengths of each channel to growth.
- Please look at page 12.

Growth Strategy (2) Initiatives to protect customers' well-being through their lifetimes

- By providing products that meet diverse needs of customers of all generations, and promoting initiatives to improve customer satisfaction and CX, we build long-term, ongoing, and trusting relationships with customers, thus protect customers' well-being through their lifetimes.
- By broadening relationships with customers of some generations to other generations as well, we will grow number of customers further.



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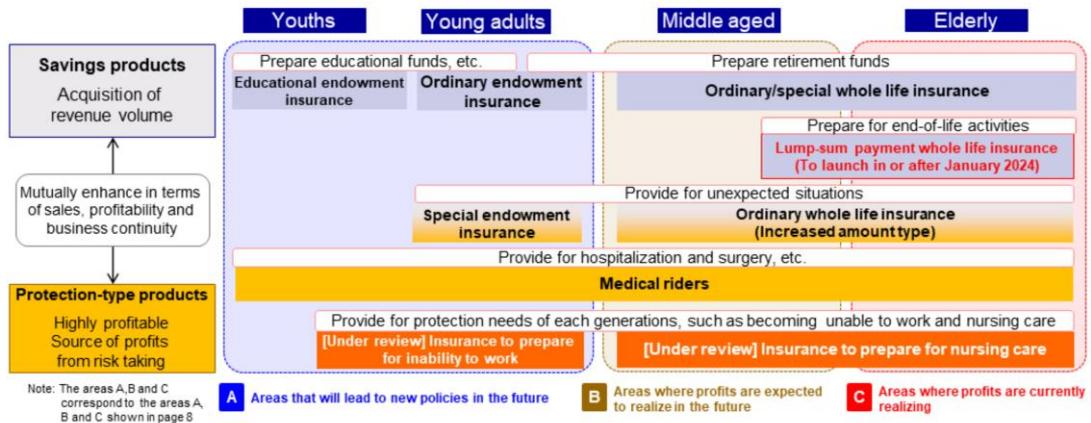
- I would like to explain initiatives to protect customers' well-being through their lifetimes, leveraging our policy base, our second strength.
- By providing products that meet diverse needs of customers of all generations, and promoting initiatives to improve customer satisfaction and CX, we will build long-term, ongoing, and trusting relationships with customers.
- In doing so, we will continue to protect customers' well-being through their lifetimes, and grow number of customers further by broadening relationships with customers of some generations to other generations as well.
- Please look at page 13.

Growth Strategy (2) Initiatives to protect customers' well-being through their lifetimes (Product Strategies)

- Expand the product lineup to meet the needs of customers of all generations by sequentially introducing new products such as lump-sum whole life insurance and insurance that provide for becoming unable to work and nursing care.
- From a profitability standpoint, by using savings-type products as a gateway to stimulate potential needs and link them to protection-type products, the volume of revenue and future profitability will be mutually enhanced to achieve sustainable growth.

Product Strategies

Increase the number of customers and improve profitability, by sequentially introducing new products that meet the diverse protection needs of customers of all generations, together with various initiatives to protect customers' well-being through their lifetimes.



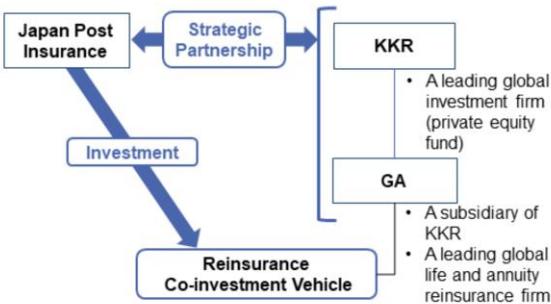
- I would like to explain in detail our product strategies.
- We will expand the product lineup to meet the needs of customers of all generations by sequentially introducing new products such as lump-sum whole life insurance and insurance that provide for becoming unable to work and nursing care.
- From a profitability standpoint, by using savings-type products as a gateway to stimulate potential needs through well-considered consulting and make proposals for protection-type products for sure, we also aim to improve profitability. So that, we will strive to achieve sustainable growth.
- Please look at page 14.

New measures to secure revenue through alliances with other companies

- We entered into a strategic partnership with KKR & Co. Inc. (KKR) and Global Atlantic Financial Group (GA) on June 7, 2023 with the aim of diversifying sources of revenue and creating new opportunities for growth.
- We also started discussions on expanding our business collaboration to build mutually beneficial relationships for each company in the future.
- In the alliance with Mitsui & Co. that commenced in 2022, the scale of investment targets is being expanded with a focus on real estate funds, and the balance under management is accumulating.

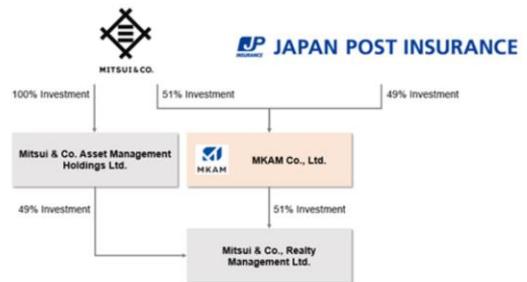
Strategic Partnership with KKR and Global Atlantic (GA)

- The first international partnership for us
- Adding to the strategic partnership, 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.



Business and capital 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.



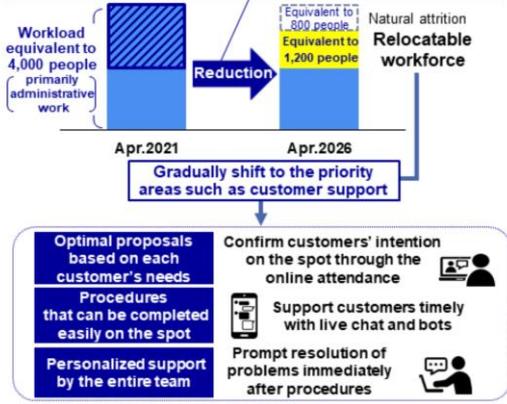
- In addition to these strategies to leverage our strengths, we will take new measures to secure revenue through alliances with other companies.
- In June of this year, we entered into a strategic partnership with KKR & Co. Inc. (KKR) and Global Atlantic Financial Group (GA). We also started discussions on expanding our business collaboration to build mutually beneficial relationships for each company in the future.
- In the alliance with Mitsui & Co. that commenced in 2022, the scale of investment targets is being expanded with a focus on real estate funds, and the balance under management is accumulating.
- Through these alliances with other companies, we will strive to create new growth opportunities.
- Please look at page 16.

