

# Stakeholder Engagement Committee

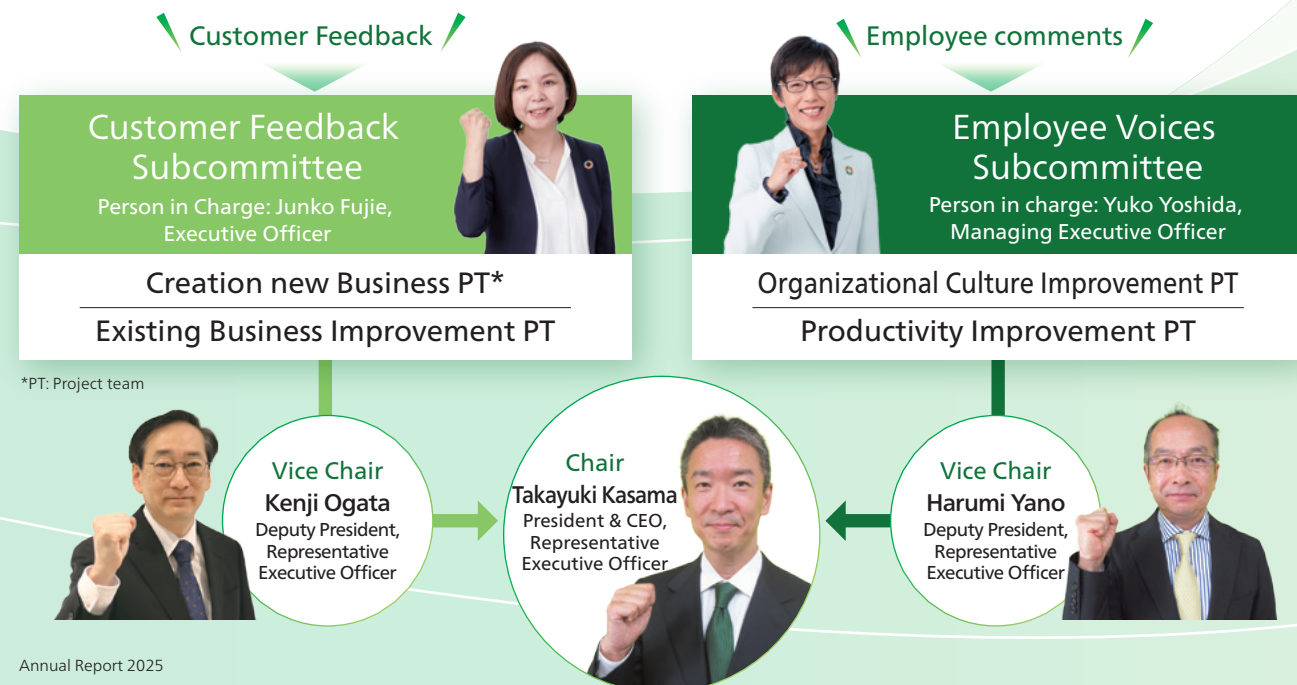


Company-wide Town Hall Meeting "COMPASS 2024"

With the aim of further promoting and implementing customer-oriented business operations, we established a special committee directly under the President & CEO, Representative Executive Officer in 2020 and have built a cycle for directly incorporating **customer** and **employee** feedback into management.

In fiscal 2024, with the aim of becoming a more trusted bank and strengthening the cycle of utilizing **feedback** in management, we relaunched the committee under the name "Stakeholder Engagement Committee" based on suggestions from employees. We are working across the organization to create new value not only through the improvement and enhancement of products and services but also through the facilitation of internal communication and the resulting improvement of organizational capabilities. Members from different sections, positions, and years of experience listen sincerely to the voices of our **customers** and **employees**, make bottom-up proposals to management, and engage in lively discussions.

## Organizational structure



## Introduction to PT activities for fiscal 2024

### Creation new Business PT



**"Thinking about a new 'Yucho'"**

Yuki Takata  
Leader, Head  
Digital Strategy Division  
Retail Marketing Office

**We are a project team exploring new business opportunities.**

We aim to create exciting new businesses that will make customers think, "Japan Post Bank is such a great bank," by combining the voices of our customers with those of our employees. All our members freely share their exciting ideas.

### Existing Business Improvement PT



**"Reviewing the current state of Yucho"**

Kotaro Toda  
Leader, Senior Manager  
Corporate Planning Department

**We are not satisfied with the current situation. This is a project team tasked with reviewing existing businesses and improving them.**

We are reviewing our products and services, focusing on those that receive many comments and requests from customers, as well as those for which our employees frequently request improvements in their daily work, and are addressing these issues head-on.

### Organizational Culture Improvement PT



**"Realizing a workplace with job satisfaction"**

Kenji Toge  
Leader, Senior Manager  
Global Credit Investment Department

**"Vibrant and exciting" is our motto! We are a project team that transforms job satisfaction into organizational strength.**

Team "Yucho" is just getting started. To break down barriers between departments and strengthen the sense of unity across the entire company, Japan Post Bank held its first-ever company-wide town hall meeting, "COMPASS 2024." We will continue to move Japan Post Bank forward every day, guided by the voices of our employees.

### Productivity Improvement PT



**"Creating a comfortable workplace"**

Manabu Takeda  
Leader, Senior Manager  
Corporate Planning Department

**Times are always changing. Our project team is working to create a better working environment through administrative efficiency and decluttering.**

By improving productivity across the entire company, we aim to create "time to think" and "time to generate profits" for every employee, thereby fostering a workplace where high-quality work can be performed. We are engaging in dialogue to determine what employees truly want and are moving forward with a sense of urgency.

Note: Store and department names are as of March 31, 2025.

## Company-wide Town Hall Meeting "COMPASS 2024" Held





# What I Think “Yucho-spirit” Is

Japan Post Bank’s Purpose is to contribute to the development of society and local communities with the aim of bringing happiness to customers and employees throughout Japan.  
Here, we introduce how employees across the country imagine and work toward the “Yucho-spirit” embodied in our Purpose.



## The Purpose of Japan Post Bank

We aim for the happiness of our customers and employees, and to contribute to the development of societies and local communities.

\*1 Financial Services Department: Handles financial products at counters, proposes products and services to individual customers at their homes and at counters, and provides consulting services related to asset management, such as investment trusts.  
\*2 Corporate Services Department: Proposes and supports various services for corporations and business establishments.  
\*3 Operation Support Centers: Handle specialized operations such as inheritance and review various applications received through digital channels and at counters.  
\*4 Administration Service Centers: Provide administrative and sales support to post offices and respond to administrative inquiries from post offices.  
Note: Branch and department names are as of March 31, 2025.



## Japan Post Bank's Value Creation Story

We will continue to strive to be the bank of choice for our customers for the next 150 years, contributing to the development of society and local communities.

On May 2, 2025, Japan Post Bank celebrated the 150th anniversary of the founding of its postal savings business.

Since its founding, Japan Post Bank has been used by customers of all ages throughout Japan, and the brand, deposits, and customer base built up through long-standing trust from our customers are a major strength and asset that no other bank can match. While carefully protecting these assets, we have worked to enhance corporate value and solve social issues through a variety of businesses. Although the times and environment have changed significantly, and the products and services we offer to our customers have also changed, our starting point has always been the creed established 150 years ago by our founder, Hisoka Maejima: "Never shy away from being a hidden force for good. Always have a heart that wishes for the best for others."

Today, this belief has become our Purpose: "We aim for the happiness of our customers and employees, and to contribute to the development of societies and local communities." To achieve this, we have established the following Management Philosophy: We aim to become "the most accessible and trustworthy bank in Japan," guided by the needs and expectations of our customers.

In the next 150 years, even as the times and environment continue to change rapidly, we will protect and utilize the assets we have cultivated and continue to provide services that all customers can use with peace of mind, safety, and convenience through both physical and digital channels.

Beyond that, we believe that there will be a world where our Purpose, which is to aim for the happiness of our customers and employees and to contribute to the development of societies and local communities, will be realized.

