

UNOFFICIAL TRANSLATION

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.

September 30, 2019

Company name: JAPAN POST INSURANCE Co., Ltd.

Representative: Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer

Stock exchange listing: Tokyo Stock Exchange First Section (Code Number: 7181)

**Supplementary materials for “(Update on the Previous Disclosure)
Interim Report and Future Initiatives on Investigation of Rewritten Insurance Policies”**

With regard to the initiatives announced in the release entitled “(Update on the Previous Disclosure) Interim Report and Future Initiatives on Investigation of Rewritten Insurance Policies” dated September 30, 2019, JAPAN POST INSURANCE Co., Ltd. (“Japan Post Insurance”; Chiyoda-ku, Tokyo; Mitsuhiko Uehira, Director and President, CEO, Representative Executive Officer) is announcing that we have prepared the supplementary materials, as per the attachment.

Interim Report on Investigation of Rewritten Insurance Policies

September 30, 2019



JAPAN POST INSURANCE

Introduction -Summary of Interim Report-

1. Japan Post Insurance investigated the solicitation process for specified rewriting cases (183 thousand cases). Based on answers from customers as well as other investigation results, we have identified cases involving potential violation of laws and regulations or internal rules (6,327 cases: please refer to the list below for details). We will conduct additional investigations to confirm whether there were any violations of laws and regulations or internal rules.
2. Approximately 26 thousand customers have requested detailed explanations on policy reinstatement. For cases where we recognize that disadvantages were caused to customers not in line with their intentions, we will send the documents detailing the reinstatement procedure to customers and respond to customers' requests as promptly as possible.
3. Going forward, we will continue to take a sincere approach to listening to our customers through various opportunities. We strive to implement true 'Customer-first Business Operations' through measures such as providing recompense for customers' disadvantages and improving our business procedures based on the voices of customers to regain their trust.

Category	Outline of Specified Case to be Investigated	Number of cases to be investigated ^{1,2}	Number of cases for which customers' intention have been confirmed ²	Number of cases involving potential violation of laws and regulations or internal rules ²
A	Rewriting cases in which the previous policy was cancelled but the new policy underwriting were declined	18 thousand	6,751	266
B	Rewriting cases in which subsequent benefit payments were declined as a result of cancelation of the new policy due to breach of the duty to disclose important matters	3 thousand	305	49
C	Rewriting cases in which sales personnel could have made more reasonable proposal such as switching riders or decreasing insurance amounts	26 thousand	8,857	76
D	Cases in which the policy coverage and period did not change after rewriting, but the assumed rate of return decreased	15 thousand	4,817	135
E	Cases of overlapping insurance because the previous policy was canceled after the rewriting period (cancelled during the period seven to nine months after date of writing of the new policy)	75 thousand	32,959	5,449
F	Cases in which the previous policy was canceled during the period four to six month before the date of writing new policy	46 thousand	14,331	352
Total		183 thousand	68,020	6,327

1. Within each category, policies with the same policyholder and same application date are counted as one case. The total number of policies is approximately 194 thousand.

2. Figures as of September 27, 2019.

1) Overall Structure of the Investigation of Insurance Policies

- Japan Post Insurance is conducting an investigation of specified rewriting cases and an investigation of all insurance policies excluding the specified rewriting cases.