The Foundation to Support Growth Strategy (Efforts to Reduce Costs)

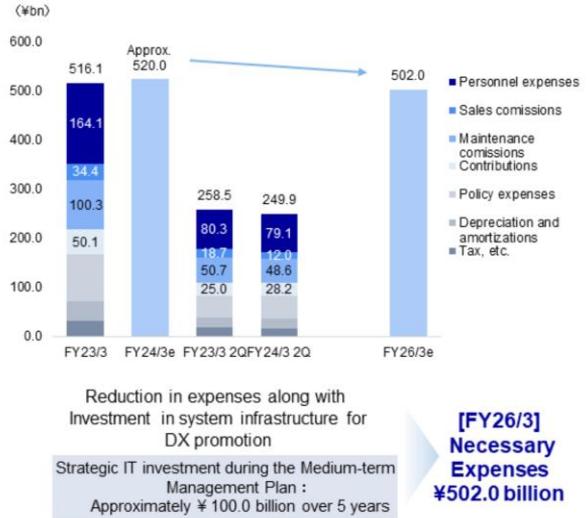
- Through promotion of DX, streamline and reduce routine administrative work at Service Centers, as well as gradually shift the relocatable workforce to the priority areas such as customer support.
- We will pursue initiatives to reduce expenses, and invest in priority areas, and aim for more efficient business operations.

Transformation of Service Center operations

- Digitalization and automation of new policy underwriting, maintenance and insurance payments work
Most recent example (from October 2023)
Going paperless for a portion of claim acceptance (e.g., designation or change of insurance beneficiaries, etc.)
- Improvement of efficiency by increasing productivity in each work and consolidating functions of service center



Necessary Expenses (Non-Consolidated)



- One component of the foundation to support these strategies just explained is the initiative to reduce costs.
- Through promotion of DX, we will streamline and reduce routine administrative work at Service Centers, as well as gradually shift the relocatable workforce to the priority areas such as customer support.
- While promoting initiatives to reduce expenses, we will also make business operations more efficient by investing in priority areas, such as DX promotion, and aim to reach ¥ 502.0 billion in necessary expenses in FY2025.
- This concludes my explanation. Next, Mr. Onishi, Deputy President, will explain our capital policy to enhance capital efficiency, and the business forecast.

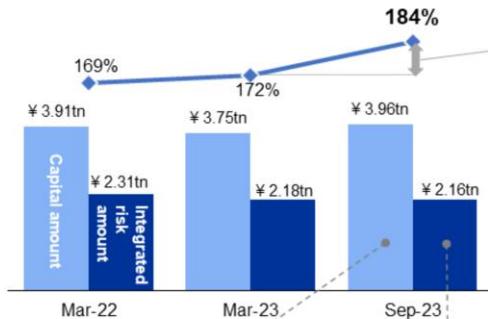
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Capital Policy and Financial Results

- I am Onishi, Deputy President.
- I will now explain our capital policy to enhance capital efficiency, and the business forecast.
- Please look at page 18.

ESR (Economic Solvency Ratio)

- The ESR as of September 30, 2023 increased from March 31, 2023 to 184% since, while the integrated risk amount was flat, 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.



- Issuance of subordinated bonds and dividend + 4 points
- Changes in market environment + 4 points
- Other than those above + 4 points

ESR Sensitivity (As of September 30, 2023)

50bp increase in risk-free rate ⁵	(1) points
50bp increase in risk-free rate of domestic interest rates ⁵	+ 3 points
50bp increase in risk-free rate of foreign interest rates ⁵	(4) points
50bp decrease in risk-free rate (parallel shift without zero floor) ⁵	(4) points
30% decrease in equity and real estate value ⁵	(11) Points
10% appreciation of the yen ⁵	(2) points
Future volume of policies in force is 105% of the level ^{6,7}	+ 4 points

ERM and Capital Policy

[Capital]

- Aim for EV growth exceeding estimated cost of shareholder's equity in the long term by securing stable profit (RoEV⁷: 6% to 8%)

[Risk]

- Maintain risk appetite for insurance underwriting risk by shifting to a portfolio centering on protection-type products
- Address asset management risk by controlling interest risk, etc. (promotion of ALM, etc.) and maintain appetite for return seeking assets based on return against risk



- The capital amount is the sum of excluding "costs to maintain required capital" from EV and amount of subordinated bonds issued by the Company.
- 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.
- The share of the pie chart in the integrated risk amount did not take into account diversification effect etc. between risks.
- Excluding "costs to maintain required capital."

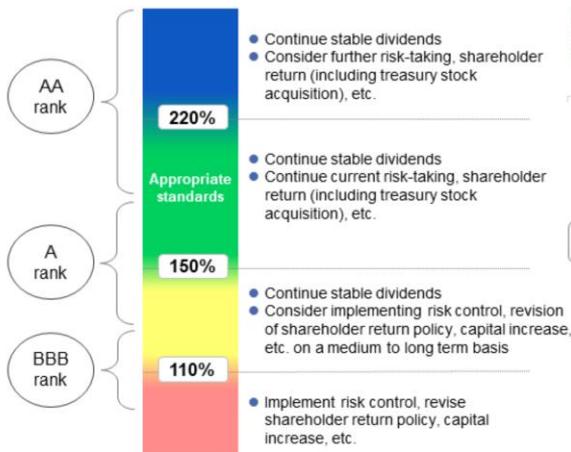
- For each sensitivity scenario, only one specific assumption is changed and other assumptions remain unchanged from the base. It should be noted that the effect of a change of more than one assumption at a time is likely to be different from the sum of the relevant individual sensitivity/results shown.
- Assumed in the calculation of EV as of September 30, 2023
- Calculated by excluding economic variance factors.

- This graph shows the transition of ESR.
- The ESR as of September 30, 2023 increased from March 31, 2023 to 184% since, while the integrated risk amount was flat, 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.
- Please look at page 19.

Capital Policy (1) Improvement of ESR

- ESR as of the end of September 2023 is within the 150% to 220% range, which we set as an appropriate standard, although it is necessary to ensure the stability of this level.
- As part of measures to improve ESR, issued ¥100 billion of subordinated bonds in September 2023. In addition, we will work to reduce risk amount through ceded reinsurance (liability management).
- At present, the level of ESR under new economic value basis solvency regulation is expected to have no large variance from ESR currently disclosed, and to be in the range of appropriate standards.