# PURPOSE

We aim for the happiness of our customers and employees, and to contribute to the development of societies and local communities.

## Management Philosophy

JAPAN POST BANK aims to become "the most accessible and trustworthy bank in Japan," guided by the needs and expectations of our customers.

## Medium-term Management Plan 2025

Deepening trust, and taking on the challenge for financial innovations

Details on page 34

## Materiality

( Social issues to be prioritized )

Details on page 28

### — Mission of Japan Post Bank —

- ▶ Provide "reliable and thorough" financial services "safely and securely" to anyone and everyone throughout Japan.
- ▶ Contribute to the development of regional economies by enhancing funds flow to, and relationships with, local communities using various frameworks.
- ▶ As one of the largest institutional investors in Japan, Japan Post Bank will work to both realize sound and profitable operations, and contribute to the realization of a sustainable society.

Balancing the enhancement of corporate value and the resolution of social issues such as SDGs (Sustainability Management)

### Trust

We comply with laws, regulations, and other standards of behavior and value trusted relationships with customers, markets, shareholders, and employees and consistently serve as a responsible corporate citizen.

### Innovation

We work sincerely to improve our management and business operations in response to requests from customers and changes in the business environment.

### Efficiency

We pursue improvements in speed and efficiency of our management and business operations in order to provide customer-oriented financial instruments and services.

### Expertise

We continually strive to strengthen our expertise for the aim of services meeting the expectations of our customers.

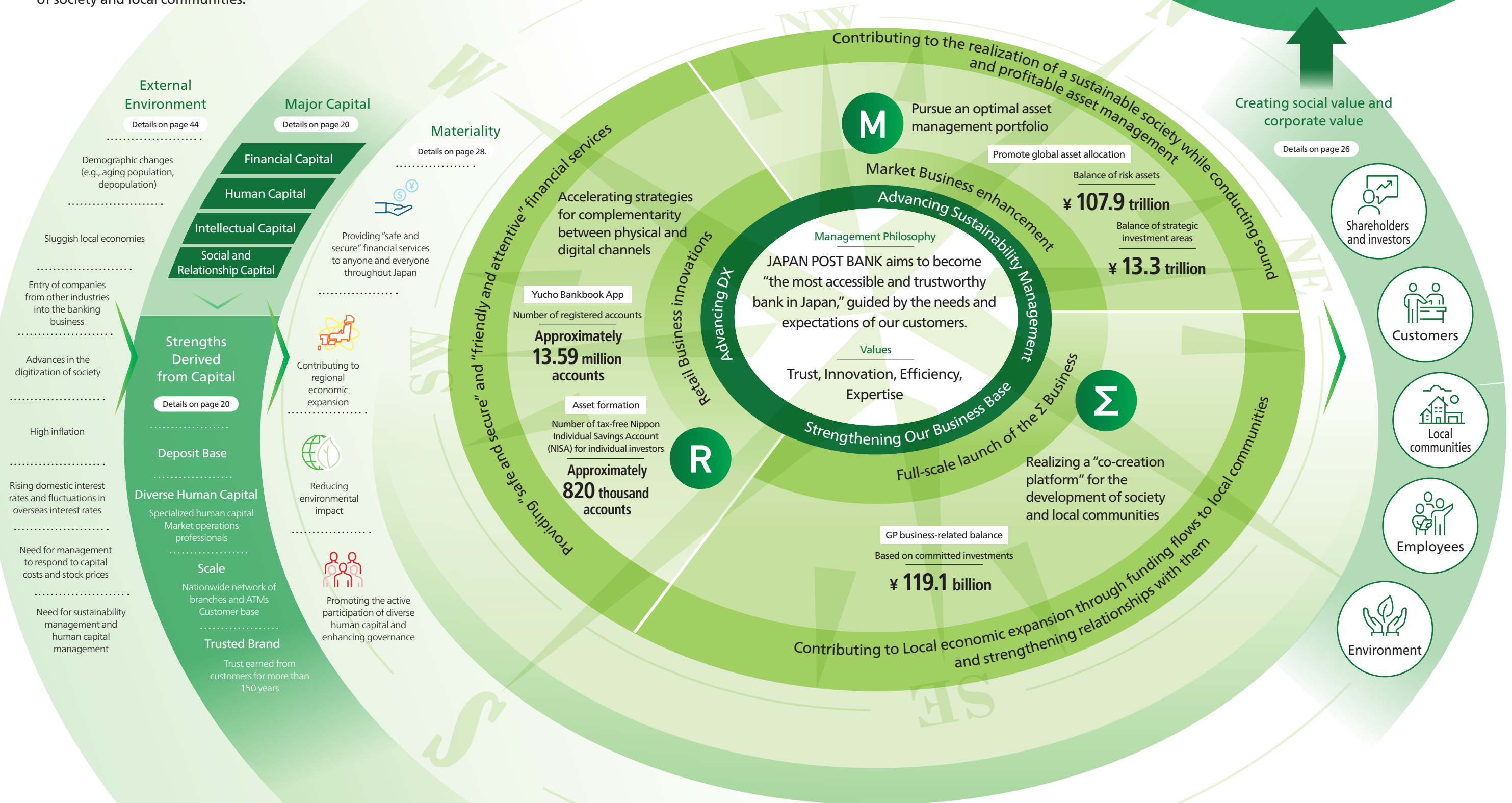


## Value Creation Process

Japan Post Bank will strive to maximize the value it provides to its stakeholders through value creation in its business activities, while aiming to enhance corporate value and contribute to the development of society and local communities.

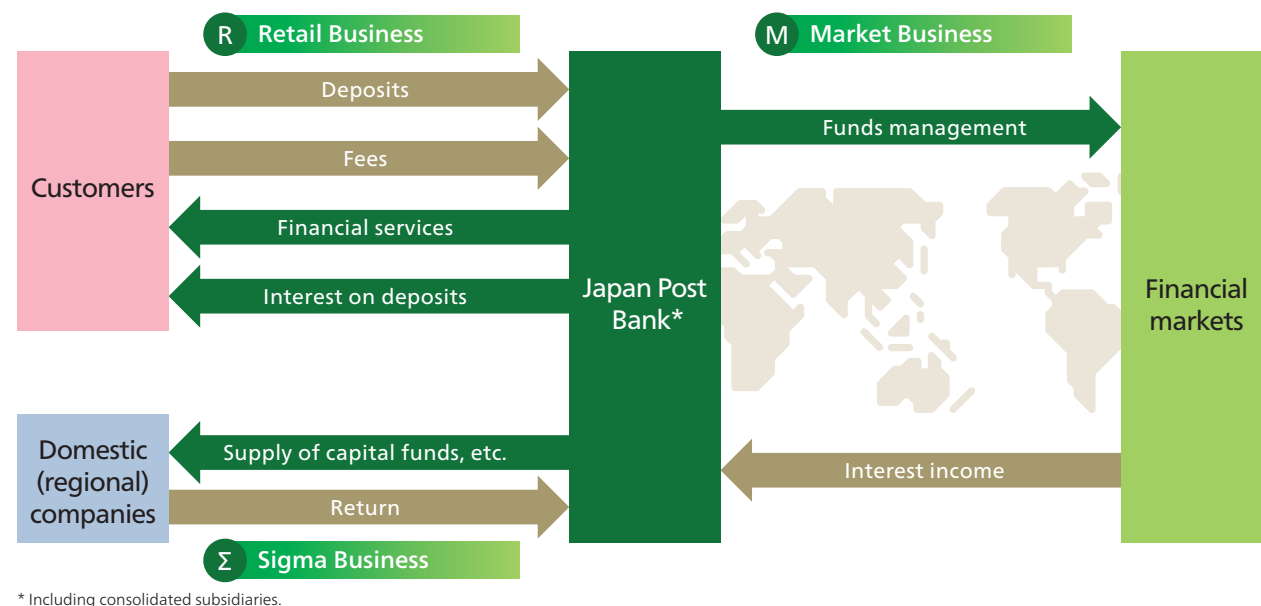
## Realization of Purpose

We aim for the happiness of customers and employees, and to contribute to the development of society and local communities.



