

April 27, 2022

Company Name: JAPAN POST BANK Co., Ltd.

Representative: IKEDA Norito, Director, President and Representative Executive Officer  
(Securities Code: 7182, Tokyo Stock Exchange Prime Market)

**Notice of Start of New Service**  
**-The launch of the intermediary services for conclusion of discretionary investment contracts ("Yucho Fund Wrap")**

JAPAN POST BANK Co., Ltd. (Chiyoda-ku, Tokyo; Director, President and Representative Executive Officer IKEDA Norito, "Japan Post Bank") announces to launch intermediary services for conclusion of discretionary investment contracts provided by Daiwa Securities Co. Ltd. (Chiyoda-ku, Tokyo; Representative Director and President NAKATA Seiji, "Daiwa Securities"), from May 9, 2022.

We are pleased to announce that we have decided to start handling the service in all directly-operated branches.

\* Please refer to the "Notice of Regulatory Approval of New Service", issued on March 29, 2022.

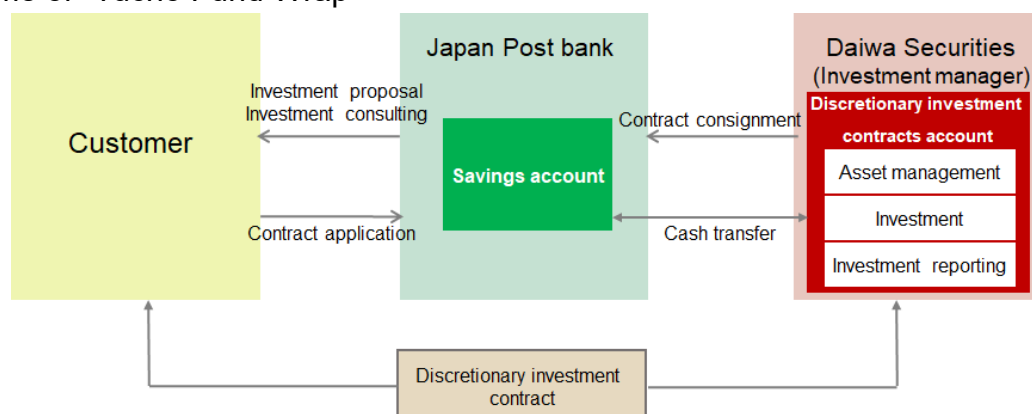
[Business outline]

1 Outline of the new service

Japan Post Bank and Daiwa Securities have been working on the development of new consulting services that meets the lifestyle and needs of each customer. By utilizing know-how that both companies have cultivated, we launch "Yucho Fund Wrap" service which provides an optimal portfolio based on customer's thoughts on asset management tailored to changes in customer life plans and household situations.

The service will allow us to respond to needs, such as thoughts on life plans and asset management that differ for each customer. We will endeavor to provide customer-oriented asset management services through the provision of life plan consulting with our customers.

Scheme of "Yucho Fund Wrap"



## 2 "Yucho Fund Wrap" logo



## 3 Details of "Yucho Fund Wrap"

Contract age, etc.	domestic resident customers, over the age
Contract amount	3 million yen or more 10,000 yen unit
Operation port	<ul style="list-style-type: none"><li>• Up to 5 according to the customer's operational purpose, etc.</li><li>• Available in units of 100,000 yen or more and 10,000 yen for each operation unit</li></ul>
Investment	<p>The following 11 investment trusts are exclusively for "Yucho Fund Wrap".</p> <ul style="list-style-type: none"><li>• Daiwa Domestic Bond Index (for fund wrap only)</li><li>• Daiwa Developed Government Bond Index (with currency hedge) (for fund wrap only)</li><li>• Daiwa Developed Government Bond Index (without currency hedge) (for fund wrap only)</li><li>• Nissay Emerging Markets Bond Index (for fund wrap only)</li><li>• Daiwa Domestic Stock Index (for fund wrap only)</li><li>• Nissay Developed Country Equity Index (with currency hedge) (for fund wrap only)</li><li>• Nissay Developed Country Equity Index (without currency hedge) (for fund wrap only)</li><li>• Nissay Emerging Markets Equity Index (for fund wrap only)</li><li>• Resona Domestic REIT Index (for fund wrap only)</li><li>• Nissay Overseas REIT Index (with currency hedge) (for fund wrap only)</li><li>• Nissay Overseas REIT Index (without currency hedge) (for fund wrap only)</li></ul>
Optional service	Regular receipt service, regular reserve service, stable operation switching setting, Yucho Fund Wrap Web service
Operation report	<ul style="list-style-type: none"><li>• Quarterly, in the "Operation Report and Transaction Balance Report"</li><li>• Able to check the operational status at any time with "Yucho Fund Wrap Web Service"</li></ul>