ESR target range and management behavior corresponding to the standards



ESR¹



1. Figures for March 31, 2021 and onwards are the amounts after the change in the ESR measurement model.

2. Capital amount decreased and risk amount increased due to changes in the assumed EV operating costs.

Consider measures to improve ESR, aiming for securing appropriate standards with good stability



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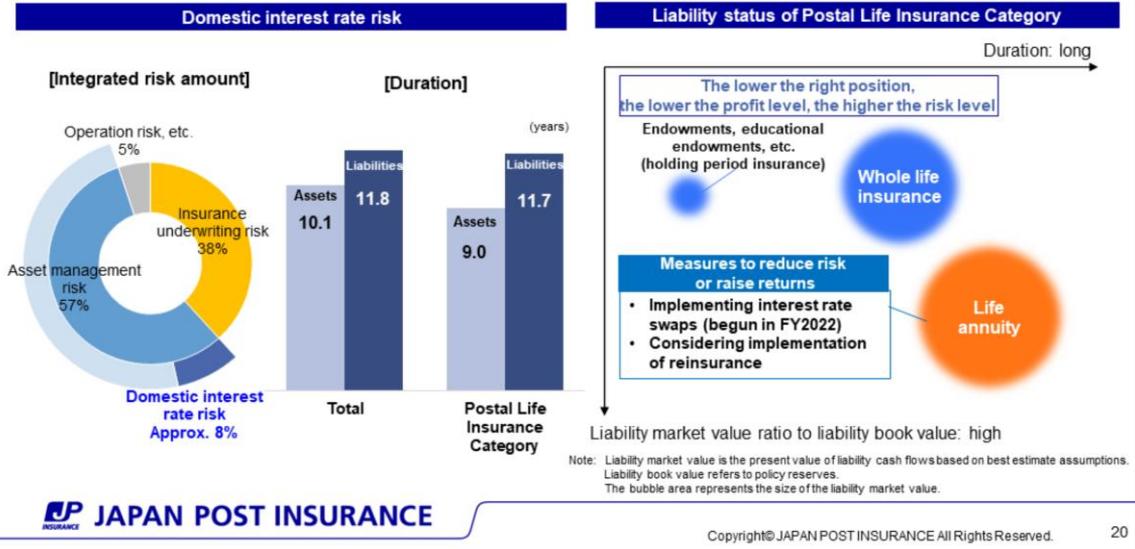
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- I would explain the status of consideration and implementation of measures to improve ESR.
- As Mr. Tanigaki explained earlier, we recognize the need to implement a capital policy that can enhance capital efficiency while maintaining a sound financial position, as part of our efforts to enhance corporate value.
- ESR as of September 30, 2023 is within the 150% to 220% range, which we set as an appropriate standard, although it is necessary to ensure the stability of this level.
- As part of measures to improve ESR, the recovery of new policies continue to be an issue. As for debt financing, we issued ¥ 100 billion of subordinated bonds in September 2023. In addition, we will work to reduce risk amount through implementation of interest rate swaps and consideration of ceded reinsurance.
- In the event excess capital is generated as a result of these efforts, we will consider it as a source of funds for growth investments and shareholder returns.
- Please look at page 20.

Capital Policy (2) Upgrading Liability Management

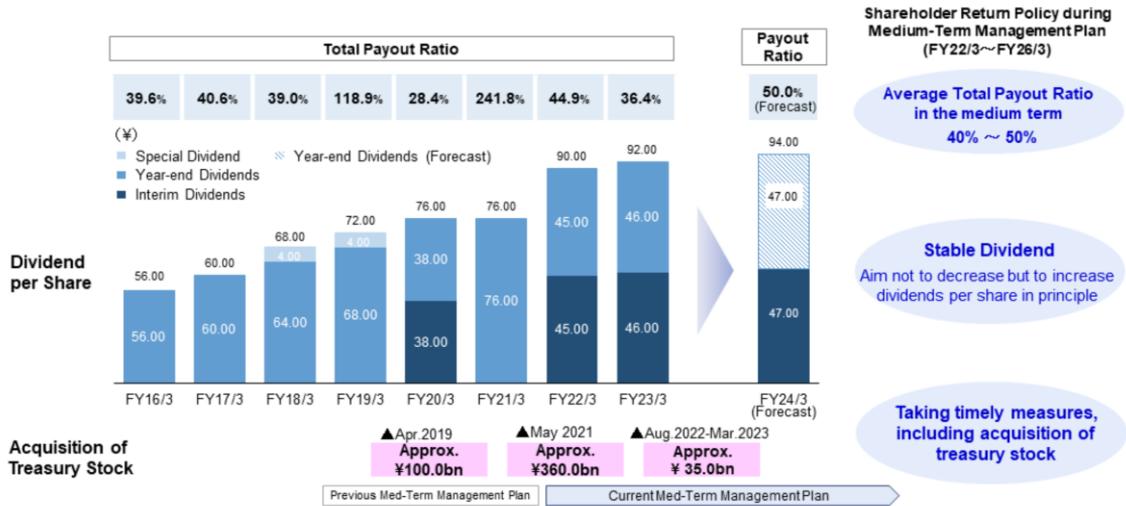
- Although the share of domestic interest rate risk of the integrated risk is approx. 8%, which is at low level, in the Postal Life Insurance Category, there remains a larger duration gap between assets and liabilities, compared to the company's total.
- Looking at liability status of Postal Life Insurance Category by product, life annuity is at the lower profit level and the higher risk level.
- In addition to implementing interest rate swaps, we consider implementing reinsurance to reduce risk and at the same time aim to improve returns by freeing the Company from high assumed interest rates.



- Next, I would like to explain the upgrading liability management.
- Although the share of domestic interest rate risk of the integrated risk is approx. 8%, which is at low level, in the Postal Life Insurance Category, there remains a larger duration gap between assets and liabilities, compared to the company's total.
- Furthermore, looking at liability status for the Postal Life Insurance category by product, the life annuity is lower profit level and the higher risk level. To address this, we implement interest rate swaps to control interest rate risk, and we are also considering reinsurance implementation. In this way, we will reduce risk and at the same time aim to improve returns by freeing the Company from high assumed interest rates.
- Please look at page 21.

Shareholder Return

- In accordance with the shareholder return policies during the period of the Medium-term Management Plan, we provide returns to shareholders.
- For the fiscal year ended March 31, 2023, dividends to shareholders at ¥92 per share have been paid as we planned.
- The dividend per share for the fiscal year ending March 31, 2024 is scheduled to be ¥94. The interim dividend per share is ¥47.