## Business Model

Japan Post Bank aims to be “the most familiar and trusted bank” while engaging in three businesses: the Retail Business, which provides safe, secure, and convenient products and services to a wide range of customers through the post office network; the Market Business, which maintains stable profits by promoting the diversification and sophistication of investment management as one of the largest institutional investors in Japan; and the  $\Sigma$  Business, which creates the future of society and local communities through investment.



### Features and profit structure of the three businesses

Most of Japan Post Bank's revenues are derived from net interest income, etc., which is mainly generated by the Market Business. In recent years, however, net fees and commissions income, which is mainly derived from the Retail Business, has also been expanding. We will continue to strive to improve the profitability of the Retail and Market businesses, while aiming to make the  $\Sigma$  Business profitable in the future. We also intend to further increase profits through cost control measures, including business reforms.

#### Achievements in fiscal 2024 and earnings forecast for fiscal 2025 (consolidated)

	FY2024 (initial forecast)	FY2024 (revised forecast)	FY2024 (actual results)	FY2025 (forecast)*1	Future Direction
Net interest income, etc.*2	1,312.0	1,343.0	1,335.3	1,476.0	<ul style="list-style-type: none"> <li>Improve the profitability of the Market Business</li> <li>Monetize the <math>\Sigma</math> Business</li> </ul>
Net fees and commissions	150.0	155.0	156.3	163.0	<ul style="list-style-type: none"> <li>Improve earning power through complementarity between the physical and digital channels</li> </ul>
General and administrative expenses	936.0	926.0	914.7	958.0	<ul style="list-style-type: none"> <li>Control costs through business reform and productivity improvement initiatives</li> </ul>
Net ordinary income	525.0	575.0	584.5	680.0	<ul style="list-style-type: none"> <li>Grow profits through revenue expansion and cost reduction</li> </ul>
Net income attributable to owners of parent	365.0	400.0	414.3	470.0	

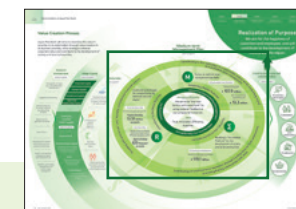
\*1 FY2025 forecast announced on May 15, 2025.

\*2 Net interest income, etc. = Interest income – interest expenses (including gains and losses on sales, etc.)

### R Retail Business

Financial services such as deposits, remittances, payroll, pension payments, asset management, cashless services, and mortgage brokerage

Leveraging our strengths, namely our solid customer base and network, we are accelerating our strategy of complementarity between the physical and digital channels, thereby promoting innovation in retail banking that goes beyond traditional banking services. We are steadily improving our earning power by expanding our digital and cashless services and strengthening our asset formation support and ATM businesses.

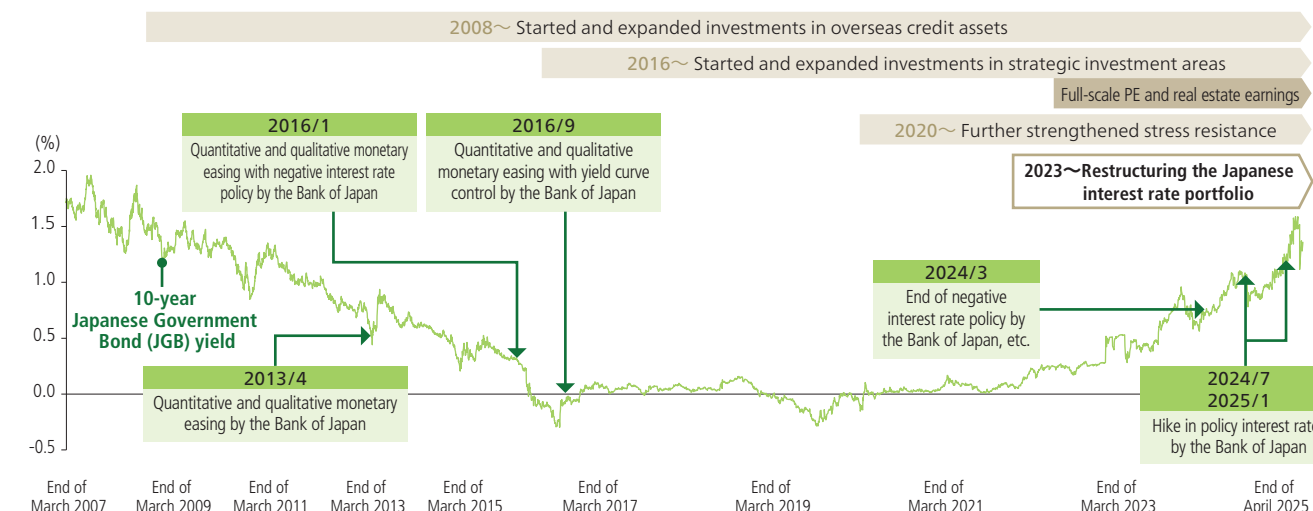
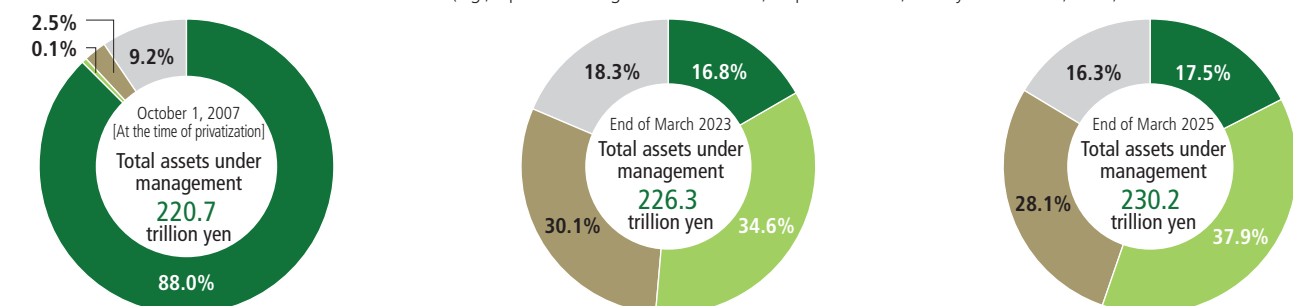


### M Market Business

Management of deposits entrusted to the Bank in securities and other instruments in domestic and overseas financial markets

Before privatization, the company mainly invested in Japanese Government Bonds (JGBs), but since privatization, it has promoted diversification and sophistication of investment management by taking on more risk, mainly in risky assets. From fiscal 2023 onward, the company has promoted a shift in investments from due from banks, etc., to JGBs in response to the reversal of the Japanese interest rate trend and will work on restructuring its Japanese interest rate portfolio.

Asset portfolio (non-consolidated) ■ Japanese Government Bonds (JGBs) ■ Foreign securities, etc. ■ Due from banks, etc. ■ Other (e.g., Japanese local government bonds, corporate bonds, money held in trust, loans, short-term investments)



### Σ Sigma Business

Corporate business that creates the future of society and local communities through investment

The  $\Sigma$  Business, which is positioned as a corporate business that creates the future of society and local communities through investment, promotes the provision of capital funds to local businesses (investment operations), the discovery of potential investee companies that will become the seeds of new businesses (sourcing operations), and the introduction and mediation of investee companies' products and services (marketing support operations).

#### (1) Investment operations

“Co-creation with regional financial institutions,” “utilizing our nationwide network to identify detailed funding needs,” “supplying capital from a medium- to long-term perspective,” and “providing support to investees to help them grow and solve problems.” With Japan Post Bank Capital Partners Co., Ltd., a wholly owned subsidiary of Japan Post Bank, at its core, the  $\Sigma$  Business will engage in business succession and revitalization investments, venture investments, ESG investments, and other activities in collaboration with joint venture partners.

#### (2) Deal sourcing business

We will utilize our nationwide network and collaborate with regional financial institutions to discover local businesses that have the potential to become investees for the  $\Sigma$  Business.