Overall Structure of the Investigation

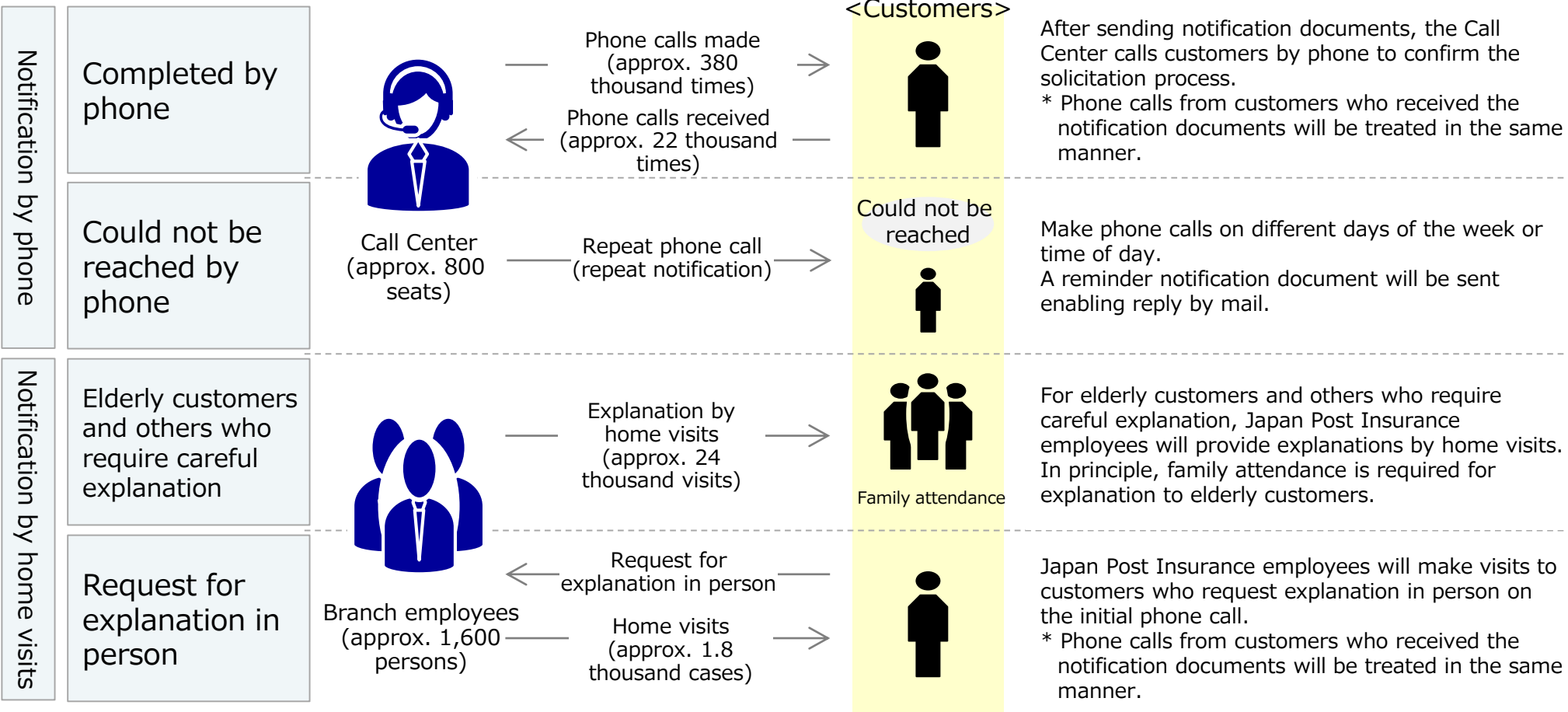
Category	Details	Number of cases/policies
Investigation of Specified Rewriting Cases	Identifying rewritten insurance policies for each case category from past transaction data, and investigating the solicitation process for such policies to check for any violation of laws and regulations or internal rules.	183 thousand cases
Investigation of All Insurance Policies	Sending notification documents with reply cards to all policyholders (other than specified rewriting cases) asking them to reconfirm their intentions and let us know of any points we should be aware of.	Approx. 30 million policies

*We are conducting the investigation in an appropriate manner by providing explanations to and receiving advice from the Special Investigative Committee composed of neutral and fair external experts, regarding the methods for confirming customers' intentions as well as for analyzing the information obtained.