- Then I would like to explain shareholder return.
- No change has been made to our previously-announced shareholder return policy during the period of the Medium-term Management Plan.
- There is no change to the dividend forecast of ¥ 94 per share for the fiscal year ending March 31, 2024.
- Please look at page 22.

Shareholder Return (Policy Concerning Acquisition of Treasury Stock)

- Under the shareholder return policies during the period of the Medium-term Management Plan, by taking timely measures, including acquisition of treasury stock, to return profits to shareholders flexibly, we will aim for the medium-term average total return ratio between 40% and 50%.
- In May 2023, we established appropriate ESR standards (target range) of 150 to 220%. If the ESR exceeds the appropriate standards, we will consider further risk-taking measures, or acquisition of treasury stock without being restricted to an average total payout ratio of 40 to 50%, etc.

Shareholder Return during the period of the Medium-term Management Plan

	FY22/3	FY23/3	FY24/3 (Forecast)	Total (Rough estimate)
Net income (¥bn)	158.0	97.6	72.0	Approx. 327.0
DPS	¥90	¥92	¥94	-
Dividends to shareholders (¥bn)	35.9	35.5	Approx. 36.0 ¹	Approx. 107.0 ²
Total payout ratio	22.8%	36.9%	50.0%	Approx. 33% ²
Share repurchase (¥bn)	34.9	-	-	34.9
Total return ratio	44.9%	36.4%	Approx. 50%³	Approx. 43%³

- Rough estimate calculated by multiplying the total number of shares issued at the end of the period (September 30, 2023, excluding treasury stocks) by ¥94 as the dividends per share scheduled for FY24/3.
- Assuming that the amount of dividends to shareholders for FY24/3 is approximately ¥36.0bn.
- Assuming that the net income for FY24/3 is ¥72.0bn, and that the amount of shareholder return is approximately ¥36.0bn, which equals the amount of dividends to shareholders.

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Policy concerning acquisition of treasury stock

Average
total payout
ratio
40%~50%

Taking timely measures, including acquisition of treasury stock, aim for the medium-term (from FY22/3 to FY26/3) average total return ratio between 40% and 50%

In case of implementing acquisition of treasury stock, we continue to ensure that the ratio of voting rights of JAPAN POST HOLDINGS Co., Ltd. will be maintained at 50% or less.



If the ESR exceeds the appropriate standards

Consider acquisition of treasury stock without being restricted to an average total payout ratio of 40 to 50%, etc.



- Continue stable dividends
- Consider further risk-taking, shareholder return (including treasury stock acquisition), etc.

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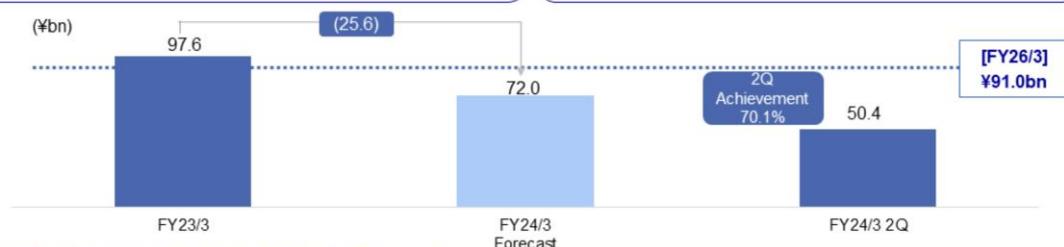
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- With respect to our shareholder return policies, I will again present an explanation of our policy regarding acquisition of treasury stock.
- Under the shareholder return policies during the period of the Medium-term Management Plan, by taking timely measures, including acquisition of treasury stock, to return profits to shareholders flexibly, we will aim for the medium-term average total return ratio between 40% and 50%.
- If the ESR exceeds the appropriate standards of 150% to 220%, we will consider further risk-taking measures, or acquisition of treasury stock without being restricted to an average total payout ratio of 40 to 50%, etc.
- Please look at page 23.

Changes in Net Income

- We expect net income of ¥72.0 billion in FY24/3, due to a decrease in policies in force, etc. despite an expected decrease in the impact of losses related to COVID-19 compared to FY23/3.

[Major differences between actual results for FY23/3 and forecasts for FY24/3]			[Financial results for the 6 months ended Sep-23 and achievements]		
(¥bn)	FY24/3 (Forecast)		(¥bn)	Results (Achievements)	
Core profit	Approx. 200.0	<ul style="list-style-type: none"> Increase in the core profit attributable to life insurance activities: Approx. +¥ 45.0bn Decrease in the impact of losses related to COVID-19: Approx. +¥ 100.0bn Increase in operating expenses: Approx. ¥ (5.0)bn Decrease in policies in force: Approx. ¥ (50.0)bn Decrease in positive spread: Approx. ¥ (30.0)bn 	Core profit	131.7 (65.9%)	<ul style="list-style-type: none"> Core profit attributable to life insurance activities: Mostly progressing as expected. Positive spread: Hedging costs: Mostly progressing as expected. Interest and dividend income: Higher than expected.
Ordinary profit	Approx. 140.0	<ul style="list-style-type: none"> Increase in capital gains/losses: Approx. +¥ 60.0bn Increase in provision for contingency reserves: Approx. (50.0)bn 	Ordinary profit	99.3 (70.9%)	<ul style="list-style-type: none"> Capital gains/losses: Higher than expected mainly due to sales of domestic stocks in money trusts. Provision for contingency reserves: Mostly progressing as expected.
Net income	Approx. 72.0	<ul style="list-style-type: none"> Decrease in reversal of reserve for price fluctuations: Approx. ¥ (60.0)bn Decrease in income taxes, etc.: Approx. +¥ 10.0bn 	Net income	50.4 (70.1%)	<ul style="list-style-type: none"> Price fluctuations reserve: Amount of reversal was lower than expected.



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- Finally, I would like to explain the actual results and forecast of net income.
- We expect net income in FY24/3 to decrease by approximately ¥25.0 billion year on year to ¥72.0 billion, due to a decrease in policies in force, etc. despite an expected decrease in the impact of losses related to COVID-19 compared to FY23/3.
- In the six months ended September 30, 2023, the achievement of net income was 70.1%, mainly due to higher-than-expected asset management earnings resulting from the impact of the market environment including yen depreciation.
- This concludes my explanation.
- Thank you.