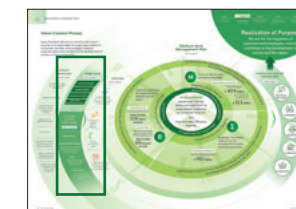
#### (3) Marketing support business for investees

We will introduce and mediate products and services that have the potential to create new markets for products that do not yet have apparent demand and support the growth of investee companies.

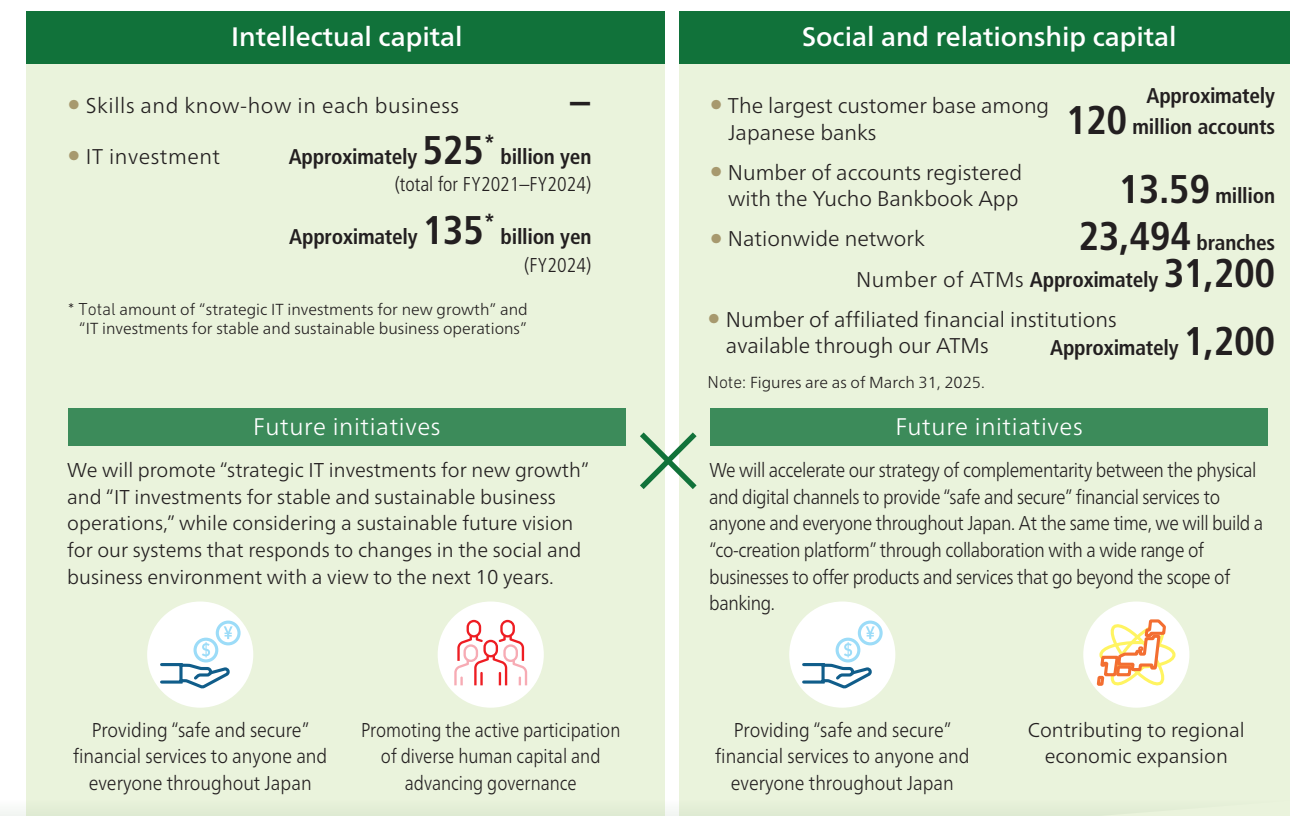
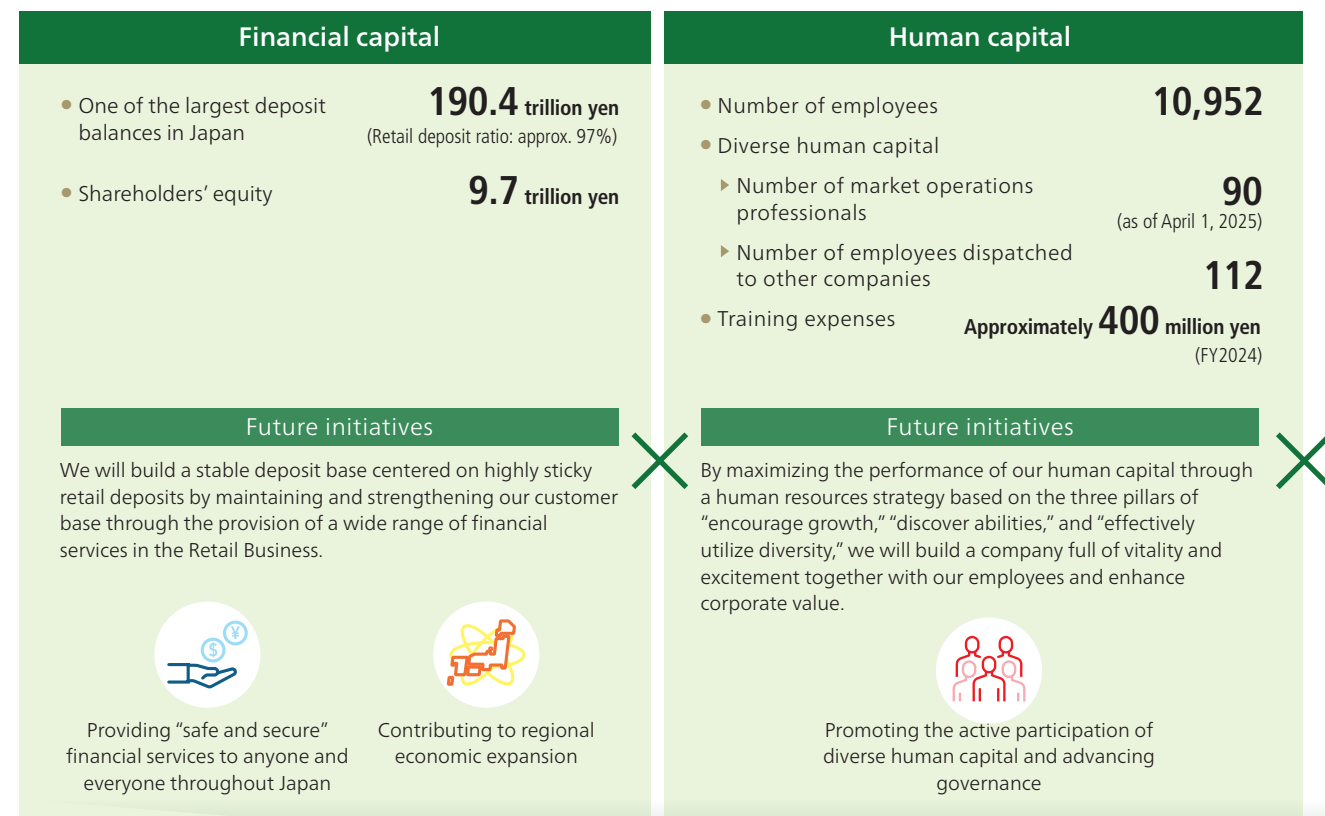
## Management Capital and Strengths (Competitive Advantages)

Throughout its 150-year history, Japan Post Bank has consistently strengthened its financial capital based on deposits entrusted by customers, its diverse human capital that responds to the needs of the moment, its intellectual capital cultivated over its long history, and its social and relationship capital centered on its nationwide network of branches to continue to be “the most familiar and trusted bank.”