#### 4 Impact on business performance

The impact of this matter on Japan Post Bank's business performance is expected to be insignificant, but if there is a need to revise the business forecast or matters to be announced in the future, these will be promptly disclosed.

Over the medium to long term, Japan Post Bank believes that these services are necessary from the perspective of enhancing customer convenience and ensuring the stable management of Japan Post Bank.

#### 【Commissions and risks associated with transactions】

##### <Expenses such as fees>

- The cost paid by the customer with "Yucho Fund Wrap" is calculated by multiplying the market value of the contract asset by 1.54% (annual rate, tax included). In addition to the discretionary investment fee, you will be required to bear the trust fee of 0.0550% to 0.1298% (annual rate, tax included) of the investment trust to be invested.  
\* In addition, for the investment trust to be invested, audit fees, fees related to the purchase and sale of securities, expenses for storing assets in foreign countries, etc. will be borne, but these will vary depending on the operational status, etc. It is not possible to indicate the rate, maximum amount, etc. in advance.

##### <Risks in investing>

- "Yucho Fund Wrap" is a transaction that manages investment trust securities based on discretionary investment contracts, not deposits and savings. Therefore, the investment performance will change according to the price fluctuations of the investment trust to be invested. Therefore, the amount (principal) of the contract asset is not guaranteed and may be interrupted. In addition, all profits and losses from investment belong to the customer as an investor.
- A discretionary investment contract means that one of the parties makes all or part of the investment decision based on the analysis of the value of financial products from the other party.  
It is a contract that is left to the discretion and is delegated the authority necessary to make an investment for the other party based on the investment decision.
- Investment trusts invest in domestic and foreign stocks, bonds, REITs, and multiple investment trust securities that are substantial investment targets, so the base price fluctuates greatly depending on the actual price of the investment target. Of these substantial investment targets, foreign currency-denominated assets have foreign exchange risk. If the exchange rate of the foreign currency advances in the direction of yen appreciation, it may cause the price to fall on a yen basis and may interrupt the investment principal. "With currency hedge" does currency hedging, but it does not eliminate all the effects. In addition, there are costs associated with currency hedging. "Without currency hedge" does not hedge the exchange rate, so it is directly affected by exchange rate fluctuations.

##### <Points to keep in mind when investing>

- Please read carefully before applying as we will give you a "document delivered before the conclusion of the contract" when proposing the operation by "Yucho Fund Wrap" to the customer.
- When applying for "Yucho Fund Wrap", please check the contract details in the "Service Description and Discretionary Investment Contract".
- "Yucho Fund Wrap" is a discretionary investment management service provided by Daiwa Securities, and the contractor is Daiwa Securities. Japan Post Bank does not provide discretionary investment management services.
- Japan Post Bank mediates discretionary investment contracts concluded between customers and Daiwa Securities based on the contract with Daiwa Securities, and Daiwa Securities manages the assets under management.
- "Yucho Fund Wrap" is not a deposit / savings and is not covered by the deposit insurance system.
- The provisions of Article 37-6 of the Financial Instruments and Exchange Act (so-called cooling-off) do not apply to discretionary investment contracts under "Yucho Fund Wrap".

Trade name, etc.

##### <Consignment financial instruments business operator>

Trade name, etc.: Daiwa Securities Co. Ltd. Financial Instruments Business Operator Kanto Local Finance Bureau Director (Kinsho) No. 108

Membership Associations: Japan Securities Dealers Association, Japan Investment Advisers Association, General Incorporated Association Financial Futures Trading Association, General Incorporated Association Type 2 Financial Instruments Business Association, General Incorporated Association Japan STO Association

##### <Registered financial institution>

Trade name, etc.: JAPAN POST BANK Co., Ltd. Registered financial institution Kanto Local Finance Bureau Director (Tokin) No. 611

Membership Association: Japan Securities Dealers Association