Appendix

Overview of Financial Results

(¥bn)

		FY23/3 2Q	FY24/3 2Q	FY24/3 Forecasts	(Reference) FY23/3
Earnings (Financial Accounting)	Net income	48.2	50.4	72.0	97.6
	Net income per share (EPS)	¥ 121.63	¥ 131.78	¥ 188.11	¥ 249.48
Embedded Value (Economic Value)	EV	3,429.7	3,575.5		3,463.8
	Value of new business	(0.9)	6.7		(7.4)
Shareholder Return	Dividend per share (DPS)	¥ 46	¥ 47	¥ 94 <small>(Interim dividend ¥ 47 Year-end dividend ¥ 47)</small>	¥ 92 <small>(Interim dividend ¥ 46 Year-end dividend ¥ 46)</small>

【Financial Results】

- Core profit increased mainly due to a decline in insurance claims payments for COVID-19. In addition, capital gains/losses substantially improved.
- The above capital gains/losses, etc. were neutralized by reserve for price fluctuations, and net income increased by ¥ 2.1bn (+ 4.4%) year on year.

【Embedded Value】

- EV increased by ¥ 111.7bn (+ 3.2 %) from the end of the previous fiscal year, mainly due to an increase in unrealized gains of domestic stocks holdings resulting from an increase in the market value of domestic stocks, etc.

【Shareholder Return】

- For FY23/3, dividends to shareholders at ¥92 per share have been paid.
- As for dividends to shareholders for FY24/3, no change is being contemplated to ¥ 94 per share as scheduled.
- The Company plans to provide cash dividends twice a year as the interim dividends and the year-end dividends.

Progress of Medium-Term Management Plan

- For the first half of FY24/3, the recovery of new policies has been less than expected, and it has affected the progress of Medium-Term Targets, such as the number of policies in force.
- It is important to continue efforts to recover sales while aiming to improve customer satisfaction, etc.

	FY26/3 Target	First half of FY24/3 Results/Evaluation	FY24/3 Forecasts/Initiatives
Numbers of policies in force (Individual Insurance)	20 million or more policies	20.24 million policies (Change from Mar-23: (3.5)%)	The recovery of new policies was less than expected, and the number of policies in force continued to decline.
Net income	¥ 91.0bn (FY24/3 ¥ 78.0bn)	¥ 50.4bn	No change is being contemplated to the initial forecast (¥ 72.0bn).
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	Interim dividends: ¥ 47 (Change from FY23/3 : + ¥ 1)	No change is being contemplated to ¥ 94 per share as scheduled. (Change from FY23/3 : + ¥ 2)
EV growth (RoEV)¹	Aim for 6% to 8% growth	6.3% (annualized) [Reference] FY23/3 : 3.1% <small>[(Q2 result is based on provisional calculations that have not been verified by a third party)]</small>	Although we achieved Medium-Term Targets (6 to 8%) in the most recent results, we will continue to aim to maintain and improve the figures.
Customer satisfaction² 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 FY23/3 : 79% [Reference] NPS [®] : (56.1)points (13th/13 companies)	We continue to promote initiatives to improve CX.

Revision of initiatives related to the Medium-Term Management Plan targets

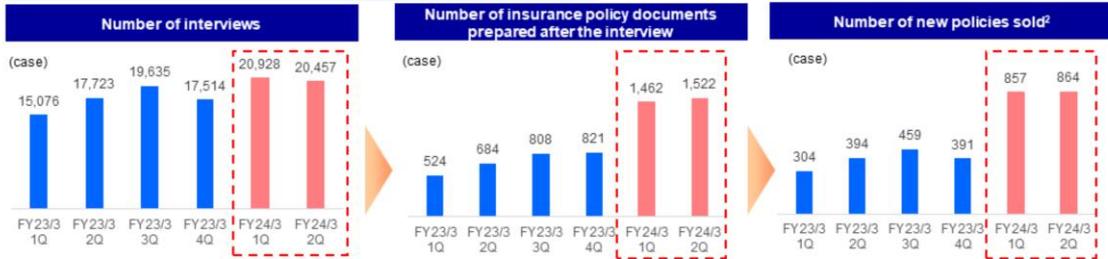
We are currently considering revision of initiatives associated with the above targets

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.

Status of Sales Activities and Efforts to Recover Sales

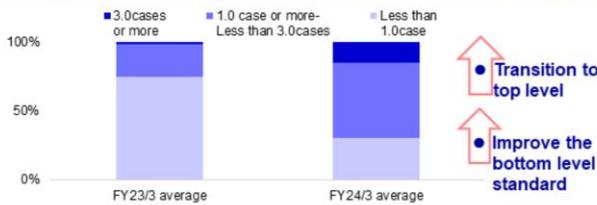
- Although the status of sales recovery remains slower than expected, variation in the status of sales efforts among each operation base and consultant have been improving.
- We have introduced a new development and incentive system and other initiatives this year, and continue efforts to further raise the sales capability of each operation base, primarily with mid-tier sales performance.

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



Revitalization of the retail division (Retail Service Division)

Percentage of consultants by the number of new policies sold (monthly average)²



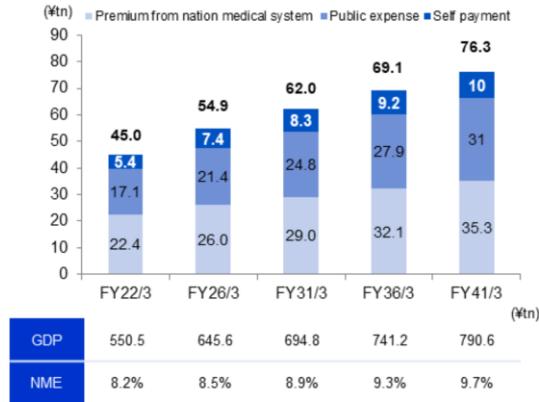
- Compared to FY2022, percentage of the upper and middle tiers in terms of new policy sales is steadily increasing, showing improvement in variation in the status of sales efforts
- Accelerate pace of recovery by continuing efforts to raise overall level and revitalize

1. Average number of cases per business day in each month during the quarter.
 2. Figures for sales management in the company, which are different from the figures disclosed in financial materials.