2) Flow of the Investigation of Specified Rewriting Cases

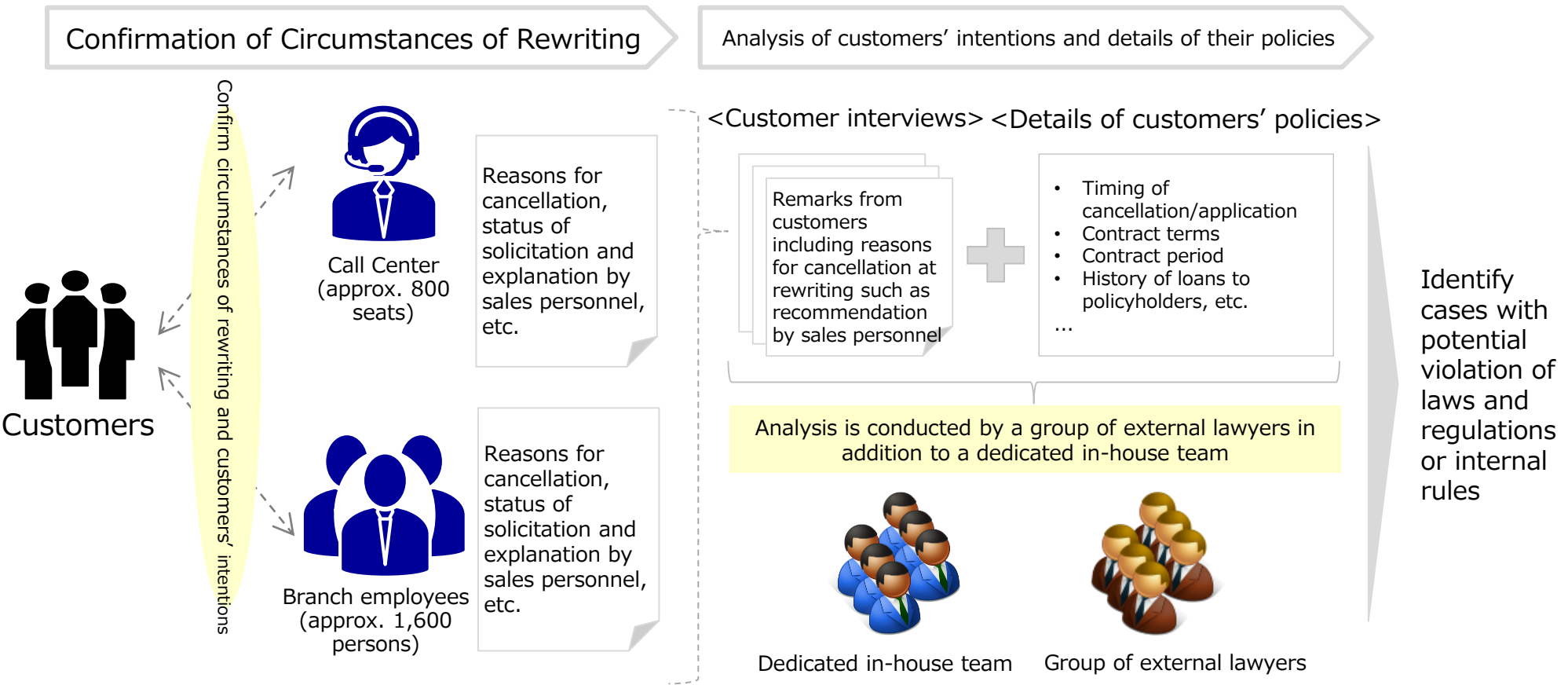


After sending notification documents, customers' intentions are confirmed as below:



3) Method of Analysis for the Investigation of Specified Rewriting Cases

- In the investigation of specified rewriting cases, the solicitation process will be investigated through phone calls or home visits. A dedicated in-house team and a group of external lawyers will analyze each case comprehensively to examine whether there were any violations of laws and regulations or internal rules.
- We are conducting the investigation in an appropriate manner by providing explanations to and receiving advice from the Special Investigative Committee composed of neutral and fair external experts, regarding the methods for confirming customers' intentions as well as for analyzing the information obtained.



4) Confirmation of Customers' Intentions

- We will confirm customers' intentions through various methods.

Confirmation status	Follow-up measures
Customers already contacted	
Customers whose intentions have been confirmed	
Customers who requested detailed explanations on policy reinstatement	For cases where we recognize that disadvantages were caused to customers not in line with their intentions, we will send the documents detailing the reinstatement procedure to customers and respond to customers' requests as promptly as possible.
Customers who do not request detailed explanations on policy reinstatement	We will send documents to confirm their final intentions together with appreciation for their cooperation.
Customers for whom we will confirm the intentions at a time and in a manner convenient to such customers	We will proceed with confirmation of customers' intentions through phone calls or home visits.
Customers whose cooperation with the investigation we have not been able to obtain	We will request cooperation again by sending answer sheets with reply envelopes.
Customers we have not been able to contact	
Customers we have not been able to contact despite multiple phone calls on different days of the week or at different times of day	We will send answer sheets with reply envelopes and continue our efforts to contact such customers.
Customers whose registered telephone number is incorrect	We will send notification documents with reply envelopes so customers can reply by mail.
Customers whose documents did not arrive due to incorrect mailing addresses	we will investigate their current addresses and resend the notification documents.

5) Sending the Notification of Policy Coverage

- In October, we will send the 'Notification of Policy Coverage' documentation to all current policyholders notifying them of their contracts such as policy coverage and premiums and requesting that policyholders inform of any queries or uncertainties they may have.

