JAPAN POST BANK sees CSR as one of its highest management priority given the fundamental importance of the Bank’s role in society. Aiming to become “the most accessible and trustworthy bank in Japan,” we will continue to fulfill our responsibilities as a good corporate citizen.

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**CSR at JAPAN POST BANK**

**Concept**
JAPAN POST BANK is committed to the sustainable development of society. Our goal is to help create a society in which all individuals are able to pursue their own growth and well-being by providing increased value to customers, shareholders, society, the environment, and employees through our business activities.

**Specific Activity Themes**
JAPAN POST BANK undertakes a wide range of CSR activities based on specific themes that it believes are of particular importance. Our paramount goal is to help put in place a robust social platform. Accordingly, we focus on the needs of society and how best we can utilize the unique attributes of our business when identifying these themes.

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**Reliable services**
As a financial institution with grass roots in communities, we aim to enhance services and facilities so that all customers can conveniently use them without worry.

**Products and services**

**Retirement Pension Delivery Service**
With this service, a liaison staff will hand-deliver pension benefits wired into their bank accounts to the beneficiaries, who are unable to receive their benefits because of their problems such as advanced age or physical disabilities.

**New Welfare Time Deposits**
We offer time deposits for individuals with a maturity of one year on deposits up to ¥3 million, with preferential interest rates for recipients of certain pensions and allowances, such as the disability basic pension, the basic pension for surviving family, and child-rearing allowances.

**Discounted Money Transfer Fees for the Visually Impaired**
We offer discounts on money transfer fees for visually impaired customers transferring money from teller windows at branches. By presenting their physical disability certificates, these customers can transfer money from branch teller windows at the ATM rate, which is lower than the branch teller window rate.

“JAPAN POST BANK Deposits for International Aid”
The “JAPAN POST BANK Deposits for International Aid” program allows customers to donate 20% of the interest received on their savings (after-tax) to JAPAN POST BANK. By using the JICA (Japan International Cooperation Agency) Fund established by JICA, these resources are used in such activities as improving living standards in developing countries and regions through nongovernmental organizations (NGOs) and other groups.

Given the increasing importance of environmental preservation measures in recent years, customers may also choose to donate funds specifically to international cooperation and aid efforts in the field of environmental preservation.
Barrier-Free Facilities

Services Using Braille for the Visually Impaired
To ensure that visually impaired customers have access to the Bank’s services, we provide services in which the content of ordinary deposits and various notices are presented using Braille and delivered to these customers. Our cash cards have customers’ names written in Braille. A Braille version of our Product and Services Guide is also available at all bank branches.

ATM Services
Our ATMs have Braille displays for showing transaction amounts, and voice guides help the visually impaired with conducting transactions.

Telephone (Handset)
Utilizing a handset keypad, a voice guidance system provides customers with operating instructions.

Ramps and handrails as well as Braille walkway blocks have been installed at branch entrances and exits as well as ATMs.

Barrier-Free Facilities
The Bank is working to provide barrier-free facilities. For example, entrances and exits at branches have been fitted with ramps and handrails, thereby enabling senior citizens and people who are physically challenged to readily access the Bank’s services. In addition, in light of related laws and regulations, Braille walkway blocks have been installed for customers who suffer from visual impairments.

Update to ATM Screens
In January 2017, the design*1 of the ATM screens was updated to incorporate Color Universal Design*2 concepts. This update will make it easier and more convenient for the majority of customers to use our ATMs.

*1 Excludes information about hours of operation and fees.
*2 Color Universal Design uses a color scheme that a majority of people find easier to see, regardless of individual differences in color perception.
Enhancing Security of Online Banking Transactions
Japan Post Bank Direct services have various security features in place so that customers can securely use banking services over the internet.

Token (One-Time Password Generator) and E-mail One-Time Password Authentication
JAPAN POST BANK gives customers a free token (one-time password generator) for use with Japan Post Bank Direct, the online banking service.

A token is a small electronic device that displays a one-time password every minute that can only be used once. The token is a security enhancement that helps prevent online crime caused when computers are infected with malware that secretly steals PINs and security question answers when they are entered by a user on a website.