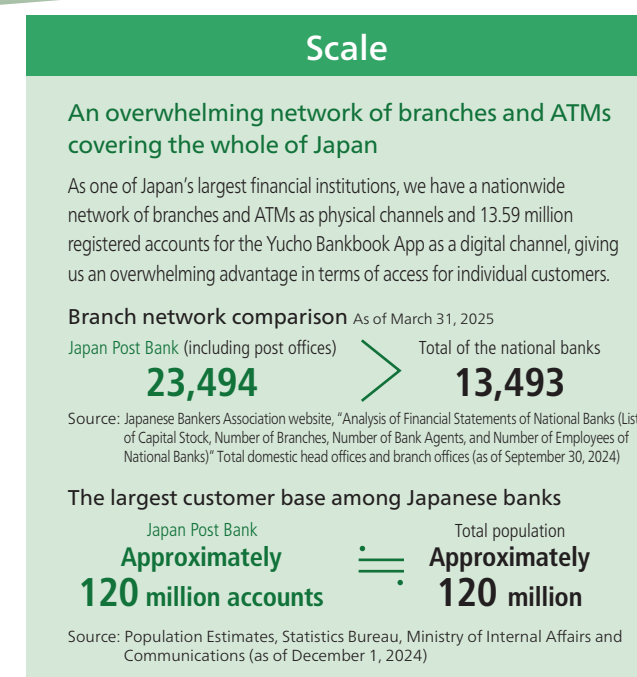
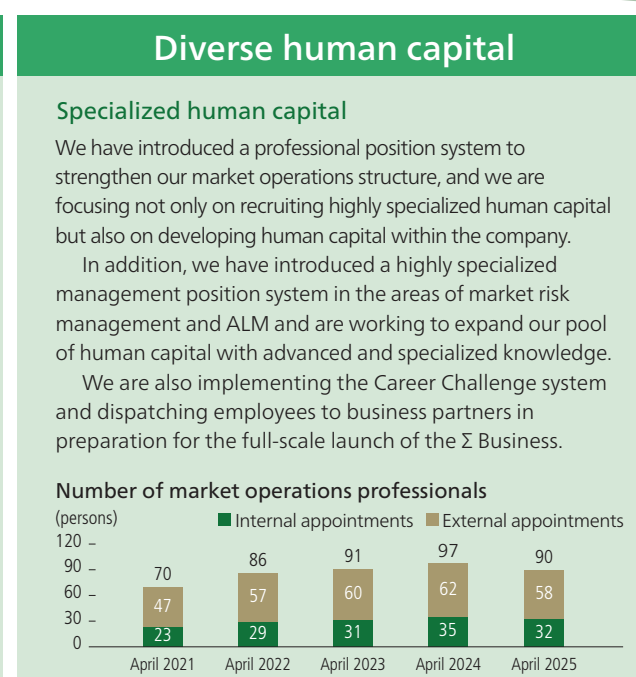
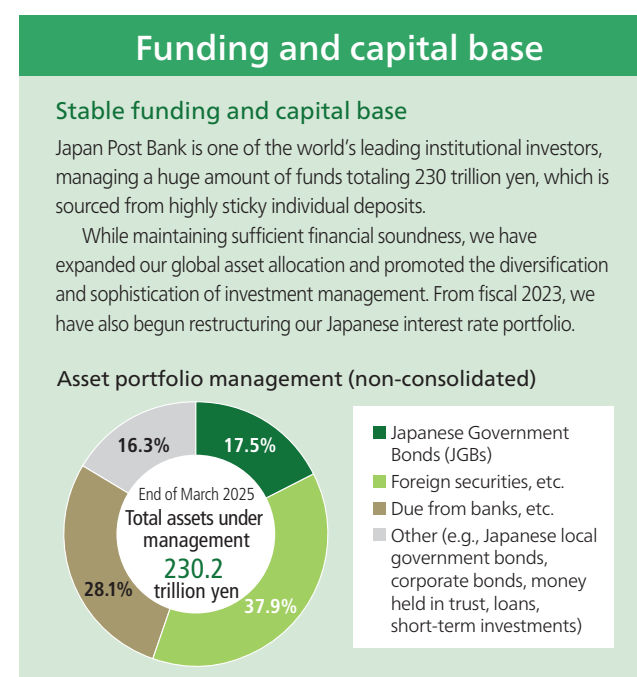
In the next 150 years, we will continue to enhance corporate value by leveraging these strengths, while providing our stakeholders with a sense of security that will remain unchanged.



### Key capital supporting our business



### Strengths derived from capital





## From “Postal Savings” to “Yucho” – 150 Years of History—

1875 1900 1920 1940 1960 1980 2000

### Social Needs and Expectations, and Japan Post Bank’s Mission

- The need for modern financial services  
Providing a real financial network
- The need for secure money transfers  
The development of the Japanese economy  
Providing universal services with trust in Japan

- Administrative efficiency  
Development of social infrastructure  
Financial literacy education  
Formation of savings habits

- Competition in automation  
Improving convenience through ATMs and other mechanization

### Growing awareness of social contribution

- Need for digital convenience  
Shift from savings to investment

### The History of Japan Post Bank and Its Three Businesses

#### Contributing to the development of a savings culture among the Japanese people

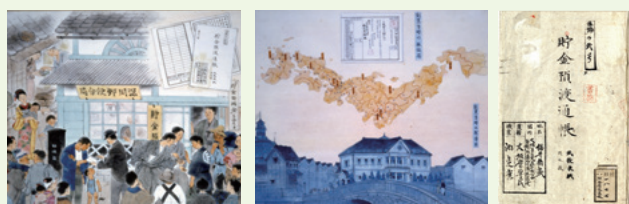
- 1875 • Start of postal money order and postal savings services



“Never shy away from being a hidden force for good.  
Always have a heart that wishes for the best for others.”  
(Hisoka Maejima)

#### 1885 Ministry of Communications

#### R The Origins of the Retail Business



#### Formation of the post office network

- 1906 • Started the postal transfer business

- 1923 • Implemented emergency confirmation payments during the Great Kanto Earthquake



- 1941 • Started TEIGAKU deposits and savings deposits

#### 1949 Ministry of Posts and Telecommunications



#### Provision of new products and services Contributing to regional development through national investment and loan programs

- 1970 • Introduced EDPs (Electronic Data Processing System)



- 1973 • Launched the “Yuyu Loan” deposit loan program

- 1975 • 100th anniversary of the postal savings business  
First Original Piggy Bank Design Contest (now The Japan Post Bank Piggy Bank Design Contest)



#### The Origins of Our Online Network

- 1978 • Online system service launched

- 1980 • Cash dispensers that dispense cash using cash cards introduced

- 1981 • Started ATM services  
• Started comprehensive passbook services



#### The beginning of fund management

- 1987 • Started independent management of postal savings funds

#### R Expansion of the Retail Business

#### M The Origins of the Market Business

- 1991 • Established international volunteer savings

#### Expansion of ATM services

- 1999 • Started ATM alliance services with general financial institutions

#### 2001 Ministry of Internal Affairs and Communications/ Postal Services Agency

- 2002 • Launched Yucho Internet Home service

#### 2003 Japan Post

- 2005 • Started sales of investment trusts

The postal money order and postal savings services, which began in 1875, helped to raise awareness of savings among people who did not have the habit of saving at that time. In 1906, Japan Post began offering money transfers via postal transfers. These services were handled by post offices located throughout the country, forming the post office network (infrastructure).

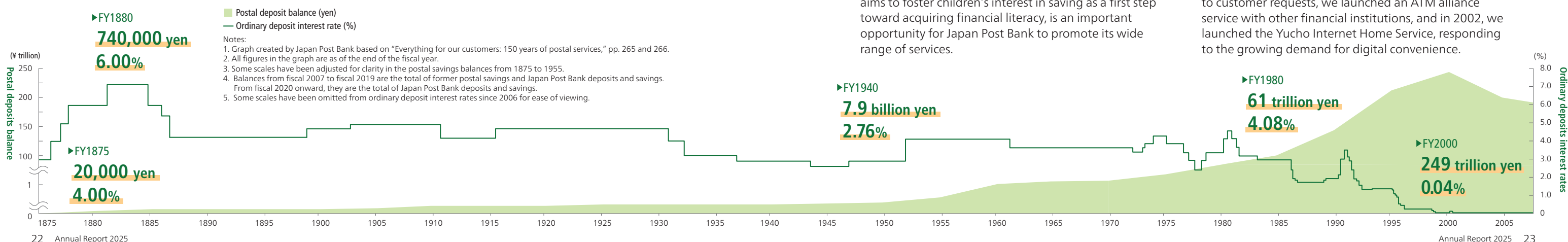
During the Great Kanto Earthquake of 1923, Japan Post Bank implemented an “emergency confirmation payment” system to enable people who did not have their passbooks or seals to withdraw their deposits. Today, as part of its “emergency handling of deposits,” Japan Post Bank provides a limited range of services, such as refunding deposits, to people who have lost their passbooks, certificates, or seals due to a disaster or other emergency.

