

Our Strengths

Value Creation Process

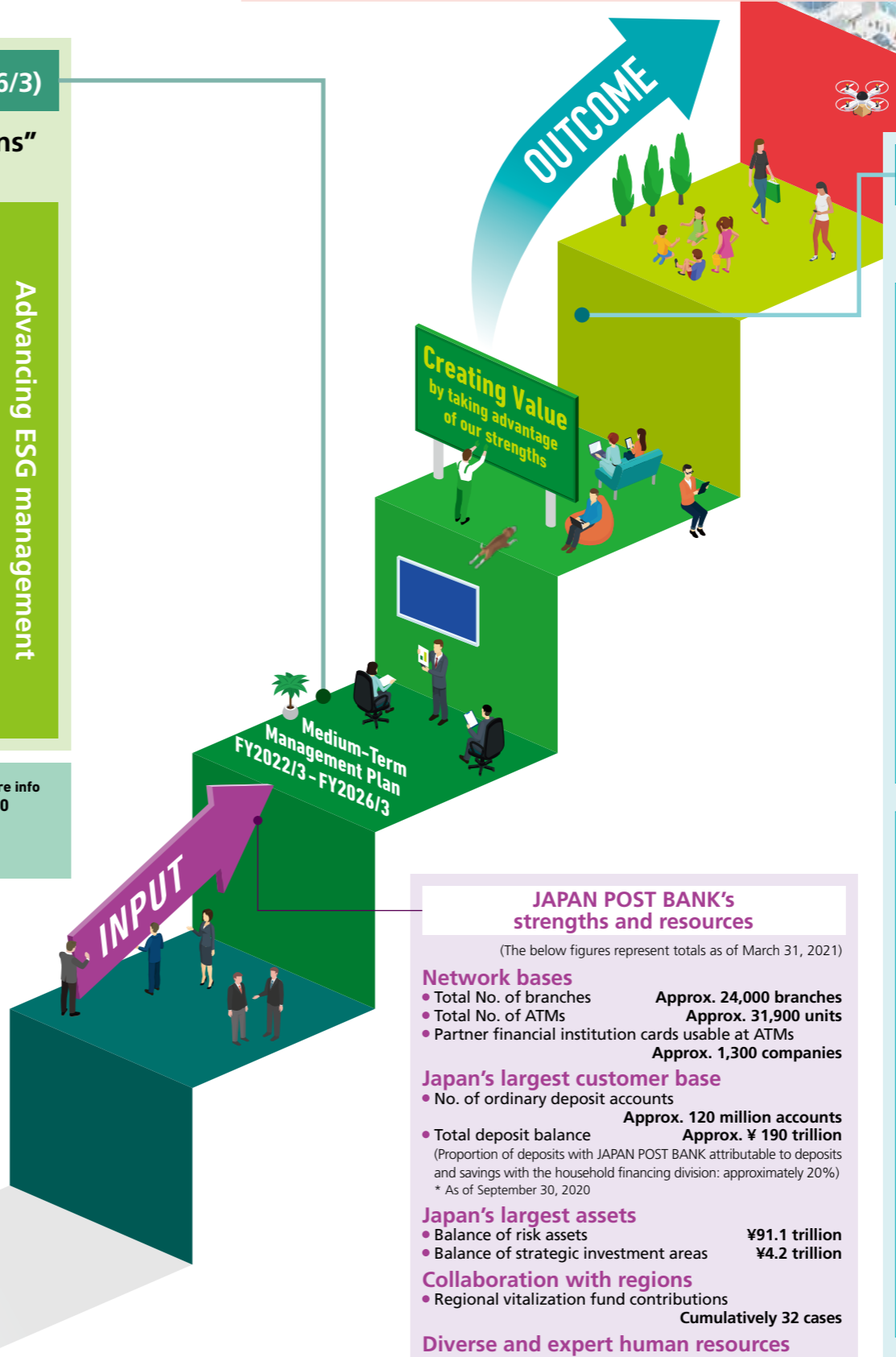
While revisiting the Bank's Purpose encapsulated in "We aim for the happiness of customers and employees, and will contribute to the development of society and the region," we will do our utmost to improve corporate value and create social value in awareness of future changes in the external environment.