Token (one-time password generator)

Functions to Suspend, Unsuspend Online Account Access
It is possible to prevent third parties from illicitly logging into a user’s account by usually suspending access privileges to Japan Post Bank Direct (except when using mobile phones) and then restoring access privileges only when a user wants to conduct a transaction.

Providing PhishWall Premium Free of Charge
PhishWall Premium *1 is a security software program designed to counter MITB*2 attacks. Customers use this program by installing free PhishWall Client software into their personal computers.

When customers access the JAPAN POST BANK Direct website, the program checks their personal computer and displays a warning message if it detects signs of MITB malware infection. The program can also disable detected MITB malware.

*1 PhishWall Premium is a security software program provided by SecureBrain Corporation.
*2 Man-in-the-browser attack: A security attack that infects a victim’s computer, showing the victim a fake screen and steals personal identification number and password to gain illegal access.

Free Service for Sending Donations for Disaster Relief, Emergency Handling of Savings Accounts
In the event of a natural disaster like an earthquake, typhoon or flood, JAPAN POST BANK offers services for sending disaster relief donations free of charge to the bank accounts of the Japanese Red Cross, community chest societies, as well as public national and local organizations, from bank or post office branches, in order to support activities that provide relief to people adversely affected by the disaster.

The Bank also offers free fund transfers to designated organizations that aim to promote social welfare.
For people who have lost their savings account bankbooks, certificates or personal seals as the result of a natural disaster, and satisfy certain conditions, we will allow them to withdraw funds from their savings accounts for emergency purposes.

Reference: Natural disasters eligible for free money transfers
(As of April 1, 2017)

<table>
<thead>
<tr>
<th>Name of natural disaster</th>
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<tr>
<td>Great East Japan Earthquake (The 2011 off the Pacific coast of Tohoku Earthquake)</td>
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<tr>
<td>Damage caused by heavy rain during Typhoon No. 18 (Ibaraki Prefecture)</td>
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<tr>
<td>2016 Damage caused by an earthquake in the Kumamoto region of Kumamoto Prefecture</td>
</tr>
<tr>
<td>2016 Damage caused by heavy rain during Typhoon No. 10 (Iwate Prefecture)</td>
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<tr>
<td>2016 Damage caused by an earthquake in central Tottori Prefecture</td>
</tr>
<tr>
<td>2016 Damage caused by a massive fire in Itoigawa City, Niigata Prefecture</td>
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</table>
The Bank has prepared the Ecology Guidebook and other guidelines in cooperation with other JAPAN POST GROUP companies. These guidelines set forth concrete methods on how to achieve the “Environmental Vision.” Based on these guidelines, the Bank is implementing measures to increase energy efficiency and conserve resources at all branches and facilities.

The JAPAN POST BANK Environmental Policy was created as a basic guiding principle for activities to conserve the environment, in order to maintain abundance in society and serve as a springboard for tackling global environmental problems.

Reduction in Paper Used with Products and Services

Paperless Account Japan Post Bank Direct+ (Plus)

Without using an account bankbook, customers can take advantage of online banking services via Japan Post Bank Direct to check transactions, account balances and wire money. Customers can also use Japan Post Bank Direct to see their transaction history (that is, parts not printed in their bankbook) and elect to have notifications sent by postal mail concerning maturity dates for their tanpo teigaku and tanpo teiki savings accounts.

The increasing use of Japan Post Bank Direct+ (Plus) will reduce the amount of paper consumed for mailing notifications to customers through the postal service and the paper used in their bankbooks.

Online Service for Viewing Transfer Receipt and Payment Notifications

Customers with transfer accounts can use an online service to view transfer receipt and payment notifications and images of payment transaction receipts.

This online service gives customers the option to stop receiving paper documentation, reducing the consumption of paper.

Reduction in Volume of Copier Paper Used

Employees reduce the volume of copier paper used by checking the screen before printing, printing on both sides or in two-up format, and printing on the back side of used paper.

Reduction in Energy Usage

During the summer when energy usage is at its peak, Group companies work together to conserve energy by wearing cool clothing and adjusting the room temperature. Measures are also taken to make sure power is turned off on equipment (visualization, checklists), while employees are encouraged to use the stairs instead of elevators when going up two floors or down three floors.