Business Environment in the Japanese Life Insurance Industry

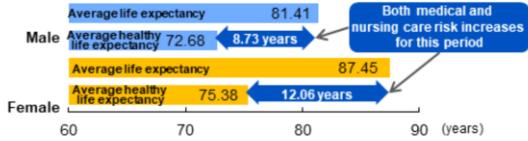
- As social security cost such as medical expenditures are expected to increase going forward, the necessity of self-help effort for the risk of living expenses, injuries, diseases and nursing care has been increasing.
- Detecting a disease at an early stage before it gets serious and taking measures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

Increase in National Medical Expenditure(NME)



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 FY20/3 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, 10th 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 FY21/3)



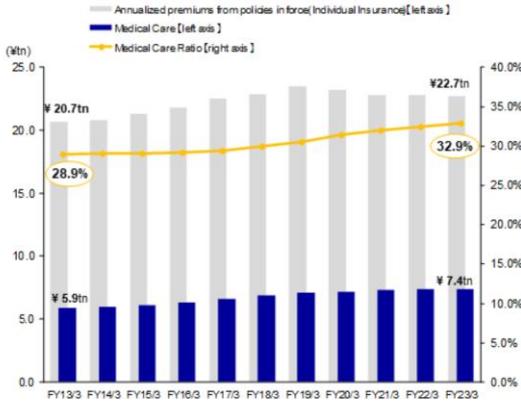
Source: Medical expenditure per person by age group, Ministry of Health, Labor and Welfare (FY21/3).
 1. Website of Ministry of Health, Labor and Welfare, "Outline of the medical care system for elderly person (5)" (Reference material: "PS: Under transitional measures taken for 3 years after the revision 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.

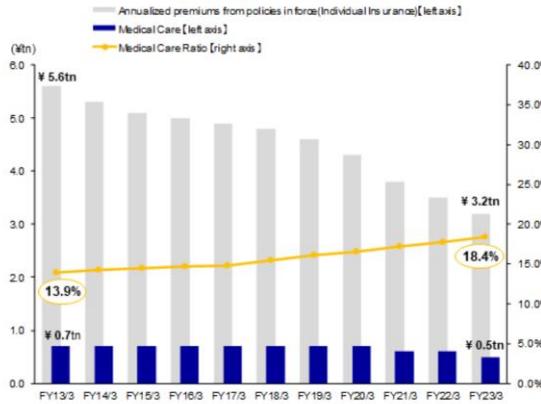
Annualized Premium from policies in force (medical care)

Domestic Life Insurance Companies



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

Japan Post Insurance



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
<p>As of September 30, 2023</p> <pre> graph TD Gov[The Japanese Government] -- "Shareholding obligation (more than 1/3)" --> JPH[Japan Post Holdings] JPH -- "100%" --> JPCo[Japan Post Co. (Post office + Postal and logistics business)] JPH -- "61.50%¹" --> JPB[Japan Post Bank] JPH -- "49.84%¹" --> JPI[Japan Post Insurance] JPB -- "Consignment of operations" --> JPCo JPI -- "Consignment of operations" --> JPCo </pre> <p>Aiming to improve management flexibility through early disposal of shares in two financial subsidiaries</p>	<p>New business</p> <p>Limit on coverage amount</p> <p>Subsidiary</p>	<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) No regulations under Postal Service Privatization Act (regulations under Insurance Business Act will continue) <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)) No regulations based on Postal Service Privatization Act <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% 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.

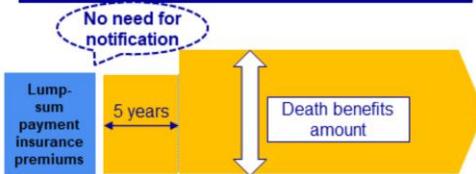
Outline of Lump-Sum Payment Whole Life Insurance

■ Notification in accordance with the Postal Service Privatization Act made in October 2023 for ordinary whole life insurance policies (“lump-sum payment whole life insurance”), such as those for which premiums are paid all at once. We plan to commence offering from January 2024 or after.

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

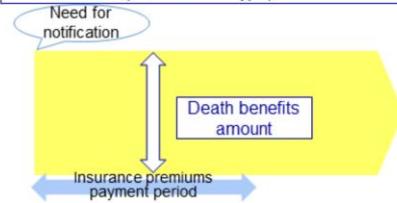


Premiums are paid in a lump sum at the time of enrollment.

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

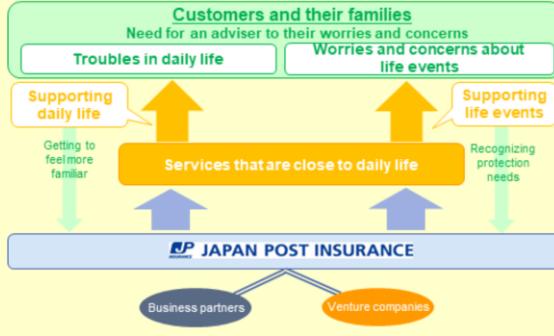
1. The current ordinary whole life insurance (fixed amount type) will continue to be sold, even after the launch of ordinary whole life insurance that offers availability of lump-sum payment.
2. When adding a rider, customers may be required to provide notification of their health condition. Riders cannot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

Business model reforms (Providing New Services)

- In addition to life insurance services, we will offer services that better support our customers' lifestyles and help to solve social issues prevalent in Japan's super aging society, such as inheritance and end-of-life issues. We will increase customers' trust and this will ultimately help to grow our insurance business.
- We will create new services through the in-house proposal system "KaNAe!," collaboration with venture companies through Acceleration Program and investment in them, etc.

Make Japan Post Insurance a more integral part of customers' lives

Solve the problems our customers face in every situation by leveraging our nationwide network of post offices



Policy for future provision of insurance services



Initiatives

Creating New Services

■ The in-house proposal system "KaNAe!"

In 2023, selected one idea from numerous proposals made by nationwide employees, including consultants, and begun initial consideration to promote it as a project.

■ Launch of JP LIFE NEXT Fund

Launched a fund with Kampo NEXT Partners in August 2023, begun to invest in venture companies with growth potential.

■ Acceleration Program

Together with Aflac, enter business alliance with venture companies. In July 2023, adopted 7 venture companies at a pitch event, and begun concrete consideration for collaboration with them.

■ End-of-life activities and Inheritance services

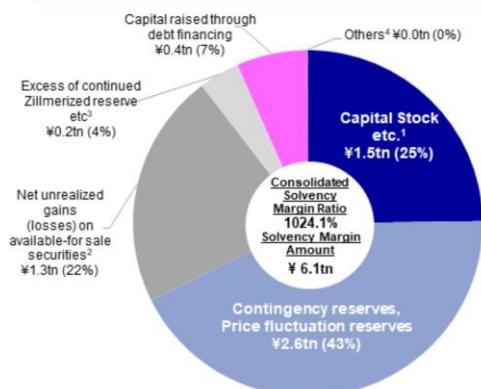
Collaborated with Famitra Inc., providing the Family Trust Service since October 2022.