Notification of Policy Coverage

ご契約内容の確認方法

同封の「ご契約内容のお知らせ」をお手元にご用意の上、ご契約内容の確認をお願いします。

保険契約者さまと被保険者さまが異なる場合は、被保険者さまにもご確認いただけてください。

右の1~5の項目をお読みになり、「ある」または「済んでいない」にチェック☑が入った項目は、お手続き方法をご確認の上、お早めにお手続きください。

ご確認後は、この冊子も「ご契約内容のお知らせ」と一緒に、お手元に大切に保管してください。

「ご契約内容のお知らせ」見本

ご契約内容のお知らせ	1 住所や氏名などの変更はありませんか？ *氏名に旧字体が含まれる場合は、一部新字体で表示されることがあります。 *生年月日の登録内容を今一度ご確認ください。	<input type="checkbox"/> ない <input type="checkbox"/> ある	お手続きの必要はございません。
保険料の払込方法や払込状況に間違いありませんか？	2	<input type="checkbox"/> ない <input type="checkbox"/> ある	お手続き方法は P.5の①②へ
満期保険金等をお受け取りいただく振込先口座の指定はお済みですか？ 振込先口座を指定していると、支払期日に、ご指定の口座へ満期保険金等を自動で振り込みます。	3	<input type="checkbox"/> 済んでいる <input type="checkbox"/> 済んでいない	ご不明な点は 保険契約者ご本人から かんぽコールセンター (0120-552-950)へ お問い合わせください。
保障内容をご確認ください。 ●請求していない保険金等はありませんか？ ●病気やケガで入院したり、手術をしたことはありませんか？	4	<input type="checkbox"/> ない <input type="checkbox"/> ある	お手続き方法は P.5の④へ
保険金受取人や指定代理請求人の指定はお済みですか？ 指定されていると、保険金のお受け取りなどのお手続きがスムーズに行えます。 *保険契約者と保険金受取人が異なる場合、お受け取りになる保険金によっては、保険金受取人への贈与とみなされる場合があります。	5	<input type="checkbox"/> 済んでいる <input type="checkbox"/> 済んでいない	ご不明な点は 保険契約者ご本人から かんぽコールセンター (0120-552-950)へ お問い合わせください。
登録ご家族の登録はお済みですか？ 登録されていると、登録されたご家族からご契約内容についてお問い合わせいただけます。		<input type="checkbox"/> 済んでいる <input type="checkbox"/> 済んでいない	お手続き方法は P.5の⑥へ

ご利用の条件
*保険契約者と保険金受取人が同じ方であること。
*満期保険金、生存保険金、学費祝いおよび健康祝金の受け取りであること。
*保険料の払込方法が口座払込み(保険契約者名義)の場合、原則、振込先口座は保険料振替口座と同一であること。

スムーズに保険金を受け取れたわ！

貸付可能金額、貸付利用状況をご確認ください。 *【最新の貸付状況】の欄に返済の状況は表示していません。

ご返済について

- 貸付金のご返済がないまま貸付日から1年を経過すると貸付利率が上がります。貸付利率上昇後、さらに1年を経過すると貸付金精算すると貸付金額・年金額が減額されます。
- 利息のみをご返済いただき、新たに貸付を受け直すなどの方法により、貸付期間を更新することができます。その場合、貸付利率は上昇させられず、新たな貸付日における貸付利率が適用されます。

6) Provide information on our initiatives through TV commercials and the “My Page” function

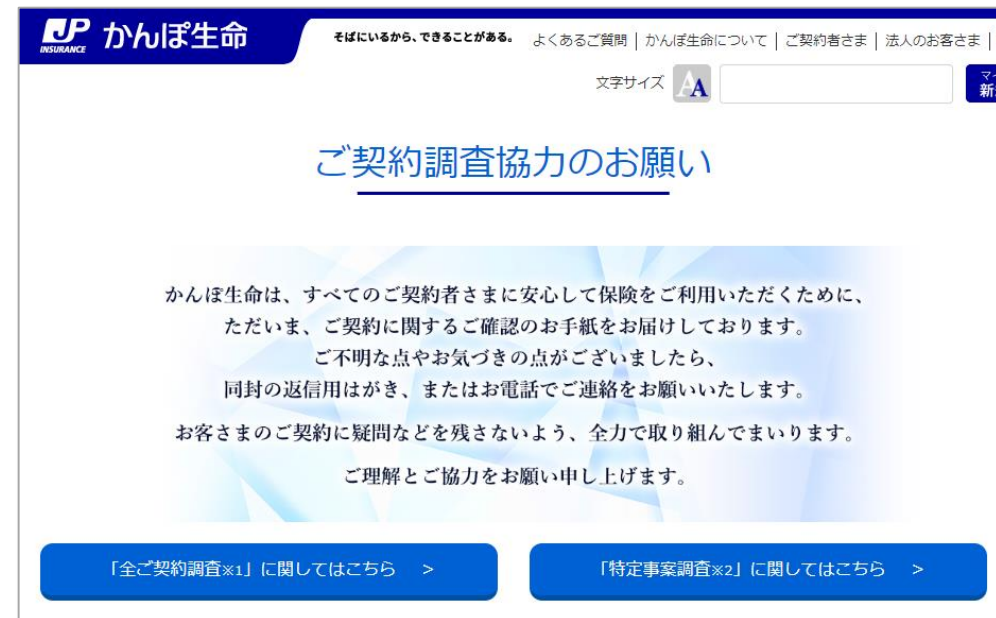
- We have been airing TV spots asking customers’ cooperation with our investigation (started August 31 and scheduled to air approximately 120 times through the end of October; consider extending such commercials to November). We are also preparing to enable responses to the investigation thorough the “My Page” function on our website. Through these and other extensive measures, we will continue to announce our initiatives and respond to our customers’ requests.