Status of society	JAPAN POST BANK issues
<ul style="list-style-type: none"> Shrinking population, super-ageing society Diversification of lifestyles 	<ul style="list-style-type: none"> Providing customer-oriented services Expanding products and services
<ul style="list-style-type: none"> Local economic downturns 	<ul style="list-style-type: none"> Contributions to vitalization of communities
<ul style="list-style-type: none"> Digital innovation 	<ul style="list-style-type: none"> Creating new value Addressing the digital divide problem
<ul style="list-style-type: none"> Changing to new lifestyles 	<ul style="list-style-type: none"> Addressing no-contact and non face-to-face needs Security enhancements
<ul style="list-style-type: none"> The demands of realizing a sustainable society 	<ul style="list-style-type: none"> ESG management
<ul style="list-style-type: none"> Low interest rates becoming long-term, and increased risk of stress events manifesting 	<ul style="list-style-type: none"> Deepening market operations and risk management Enhancing the capital base

Purpose of JAPAN POST BANK

We aim for the happiness of customers and employees, and will contribute to the development of society and the region.
(The Management Philosophy of JAPAN POST GROUP)



Value Creation

Stakeholders
Shareholders/Customers/Regional communities/Environment/ Employees

Social value (Plan for FY2026/3)
Providing "safe and secure" financial services to anyone and everyone throughout Japan

- Number of accounts registered in the Yucho (Japan Post Bank) Bankbook App: **10 million accounts**
- Number of Cumulate-type NISA Operation Accounts: **400 thousand accounts**

Contributing to the development of regional community economies

- Regional vitalization fund contributions: **Cumulatively 50 cases**
- Number of financial institutions that have aggregated operational processes: **Roughly 20 financial institutions**

Reducing environmental impact

- CO₂ emissions reduction ratio (FY2031/3 targets /FY2020/3 comparison): **(46%)**
- ESG themed investment balance: **¥ 2 trillion**

Advancement of work style reforms, and sophistication of governance

- Ratio of women in managerial positions: **20%***
- Ratio of employees taking childcare leave (Regardless of gender): **100%**
- Ratio of employees with disabilities: **2.7% or more**

* Goals for achievements by April 2026 [more info p.30](#)

JAPAN POST BANK'S strengths and resources
(The below figures represent totals as of March 31, 2021)

Network bases

- Total No. of branches: **Approx. 24,000 branches**
- Total No. of ATMs: **Approx. 31,900 units**
- Partner financial institution cards usable at ATMs: **Approx. 1,300 companies**

Japan's largest customer base

- No. of ordinary deposit accounts: **Approx. 120 million accounts**
- Total deposit balance: **Approx. ¥ 190 trillion**
(Proportion of deposits with JAPAN POST BANK attributable to deposits and savings with the household financing division: approximately 20%)
* As of September 30, 2020

Japan's largest assets

- Balance of risk assets: **¥91.1 trillion**
- Balance of strategic investment areas: **¥4.2 trillion**

Collaboration with regions

- Regional vitalization fund contributions: **Cumulatively 32 cases**

Diverse and expert human resources

Corporate value (Plan for FY2026/3) (Consolidated Basis)

Profitability

- Consolidated net income: **¥350.0 billion or greater**
- ROE (based on shareholders' equity): **3.6% or greater**

Efficiency

- OHR (Basis including gains (losses) on money held in trust): **66% or less**
- General and administrative expenses (compared with FY2021/3): **¥ (55.0) billion**

Soundness

- Capital adequacy ratio (domestic standard): **Approx. 10%** (Levels to be secured)
- CET1 (Common equity tier 1 capital) ratio (international standards): **Approx. 10%** (Levels to be secured)

Investment management

- Balance of risk assets: **Approx. ¥ 110 trillion**
- Balance of strategic investment areas: **Approx. ¥ 10 trillion**

Growth investments

- Strategic IT investments: **approx. ¥130 billion over 5 years are planned**

Shareholder returns
In addition to securing the capital necessary for growth investments and to maintain soundness, we will strive to enhance shareholder returns [more info p.26](#)