Collaboration with Business partners

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, we issued ¥100 billion of subordinated unsecured bonds and thus further strengthen the financial soundness of the Company.

Breakdown of Consolidated Solvency (as of September 30, 2023)



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.

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Bond Information

As of Sep 30, 2023		
	Issue date	Principal amount
First series of subordinated unsecured bonds with interest deferral option and early redemption option	January 29, 2019	¥100 billion
Second series of subordinated unsecured bonds with interest deferral option and early redemption option	January 28, 2021	¥200 billion
Third series of subordinated unsecured bonds with interest deferral option and early redemption option	September 7, 2023	¥100 billion

Credit Ratings¹

As of Sep 30, 2023			
	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).

Human capital management

- Promote the growth of “people,” who are the source of corporate value through active investment in human capital.
- Strive to secure human resources strategically and promote utilization of diverse human resources as well as flexible work styles. In addition to establish a corporate culture where employees act autonomously to improve employee engagement.

Secure human resources strategically

- **Introduce a new development and incentive system**
Through quantitative evaluation of consultants' achievements and activity processes, visualize ability and individual growth
- **Human resource redeployment**
Implement reskilling to reallocate personnel to priority areas and other positions
- **Proactive hiring of professionals with specialist knowledge**
Hiring of actuaries and other professionals skilled in specialized fields

Promote utilization of diverse human resources as well as flexible work styles

- **Promotion of diversity**
Promote active participation by female employees, support for balancing work and childcare/nursing care, and employment of persons with disabilities
- **Work style reforms**
Establishing hybrid work style combining remote work and work at office

Establish a corporate culture where employees act autonomously

- **Embodying the management philosophy, “Be a trustful partner for people, always being close at hand and endeavoring to protect their well being”**
Establish standards for all employees' decisions/actions entitled “Thank you for being here” as a platform to share values
- **Set up a “Japan Post Insurance feedback box”**
Set up a “Japan Post Insurance feedback box” for employees to directly convey their views and make proposals to executives, and utilize this to improve business operations
- **Frontline meetings**
Vitalize two-way communication through regular dialogue between executives and employees
- **Improve management techniques through coaching**
Hold coaching sessions for management-level employees, etc. at each location and incorporate such teachings in management to produce employees with the ability to act autonomously

**Improve
employee
engagement**

Promoting ESG Management

- The Sustainability Committee, which serves as an advisory committee for the Executive Committee, steadily promoted companywide sustainability activities through the formulation and progress management of the "Sustainability Implementation Plan," which is linked with the Company's Management Plan and prioritized challenges (materiality).
- From FY2022, in addition to newly establishing the item of "Sustainability" in the business execution plan of each base, the Company held small meetings (opinion-exchanging sessions for employees) on an ongoing basis with the aim of strengthening initiatives at each individual base and instilling the idea of sustainability in employees.
- Japan Post Insurance was selected for inclusion in "the FTSE4Good Index Series¹⁾" and "the FTSE Blossom Japan Index Series²⁾" in 2023, as in 2022. In addition, the company was awarded Prime Status in the ISS ESG³⁾ Corporate rating (top 10% of global insurance industry).
- Continue to aim at our sustainable growth and achieving SDGs by working on prioritized challenges (materiality).

Social Challenges (Materiality) to Address with Priority and Goals

1. Provide insurance products and services through the network of post offices, etc.
2. Contribute to the development of communities and society, and environmental conservation
3. Extend healthy life expectancy through health promotion, etc. - Increase well-being
4. Establish an environment where each and every employee can actively demonstrate his/her full potential to empower himself/herself
5. Corporate governance supporting the meaning of our business and social mission



1. Created by the global index provider FTSE Russell and designed to measure the performance of companies that are outstanding in environmental, social, and governance (ESG) fields.
2. Includes Japanese companies selected as outstanding in environmental, social, and governance (ESG) fields. This index has been adopted as an ESG index by the Japanese Government Pension Investment Fund (GPIF).
3. ISS ESG, the responsible investment arm of a proxy advisory firm Institutional Shareholder Services Inc. (ISS), provides sustainability rates and scores. Companies are awarded Prime Status if the overall ISS ESG Corporate Rating letter grade meets or exceeds the industry-specific Prime threshold defined by ISS ESG's Industry Classification. (The company was awarded Prime Status as of November 1, 2023.)

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Major Initiatives in the first half of FY24/3

- ① In addition to initiatives against climate change, promoting initiatives for biodiversity conservation, which is recently becoming global issue
- ② As initiatives to respect for human rights, sophisticating our policy on human rights, and identify negative impacts from our business operations
- ③ As contributions to local communities, popularize and promote "Radio-Taiso," as well as conduct financial education for elementary school students

Assessment from external party

Selected for inclusion in two leading stock price indices for ESG investment
Awarded in a measure sustainability corporate rating



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Promotion of ESG Investment

- We will continue to strive for greater depth and sophistication of ESG integration including response to not only “climate change,” but also sustainability issues such as “human rights,” “human capital,” and “natural capital,” promote initiatives for impact-orientated investment (“Impact ‘K’ Project”), etc., with the aim of realizing high-quality responsible investment activities.

We will promote ESG investments and financing that create a feeling of warmth unique to Japan Post Insurance, under the priority themes of “increase in well-being,” “development of communities and society,” and “contribution to environmental conservation.”