TV commercials



The screenshot shows a white background with the Kanbo Life Insurance logo (JP INSURANCE かんぽ生命) in the top right corner. The main text is centered and reads: "この度は、かんぽ生命の保険契約についてご迷惑とご心配をおかけしていることを深くお詫び申し上げます。" Below this, the contact information is displayed: "コールセンター 0120-552-950" with a smaller note "(平日9~21時 土日9~17時)". At the bottom, there is a search bar with "かんぽ生命" entered and a "検索" button.

Official website



The screenshot shows the top portion of the Kanbo Life Insurance website. The header includes the logo and navigation links: "そばにいるから、できることがある。 よくあるご質問 | かんぽ生命について | ご契約者さま | 法人のお客さま | マイ新着". A search bar with "文字サイズ" and a magnifying glass icon is visible. The main heading is "ご契約調査協力のお願い". The body text reads: "かんぽ生命は、すべてのご契約者さまに安心して保険をご利用いただくために、ただいま、ご契約に関するご確認のお手紙をお届けしております。ご不明な点やお気づきの点がございましたら、同封の返信用はがき、またはお電話でご連絡をお願いいたします。お客さまのご契約に疑問などを残さないよう、全力で取り組んでまいります。ご理解とご協力をお願い申し上げます。" At the bottom, there are two blue buttons: "「全ご契約調査※1」に関してはこちら >" and "「特定事案調査※2」に関してはこちら >".

Going forward, we will continue to take a sincere approach to listening to our customers through various opportunities. We strive to regain the trust of customers and implement true 'Customer-first Business Operations' through measures such as providing recompense for customers' disadvantages and improving our business procedures based on the voices of customers.

Reference materials

(Reference) What Is Rewriting? (1/2)

- The rewriting of policies is switching insurance contracts in order to adjust the contents or products to changes in the customers' needs, such as updating coverage, changing coverage according to the customer's life stage, or changing the policy period including extending coverage to whole life.