Numerical targets (best effort targets): Reduce per-unit energy usage by an average of at least 1% annually over five years

Biodiversity Initiatives

“JP Forest” Creation

As one of the CSR activities undertaken by the JAPAN POST GROUP, the Bank has identified the JP Forest initiatives in a bid to promote the sustainable development of forests. Directors and employees of Group companies take part voluntarily in collaboration with NPOs and other organizations to plant and nurture trees throughout local and regional communities.
Promoting Diversity Management

In addressing the needs of our customers in tune with their life stages, we believe it is essential that each and every employee fully comprehend the rich dimensions of diversity and act in a manner that welcomes change each and every day. With this in mind, JAPAN POST BANK established the Diversity and Inclusion Department on July 1, 2016 in an effort to strengthen diversity management and to promote the use of a diverse range of human resources together with work style reform.

The JAPAN POST BANK Diversity Committee is led by the Director, President and Representative Executive Officer of JAPAN POST BANK, and made up of members with a variety of career backgrounds from various branches, offices and other sites nationwide. The Committee considers policies and measures and makes recommendations on the promotion of diversity management.

The JAPAN POST BANK Diversity Forum is held to foster awareness of diversity throughout the entire Company.

Fostering an inclusive corporate culture
With management playing a central role, the Bank is implementing a variety of educational measures to develop a workplace environment that allows employees with diverse backgrounds to come together with a strong sense of mutual understanding.

Training and Empowering “Ikubosses”
JAPAN POST BANK believes that “Ikubosses”* are essential to realizing workplaces where employees are able to reach their full potential in their professional and private lives. With this in mind, the Bank has joined the Ikuboss Corporate Alliance organized by the NPO Fathering Japan, and is working to train and empower Ikubosses.

* “Ikubosses” refer to supervisors (business leaders and managers) who are considerate of the work-life balance needs of subordinates and other staff with whom they work together in the workplace and are supportive of the professional and private lives of those individuals. In the process, Ikubosses are also able to deliver a strong business performance in their respective organizations in tandem with enjoying their own careers and private lives.

Supporting childcare and work
JAPAN POST BANK has put in place a general business owner action plan based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. The Bank has set the target of lifting the percentage of women in managerial positions to 14% or more by April 1, 2021.

Work-life balance management
JAPAN POST BANK is promoting a framework that allows each and every employee to maintain a balance between work and everyday life. The Bank is also conducting lectures relating to work life balance as a part of training by position and reviewing work styles.

JAPAN POST BANK is putting in place measures with the aim of promoting work-life balance at each employee life cycle stage.

Supporting the nurturing of children, JAPAN POST BANK has received the Kurumin next generation accreditation mark authorized by Japan’s Ministry of Health, Labour and Welfare over three business terms from the fiscal year ended March 31, 2011.
**Initiatives to Reform Work Styles**

JAPAN POST BANK is encouraging employees to take leave systematically while at the same time promoting refresh days when they finish work by the end of regular business hours in order to realize work environments that secure a balance between work and life. Various measures are being taken to reform work styles, such as to improve business efficiency through greater work productivity and higher value added.

**Helping employees shape their careers**

JAPAN POST BANK is helping its employees take the initiative to shape their own careers and fulfill their aspirations. Through a series of seminars and other measures that allow employees to map out their own plan, the Bank is providing opportunities to pick up on and learn about the attributes required to advance their careers.

The Bank also recognizes the importance of providing its employees with the ability to manage the work and personnel that are specific to a particular position. As a result, steps have been taken to put in place position-specific training. Participants undergo a simulation mapping out certain paths and careers. Candidates for managerial positions also take part in management training*1 while also participating in round table talks with senior managers as part of the Bank’s mentoring program.

Complementing these initiatives, our mentor program*1*2 is designed to provide the wide-ranging follow-up and training necessary to help employees grow in the future.

*1 Open to all candidates irrespective of gender.

*2 A human resource training method. An initiative to support the growth of employees through dialogue with senior management who impart their advice (mentoring).

**Employment Opportunities for the Physically and Mentally Challenged**

JAPAN POST BANK is actively engaged in providing employment opportunities to the physically and mentally challenged. Individuals with disabilities continue to excel throughout the Bank’s nationwide network of branches.