Deepen and sophisticate ESG integration

- Implemented asset management taking into account ESG factors for all assets
 - Through engagement, promote initiatives to address sustainability issues among portfolio companies
 - Strengthen response to not only “climate change,” but also issues related to “human rights,” “human capital,” “natural capital,” etc.
- Invest in the blue bond issued by Indonesia (May 2023)

Responding to climate change

- Reduce GHG emissions in investment portfolios*



*Sum of Scope 1 and Scope 2 emissions of portfolio companies multiplied by our equity share (target assets include domestic and foreign-listed stocks and domestic and foreign credits (including corporate loans))

- Increase investment in/financing of facilities for renewable energy (set total power generation output of facilities we invest in as a KPI)

Impact “K” Project

- Under the “Impact ‘K’ Project,” promote impact-orientated investment taking into consideration priority themes based on an original framework

インパクト“K”プロジェクト

- Participate in Triple I or Global Health (an impact-oriented investment initiative for global health) (September 2023)

Academic-industrial collaboration

- Strengthen academic-industrial collaboration linked to solving social issues and bringing about innovation, including the possible implementation of impact investment

[Parties with whom we signed memorandums of understanding for ESG investment, etc.] (date of agreement shown in parenthesis)

- Keio University (January 2022)
- Osaka University (January 2023)
- Ritsumeikan Trust (March 2023)

- Invest in the third KII fund, launched by Keio Innovation Initiative, Inc. (October 2023)

Response to the TCFD Proposal, etc. - Environmental

- 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 June 2023, we have participated in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum. Moving forward, in addition to addressing climate change, we will strengthen our efforts to conserve biodiversity.

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]
 Participation in
 TNFD Forum

We support the philosophy of TNFD, an international initiative to establish an information disclosure framework for nature-related risks, and in June 2023 participated in the TNFD Forum to support its activities.



Initiatives as an institutional investor

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

- ESG integration¹ of the climate change factor
- 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)²
 FY2029: 50% reduction compared to FY2020
 By 2050: Aim for carbon neutrality
 Target: Total power output of renewable energy facilities we invest in
 Aim to increase from 0.6 million kw as of the end of FY2020 to 1.5 million kw by the end of FY2025

1. Take into account ESG factors as well as financial information when making investment decisions. Implemented for all assets under management.
2. 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 – Social

- 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 “extend healthy life expectancy and improve well-being through health promotion, etc.,” one of our social challenges (materiality), we are engaged in popularizing “Radio-Taiso” through initiatives such as the Festival of 10 Million People’s “Radio-Taiso”, touring “Radio-Taiso” events, and a “Radio-Taiso” contest, etc.
- We also provide 9 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 – Social

- 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.



▼ At "KAMPO JUNIOR OPEN 2023"



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



▲ Athletes TACHIBANA Ryuhei (L) and YANO Sota (R)

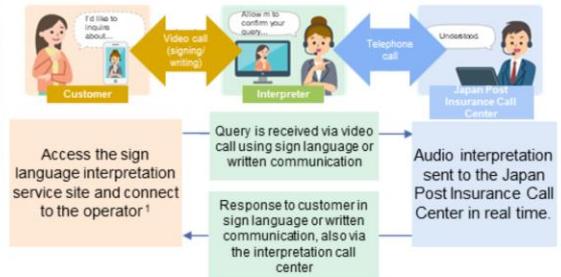
Two 15-year-old athletes will compete on the world stage when they participate in the ITF event in Türkiye in December



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 - Social

- 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."

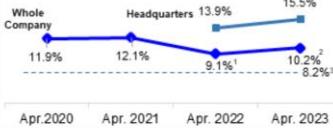
----- Nationwide average

Promotion of diversity

Ratio of female managers

Target: Above 30% by FY2030 (Headquarters)

- Support expansion of roles for female employees by fostering an empowered mindset through training by job level according to employees' positions.



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: 2.5% by FY2024

- 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 FY23/3 (excluding for the employees assigned from other companies).
- 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. (2021 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



Rate of taking paid leave

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



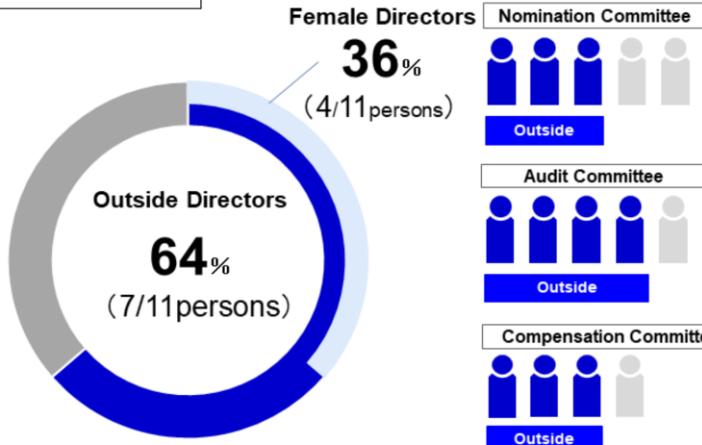
- Overtime work hours (excluding part-time work) (Monthly Labor Survey, 2022, MHLW)
- Nationwide Ave. (2022 General Survey on Working Conditions, MHLW)
- Partial change in calculation method from FY22/3 (excluding from the denominator, employees who took zero days of paid leave during the period due to childcare leave, leave of absence, etc.)

Board of Directors and Committee Meetings - Governance

- 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



Note: Composition of the Board of Directors as of July 1, 2023

Meetings held in FY2022

[Number of Meetings held]

Board of Directors	14
Nomination Committee	4
Audit Committee	17
Compensation Committee	6

[Principal Matters resolved by the Board of Directors in FY2022]

- Business and capital alliance with Mitsui & Co. in the domestic real estate asset management business
- Revisions of FY2022 Consolidated Financial Results Forecast
- Management Plan for the fiscal year ending March 31, 2024

Compensation System for Executive Officers - Governance

- 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] $(① + ②) \times ③$
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 = 81 : 19
 1. Basic compensation (fixed) is calculated based on the actual payment in FY 2022.
 2. Performance-linked stock compensation is calculated by multiplying the points granted based on the performance in FY 2022 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 FY2022

Indicator	Target	Result
Income target for the fiscal year : Consolidated net income	¥ 71.3bn	¥ 97.6bn
Degree of achievement in matters related to sales/solicitation quality: Net increase in life insurance policies	¥ 1.79bn	¥ (3.57) 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 - Governance

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 Keiikyū	●		●	●	●		●		
	 YAMAZAKI Hisashi	Attorney-at-law	●		●	●			●		
	 TONOSU Kaori	Outside Director of Internet Initiative Japan Inc.	●		●	●		●	●	●	
	 TOMII Satoshi	Chairman of DBJ Investment Advisory Co., Ltd.	●	●	●				●	●	●
	 SHINGU Yuki	President and Chief Executive Officer of Future Architect, Inc.	●		●	●	●	●	●		
	 OMACHI Reiko	Attorney-at-law			●				●	●	●
Internal Directors	 TANGAKI 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.	●		●	●			●	●	

Note: 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."

1. The skill of corporate management includes areas such as organizational management necessary for management oversight.

<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.