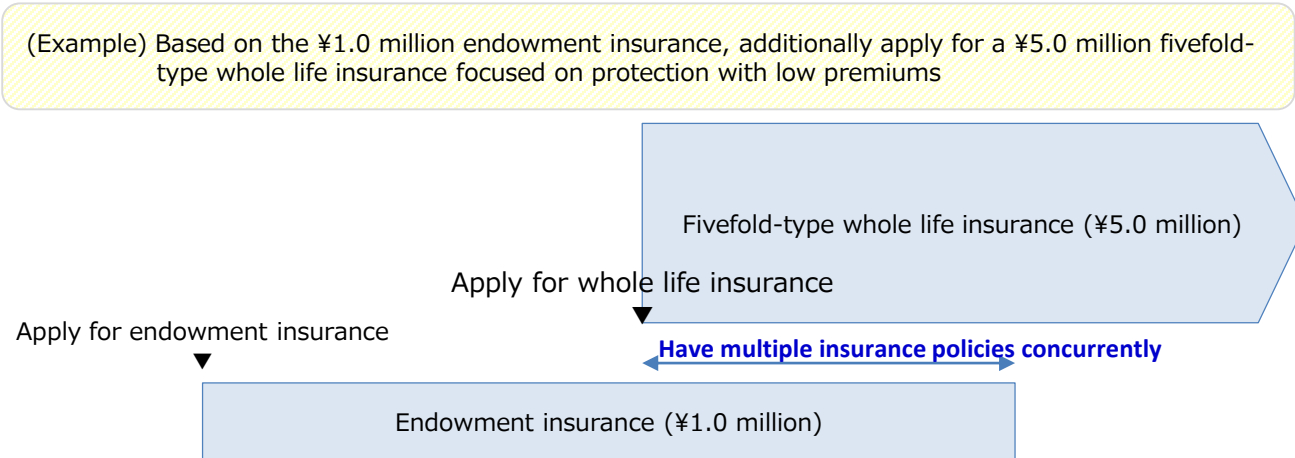
Purpose of rewriting		Examples
Change in coverage	<ul style="list-style-type: none"> Updating coverage to the latest products available 	<ul style="list-style-type: none"> Upon the revision of medical care riders (October 2017), update medical protection to add five days worth of coverage even for one day of hospitalization to enhance coverage for short-period hospitalization, cover out-patient operations, etc.
	<ul style="list-style-type: none"> Change coverage according to the customer's life stage 	<ul style="list-style-type: none"> Switch from savings-type product to protection-type product upon the birth of a child Switch from protection-type product to savings-type product upon a child leaving the household, or to prepare for old age
Change in insurance period	<ul style="list-style-type: none"> Extend coverage to whole life to protect against future health concerns 	<ul style="list-style-type: none"> Switch from endowment insurance to whole life insurance, and extend coverage to whole life for example due to rising future health concerns upon a relative developing cancer, and to prevent the risk of insurance application being declined
	<ul style="list-style-type: none"> Change maturity age according to raised mandatory retirement age 	<ul style="list-style-type: none"> As the mandatory retirement age has been raised from 60 years old to 65 years old, switch from endowment insurance reaching maturity at 60 years old to endowment insurance reaching maturity at 65 years old to extend insurance period and secure funds for life after retirement

(Reference) What Is Rewriting? (2/2)

- There are two types of rewriting: 1) Cancellation after new contract underwritten, and 2) New application after cancellation.
- 1) Cancellation after new contract underwritten has the benefit that the customer will not be left uninsured if underwriting is declined. Coverage of the old and new policies overlaps temporarily. While protection for that period will be expanded, premium payment will increase as well.
- 2) New application after cancellation enables less premium payment, but there is a possibility of an uninsured period.

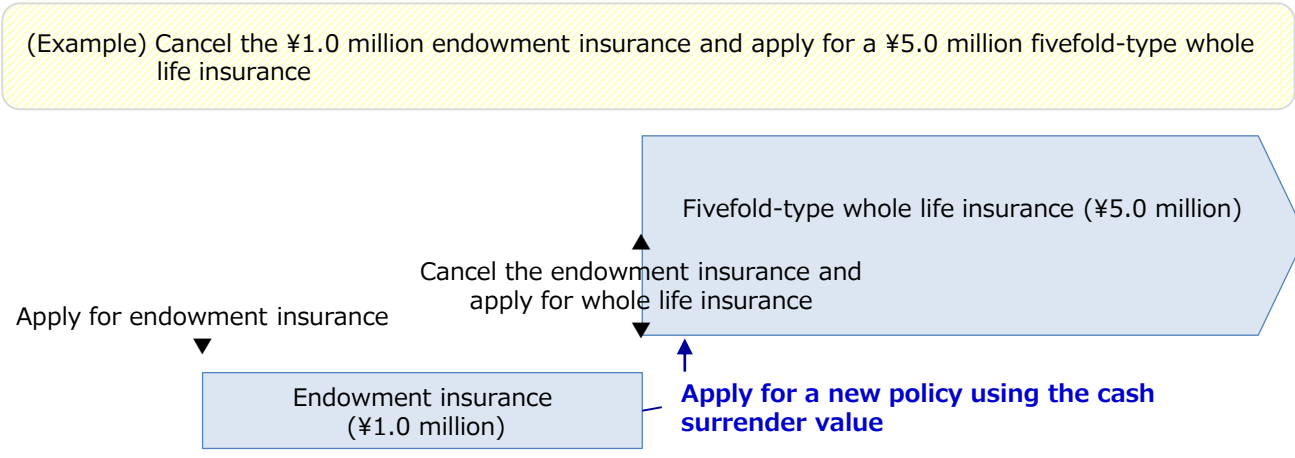
[Case 1: Cancellation after new contract underwritten]
 Increased protection need upon the birth of a child. As the premiums for the existing product is manageable, additionally apply for a protection-type product