During the period of rapid economic growth, we worked to provide new products and services to meet the diverse needs of our customers. In addition, deposits collected from across the country were used as national investment and loan programs for public works projects that were essential to society, contributing to the development of local communities.

In 1975, the 100th anniversary of the postal savings business, we launched The Japan Post Bank Piggy Bank Design Contest. We believe that this initiative, which aims to foster children’s interest in saving as a first step toward acquiring financial literacy, is an important opportunity for Japan Post Bank to promote its wide range of services.

In 1978, we introduced an online system, and in 1981, we launched ATM services that enabled customers to make deposits and withdrawals. In an era of innovation, from paper slips to automation, Japan Post Bank decided to invest heavily in system development, worked with system development companies to improve its skills, and continues to operate its systems stably today. We have one of the largest numbers of ATMs in Japan and provide various services to people across the country through our ATM network. In 1999, in response to customer requests, we launched an ATM alliance service with other financial institutions, and in 2002, we launched the Yucho Internet Home Service, responding to the growing demand for digital convenience.

### <Changes in postal deposit balances and ordinary deposit interest rates>



2007

Society's needs and expectations, and Japan Post Bank's Mission

First Steps as a commercial bank  
Preparations for listing

2015

Diversification and sophistication of investment management  
Capital needs in local communities

2020

Provision of high-quality customer-oriented financial services

2025

Advancing sustainability management  
Promotion of human capital management

Contributing to the development of society and local communities through further financial innovation based on strengths cultivated over 150 years of history

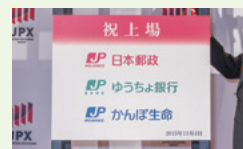
## History of Japan Post Bank and its three businesses

### 2007 Japan Post Bank Co., Ltd. (privatization)

- 2007 • Japan Post Bank Co., Ltd., established
- 2008 • Invested in SDP CENTER Co., Ltd. (currently Yucho Loan Center Co., Ltd.)
- 2009 • Started transfer services with other financial institutions through the Zengin system
- 2013 • Invested in ATM Japan Business Service, Ltd.

### 2015 Listed on the First Section of the Tokyo Stock Exchange

- 2015 • Invested in JP Asset Management Co., Ltd.



Securing market human resources  
Start of secondment to companies engaged in GP operations

- 2016 • Introduced professional position system
- Started investment in Regional Vitalization Funds

M Expansion of the Market Business

Σ Initiatives for regional revitalization

### 2017

- Expanded small ATM installation at FamilyMart and other locations



### 2018

- Japan Post Investment Corporation established and investment activities commenced
- Balance of strategic investment areas expanded

Improving convenience

### 2020

- Yucho Bankbook App service launched



### 2021 Current Medium-term Management Plan

Complementarity between the physical and digital channels

R Innovation in the Retail Business

### 2022

- Transitioned to the Tokyo Stock Exchange Prime Market
- Started discretionary investment services (Yucho Fund wraps)
- Gradually introduced "Maditab" self-service terminals
- Announced the Σ Business

Σ Launch of the Σ Business

### 2023

- Second secondary offering of Japan Post Bank shares by Japan Post Holdings
- Launch of household account book app (Yucho Reco) service

### 2024

- Complied with listing requirements for the Tokyo Stock Exchange Prime Market

### 2024 Revised the Medium-term Management Plan

### 2024

- Started advertising distribution in collaboration with partner companies
- Established Japan Post Bank Capital Partners Co., Ltd.

Σ Σ Business officially launched

### 2025

- Third secondary offering of Japan Post Bank shares by Japan Post Holdings
- 150th anniversary of the foundation of the postal savings business  
The birth of the Japan Post Bank corporate character



Japan Post Bank corporate character "Haricho"

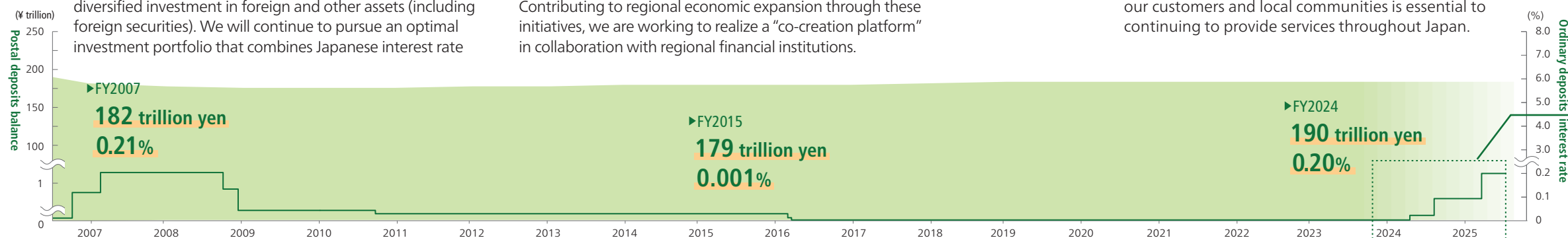
After being privatized in 2007 and becoming JAPAN POST BANK Co., Ltd., the company went public in 2015 and was listed on the First Section of the Tokyo Stock Exchange to enhance its independence and freedom of management in the market. The initial public offering price was 1,680 yen, exceeding the offering price of 1,450 yen. In our Market Business after privatization, we have continued to innovate our investment portfolio in response to changes in the macroeconomic environment. In response to the low interest rate environment in Japan since privatization, we reduced the ratio of Japanese Government Bonds (JGBs) from 88.0% at the time of privatization on October 1, 2007, to 16.8% at the end of fiscal 2022, and promoted diversified investment in foreign and other assets (including foreign securities). We will continue to pursue an optimal investment portfolio that combines Japanese interest rate

assets and risk assets under appropriate risk management. At the same time, we are working to enhance our investment management capabilities through measures such as the introduction of a professional position system and the active recruitment of external human capital.

Our Mission is to contribute to the development of local economies by accurately identifying the needs of society in every era, using the voices of our customers as our compass, and providing "safe and secure" financial services to everyone throughout Japan. In 2016, we began investing in Regional Vitalization Funds. In 2024, we established Japan Post Bank Capital Partners Co., Ltd., a wholly owned subsidiary that provides capital funds to regional businesses. Contributing to regional economic expansion through these initiatives, we are working to realize a "co-creation platform" in collaboration with regional financial institutions.

In fiscal 2020, we established a specialized organization for promoting sustainability within the Corporate Planning Department and built a system to advance management and sustainability in an integrated manner. We participate in and support initiatives such as the TCFD Recommendations, and we have promoted our efforts while enhancing the transparency of our sustainability-related information disclosure through the expansion of our sustainability website and the publication of various reports. As an institutional investor, we have set a target KPI in our Medium-term Management Plan starting in fiscal 2021 to increase the balance of ESG-themed investments and financing to 7 trillion yen by the end of fiscal 2025.

Our 150-year history has taught us that the trust of our customers and local communities is essential to continuing to provide services throughout Japan.