In 2010, the Bank established the JAPAN POST BANK ARIGATO Center as a part of efforts to provide individuals who are mentally challenged and seeking employment with the opportunity to work.

At this center, individuals with disabilities bag candy, which is handed to customers visiting branches as a part of the Bank’s customer appreciation initiative.

(Reference) Rate of employees with disabilities

<table>
<thead>
<tr>
<th>(Target) Statutory employment rate of persons with disabilities</th>
<th>The Bank’s employment rate of persons with disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.0%</td>
<td>2.52%</td>
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</tbody>
</table>

(As of June 1, 2017)

**Dialog is Key to Diversity Management Making Everyone Happy**

In its entirety, Japan is an archipelago of islands, more than 400 of which are inhabited, that stretches over a considerable distance from north to south. In addition to its four distinct seasons, the nation is said to exhibit the world’s leading geographical diversity.

For over 140 years, we have continued to support Japan’s retail finance sector through a variety of initiatives. This includes putting in place the necessary finance infrastructure to address the lifestyle needs of each community with its own unique attributes and to provide deposit and finance education targeting children.

Society has been undergoing rapid changes, with evolving economic and industrial structures, demographics, employment models, families as well as greater diversity in lifestyles. I believe management’s utmost priority is to draw out the potential and diverse skills of employees. In the previous fiscal year, we focused on “understanding and spreading awareness,” and this fiscal year we are concentrating on “execution.” We have formed Yucho Diversity Committees with men and women as members in 13 areas spanning the country. We are taking steps to resolve issues identified in each area.

I believe “dialog” is the most important aspect of promoting diversity. By empathizing with and understanding the positions of others, we can communicate our opinions and thoughts openly. I believe this is the first step in diversity. We will promote diversity with the aim of being a trustworthy bank of integrity and a limitless capacity for warm-heartedness and friendliness toward people.

* Photo: Akiko Kudo

Yoko Makino
Executive Officer

* Photo: Akiko Kudo
Education

Harnessing its attributes as a financial institution, JAPAN POST BANK is deeply involved in the education of the next generation as a part of its ongoing efforts to contribute to society.

Financial Education
JAPAN POST BANK conducts financial education classes at elementary and junior high schools. Utilizing proprietary teaching materials, the Bank strives to instill in young children the importance of financial management by giving them a sense of the value of money.

In the fiscal year ended March 31, 2017, the Bank offered a total of 74 classes about finance at 49 elementary and junior high schools.

Piggy Bank Design Contest for Children
With the objectives of heightening children’s interest in saving and fostering their artistic creativity by making piggy banks, we hold the JAPAN POST BANK original piggy bank design contest for elementary school students. We started the contest in 1975 to commemorate the founding centennial of postal savings services in Japan. The fiscal year ended March 2017 marked the 41st contest.

This year, we received 796,917 piggy bank entries from 11,227 elementary schools across Japan. Of the submissions that passed the judges at each elementary school, the first round of screening (using photographs) led to the advancement of 240 piggy bank entries that were deemed exceptional to the final stage of screening (using the actual piggy bank). Awards were then decided for these entries, including the Minister of Education Award, the JAPAN POST BANK Award, the Post Office Award, the Honorable Mention Award, and the Good Design Idea Award. From December 2016 to February 2017, the 240 piggy bank entries that won an award were then put on display in seven locations around the country (in Tohoku, Kanto, Tokyo, Chubu, Kansai, Chugoku, and Kyushu).

In the fiscal year ended March 2017, we donated ¥10 for every piggy bank entry received (a total of ¥7,969,170) to the Japan Committee for UNICEF and JICA. Each fund was given ¥3,984,585 to use to provide aid to children suffering from poverty and illness in developing countries.

The First New Year’s Gifts and Greetings Cards
Every year since 2015, JAPAN POST BANK and JAPAN POST have given newborn children their very first New Year’s Gifts and Greetings Cards. During the campaign period, we gave children opening their first regular savings account a New Year’s Gift (¥1,000) and we also delivered a New Year’s Greeting Card on January 1, either from JAPAN POST or JAPAN POST BANK.

JAPAN POST and JAPAN POST BANK support the upbringing of children by protecting their savings as financial institutions that will be with them for the rest of their lives.