⇒ **Have multiple insurance policies concurrently**



[Case 2: New application after cancellation]
 Increased protection need upon the birth of a child. However, as increase in premiums is not desired, switch to a protection-type product

⇒ **Cancel the existing policy and apply for a new policy using the cash surrender value**

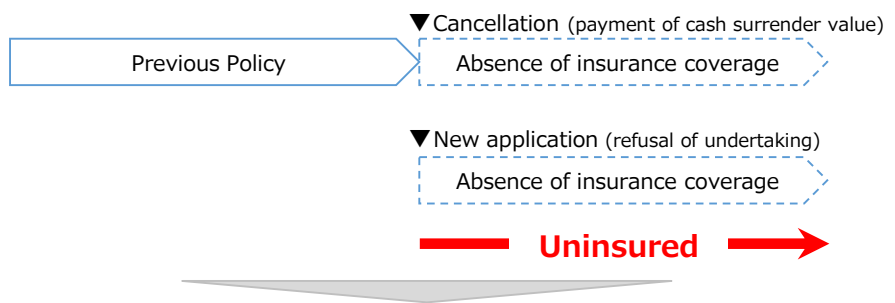


(Reference) Investigation of Specified Rewriting Cases (1/3)

- For cases where we recognize that disadvantages were caused to customers not in line with their intentions, we will send the documents detailing the reinstatement procedure to customers and respond to customers' requests as promptly as possible.

Category A: Rewriting cases in which the previous policy was cancelled but the new policy underwriting were declined

[Typical case]
 The policyholder applied for a new insurance policy following the cancellation of the original policy. However, the application was declined due to medical record, etc. leaving the policyholder without an insurance policy (insurance coverage).



[Suggested handling of a policyholder whose intention is clarified]

- The previous insurance policy before the rewriting shall be reinstated.
- The reinstatement shall involve the following premium and other adjustments.

Payment to the policyholder

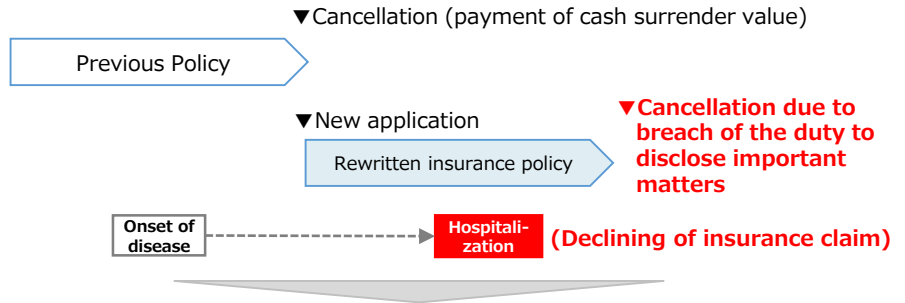
- ✓ Insurance payment (in the case where insurable losses have occurred during the uninsured period, such as hospitalization)

Payments to be made by the policyholder

- ✓ Cash surrender value that had been paid for the policy before the rewriting
- ✓ Insurance premium applicable to the period from the cancellation of the policy before the rewriting up to its reinstatement

Category B: Rewriting cases in which subsequent benefit payments were declined as a result of cancellation of the new policy due to breach of the duty to disclose important matters

[Typical case]
 The insurance policy newly entered into by the policyholder after the cancellation of the original policy was rescinded, on the grounds that declaration was not accurately made at the time the new policy was applied, resulting in the decline of insurance claim.



[Suggested handling of a policyholder whose intention is clarified]

- The previous insurance policy shall be reinstated, while the policy after the rewriting shall be annulled.
- The reinstatement, etc. shall involve the following premium and other adjustments.

Payment to the policyholder

- ✓ Insurance payment for hospitalization
- ✓ Insurance premiums already paid for the policy after the rewriting

Payments to be made by the policyholder

- ✓ Cash surrender value that had been paid for the policy before the rewriting
- ✓ Insurance premium applicable to the period from the cancellation of the policy before the rewriting up to its reinstatement
- ✓ Cash surrender value that had been paid at the time when the policy after the rewriting was rescinded due to the breach of duty to disclose important matters

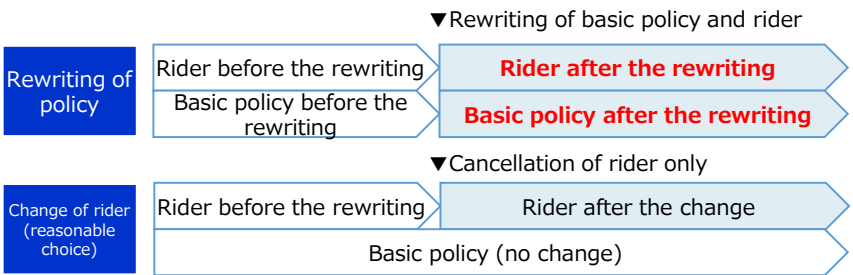
* The above is a suggested way to deal with the typical case, and it should not be understood that the Company shall offer these solutions to all policyholders indiscriminately. Each policyholder shall be dealt with on a case-by-case basis, in consideration of whether insurance benefits are payable or not, along with the policyholder's intent, etc.