## Strengths cultivated over 150 years (as of March 31, 2025)

### Deposit base

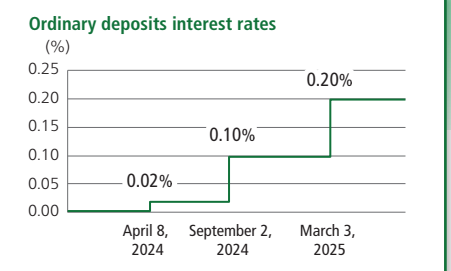
Deposit balance: 190.4 trillion yen  
Assets under management: 230.2 trillion yen

### Diverse human capital

Number of market operations professionals: 90  
Note: As of April 1, 2025  
Number of employees on secondment: 112

### Scale

Number of ordinary deposit accounts: approx. 120 million  
Total number of branches\*: 23,494  
\* including post offices  
Number of ATMs: approx. 31,200  
Number of ATM partner financial institutions: approx. 1,200

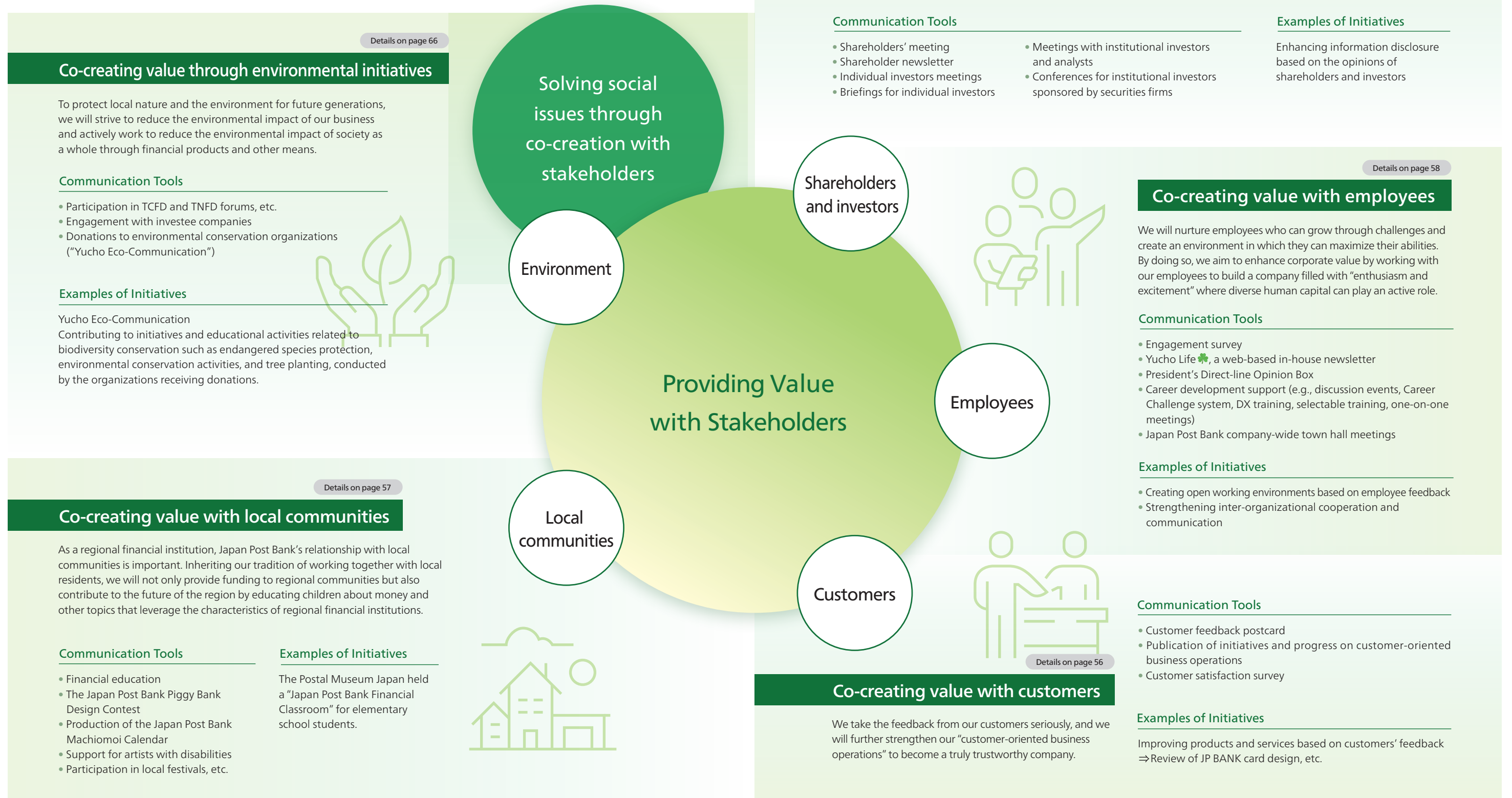




## Co-creating Value with Stakeholders

To contribute to the creation of a sustainable society and the future, as well as to achieve sustainable growth as a corporation, we must sincerely listen to our stakeholders, meet their expectations, and gain their understanding and support.

As Japan's "most familiar and trusted bank," we will strive to enhance corporate value and solve social issues while maintaining an ongoing dialogue with our stakeholders.

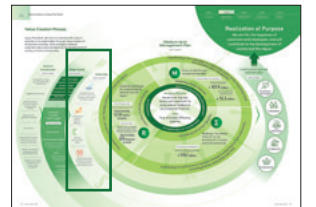


## Priority Social Issues (Materiality)

At Japan Post Bank, we consider the appropriateness of issues at the Management Committee and Board of Directors meetings, link the identified materiality to our management strategy, and work to resolve social issues through our business activities.

In addition, the Sustainability Committee identifies issues that will be considered for materiality in discussions toward the formulation of the next Medium-term Management Plan. Given changes in the

internal and external environment, we will continue to review the materiality that should be prioritized over the medium to long term for our sustainable growth and the development of customers, shareholders, and other stakeholders, as well as of society and the economy.



Identification process	Materiality	Risks and opportunities	Specific initiatives	KPI	Results (FY2024)	Target (FY2025)
<b>STEP 4</b> <b>Identification of materiality</b> The Management Committee and the Board of Directors review the appropriateness and have identified four materialities.	<p>Providing “safe and secure” financial services to anyone and everyone throughout Japan</p>	<b>Risks</b> <ul style="list-style-type: none"> <li>Decline in transactions due to the declining birth rate and aging population, inadequate response to DX, and changing customers’ needs</li> <li>Loss of public trust due to cyberattacks, system failures, etc.</li> </ul> <b>Opportunities</b> <ul style="list-style-type: none"> <li>Enhance differentiation from other banks</li> <li>Increase the number of users by providing easy-to-use services for everyone</li> <li>Increase in financial needs through financial literacy education</li> </ul>	<b>R Retail Business</b> <ul style="list-style-type: none"> <li>Providing services through the post office network and supporting digital services (addressing the digital divide)</li> <li>Expanding digital and remote services that are accessible to all customers, with the highest priority on safety and security</li> <li>Supporting asset building, including the new tax-free Nippon Individual Savings Account (NISA), for individual investors, with a focus on small-lot trading customers</li> </ul> Details on page 45	Yucho Bankbook App Number of registered accounts	13.59 million accounts	16 million accounts
<b>STEP 3</b> <b>Creation of a materiality map</b> Japan Post Bank has created a materiality map by organizing the social issues to be addressed by the bank based on the two axes of “importance to stakeholders” and “impact of Japan Post Bank’s business activities.” Social issues (materiality) to be prioritized to realize a sustainable society and create new value 	<p>Contributing to regional economic expansion</p>	<b>Risks</b> <ul style="list-style-type: none"> <li>Decline in the market due to a decline in the local population</li> <li>Decreased opportunities due to insufficient engagement with local communities</li> </ul> <b>Opportunities</b> <ul style="list-style-type: none"> <li>Market expansion due to revitalization of the local economy</li> <li>Expansion of opportunities through collaboration with diverse partners and addressing local capital funding needs</li> </ul>	<b>R Retail Business</b> <b>M Market Business</b> <b>Σ Sigma Business</b> <ul style="list-style-type: none"> <li>Realize a “co-creation platform” with regional financial institutions, etc.</li> <li>Revitalize regional economies and create new corporate value through Japan Post’s unique GP business</li> <li>Fund regional communities through various frameworks</li> </ul> Details on pages 45, 48, and 52	Number of tax-free Nippon Individual Savings Account (NISA) for individual investors	820,000 accounts	940,000 accounts
<b>STEP 2</b> <b>Narrowing down the social issues to be targeted</b> From among the selected social issues, narrow down those to be targeted by Japan Post Bank based on its Purpose, Management Philosophy, and business activities, as well as the results of evaluations by external research organizations and the opinions of external experts.	<p>Reducing environmental impact</p>	<b>Risks</b> <ul style="list-style-type: none"> <li>Damage to Japan Post Bank’s assets such as ATMs and increased credit risk of investee companies due to natural disasters, etc.</li> <li>Decrease in the value of securities management holdings of companies that have been severely impacted by stricter environmental regulations</li> <li>Decrease in corporate value if the Bank’s response to environmental issues is assessed as inadequate</li> </ul> <b>Opportunities</b> <ul style="list-style-type: none"> <li>Improve Japan Post Bank’s reputation in the capital markets and society through appropriate initiatives and the disclosure of environmental issues</li> <li>Increased opportunities to invest in renewable energy projects and green bonds</li> </ul>	<b>R Retail Business</b> <b>M Market Business</b> <b>Σ Sigma Business</b> <ul style="list-style-type: none"> <li>Strengthen initiatives in line with the TCFD Recommendations</li> <li>Reduce GHG emissions, promote paperless operations</li> <li>Promote ESG investments and loans</li> </ul> Details on pages 45, 48, and 52	GHG emission reduction rate*1,*2,*6 (compared with FY2019, Scope 1 and 2) Business forms usage reduction (compared with FY2020)	-60% -20%*7	-60% -20%
<b>STEP 1</b> <b>Identification of social issues to be considered</b> Comprehensively identify social issues based on analysis of the international situation (international frameworks and standards such as the SDGs), analysis of the domestic situation (government agencies and financial industry), and support for international initiatives (e.g., SDGs, TCFD, GRI).	<p>Promoting diverse human capital and advanced governance</p>	<b>Risks</b> <ul style="list-style-type: none"> <li>Insufficient human capital and other factors hindering the execution of management strategies</li> <li>Decline in morale due to low employee engagement</li> <li>Loss of public confidence due to misconduct, compliance violations, and lack of preparedness for money laundering/terrorist financing, etc.</li> </ul> <b>Opportunities</b> <ul style="list-style-type: none"> <li>Create innovation through diverse human capital</li> <li>Revitalize the organization and enhance corporate value through human capital management strategies and human capital investment linked to management strategies</li> <li>Increased productivity through diverse work styles</li> </ul>	<b>Strengthening our business base</b> <ul style="list-style-type: none"> <li>Promote human capital management based on the principles of “promoting growth,” “drawing out the best of employees’ abilities,” and “making the most of diversity”</li> <li>Further improve the effectiveness of the Board of Directors</li> </ul> Details on pages 58 and 82	Overall employee satisfaction*6 Rate of female in managerial positions*2,*6 Rate of eligible employees taking childcare leave*4,*6 (regardless of gender) Rate of employees with disabilities*5,*6	65.5% 19.8% 99.7% 3.0%	70% or more 20%*3 About 100% 3.0% or more

\*1 Actual results for fiscal 2023; target for fiscal 2030 \*2 Actual results as of April 1, 2025; target for April 2026  
\*3 The Japan Post Group target is a 30% ratio of female managers at the Head Office by April 1, 2031.

\*4 Of eligible male employees, 100% took maternity leave in fiscal 2024. \*5 Actual results as of June 1, 2024; target for June 2025. \*6 Fractions less than a unit are rounded off.



## Advancing Sustainability Management



**Harumi Yano**  
Deputy President,  
Representative Executive Officer  
Member of the Board of Directors

### Sustainability Committee Message from the Chair

Japan Post Bank, which has the largest customer base of any Japanese bank, recognizes that its raison d'être (purpose) is to contribute to the development of society and local communities by aiming for the happiness of its customers and employees throughout Japan, and is developing its business to provide "safe and secure" financial services to everyone, in the same spirit that it has maintained since its establishment. Based on this basic philosophy, we will promote sustainability by recognizing Japan's social issues, such as the declining birth rate and aging population, as well as global social issues, such as climate change, natural capital, and human rights, and by continually discussing what we can do through our business activities.

- Sustainability Progress Report and Human Rights Report published
- Set a reduction target for the investment and financing portfolio (down 50% from fiscal 2019 per investment unit)
- Raised the target for the balance of ESG-themed investments and financing from 4 trillion yen to 7 trillion yen
- Partial revision of materiality

- Revised the Human Rights Policy
- Raised the in-house emission reduction target from 46% to 60% (compared with FY2019; target for FY2030)

- Declaration of net-zero GHG emissions
- Raised the balance of ESG-themed investments and financing from 2 trillion yen to 4 trillion yen
- Revised the ESG Investment and Financing Policy
- TCFD report published

- Basic Sustainability Policy established

### Basic Sustainability Policy

- 1 The Bank will work to develop and provide "safe and secure" financial services that can be used by anyone and everyone throughout Japan.
- 2 As a community-based financial institution, the Bank will contribute to the development of the regional economies and society.
- 3 To protect nature and the environment and pass them on to future generations, the Bank will engage in environmentally friendly activities and work to resolve environmental issues.
- 4 The Bank will conduct its business activities in a manner that respects human rights and will ensure a work environment where employees can work in a healthy and safe manner and where diverse personalities and work styles are respected. In addition, the Bank will strive to develop human resources who can think and act on their own, and to improve their work-life balance and job satisfaction.

- Revision of the Human Rights Policy and the Environmental Policy
- Publication of the Natural Capital Report and the Human Rights Report



[https://www.jp-bank.jp/post.jp/en/sustainability/environment/biodiversity/pdf/natural-capital\\_report2025\\_en.pdf](https://www.jp-bank.jp/post.jp/en/sustainability/environment/biodiversity/pdf/natural-capital_report2025_en.pdf)



[https://www.jp-bank.jp/post.jp/en/sustainability/social/supplychain/human-rights/pdf/human-rights\\_report2025\\_en.pdf](https://www.jp-bank.jp/post.jp/en/sustainability/social/supplychain/human-rights/pdf/human-rights_report2025_en.pdf)

## Realization of Purpose

Create sustainable social value and enhance corporate value over the medium to long term

2025

### System for Promoting Sustainability Management

Japan Post Bank integrates sustainability initiatives into its Medium-term Management Plan and annual management plans, thereby promoting sustainability management in an integrated manner with its business strategy. In addition, the Bank has established a company-wide system to promote sustainability by incorporating sustainability-related evaluation items into the business performance compensation of all Executive Officers.

### Governance Structure



### <Discussion status in Fiscal 2024>

	Items to be resolved/discussed	Matters to be reported
Supervision	Formulation of the Medium-term Management Plan and annual management plans (setting sustainability-related KPIs)	Progress of sustainability management (reported quarterly along with the progress of the annual management plans)
	Formulation of the Risk Appetite Statement (selecting the most significant sustainability-related risks such as climate change, natural capital, and human rights)	Status of the Risk Appetite Statement (quarterly reassessment of the most significant risks)
	Determination of executive compensation systems, including sustainability evaluation items (Compensation Committee)	Progress of sustainability management (Audit Committee, approximately once a year)
Execution	Discussion of proposed revisions to the Human Rights Policy and the Environmental Policy	Matters to be discussed and reported by the Sustainability Committee (twice a year)
	Sustainability initiatives and plans for FY2025	Status of the implementation of human rights due diligence
	Review of materiality	Disclosure based on the TNFD Recommendations

JAPAN POST BANK Environmental Policy <https://www.jp-bank.jp/post.jp/en/sustainability/environment/management/policy/>  
JAPAN POST BANK Human Rights Policy <https://www.jp-bank.jp/post.jp/en/sustainability/social/supplychain/policy/>

Details on page 66