(Reference) Investigation of Specified Rewriting Cases (2/3)

Category C: Rewriting cases in which sales personnel could have made more reasonable proposal such as switching riders or decreasing insurance amounts

[Typical case]

The policyholder's needs to have fuller healthcare protection were met by the proposal and implementation of a solution involving the cancellation of both basic policy and riders to be followed by the issuance of new policy. In this situation, however, the policyholder's needs could well have been better served by just switch to the riders without cancelling the basic policy.



[Suggested handling of a policyholder whose intention is clarified]

- Rewriting of policy shall be annulled, while change of rider shall be enforced at the time when rewriting took place all on a retroactive basis.
- Retroactive switch of rider shall involve the following adjustments

Payment to the policyholder

- ✓ Insurance premium already paid for the basic policy plus rider after the rewriting

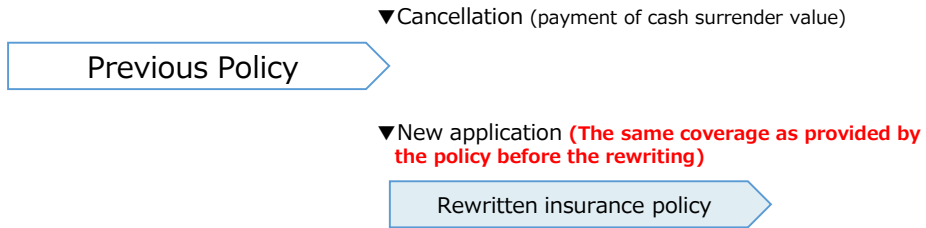
Payments to be made by the policyholder

- ✓ Cash surrender value, etc. on the basic policy plus rider before the rewriting
- ✓ Premium applicable to the rider after the rewriting
- ✓ Unpaid premium applicable retroactively to the reinstated basic policy

Category D: Cases in which the policy coverage and period did not change after rewriting, but the assumed rate of return decreased

[Typical case]

After the cancellation of the original policy, the policyholder is covered by the new policy with the same basic coverage but the assumed rate of return is lowered.



[Suggested handling of a policyholder whose intention is clarified]

- The previous policy shall be reinstated, while the policy after the rewriting shall be annulled.
- The reinstatement, etc. shall involve the following adjustments.

Payment to the policyholder

- ✓ Insurance premium already paid for the policy after the rewriting

Payments to be made by the policyholder

- ✓ Cash surrender value that had been paid for the policy before the rewriting
- ✓ Insurance premium applicable to the period from the cancellation of the policy before the rewriting up to its reinstatement

* The above is a suggested way to deal with the typical case, and it should not be understood that the Company shall offer these solutions to all policyholders indiscriminately. Each policyholder shall be dealt with on a case-by-case basis, in consideration of whether insurance benefits are payable or not, along with the policyholder's intent, etc.

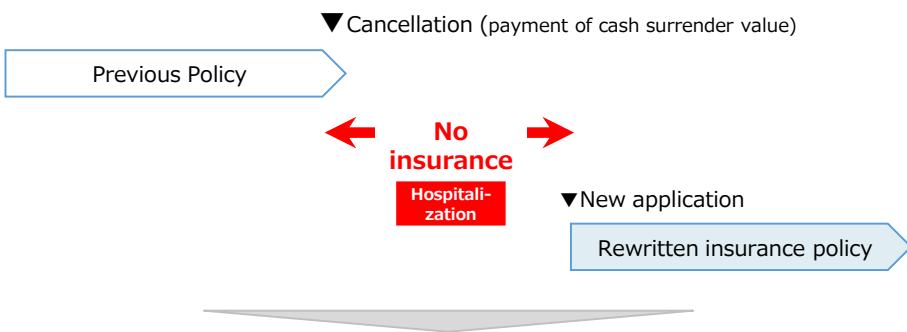
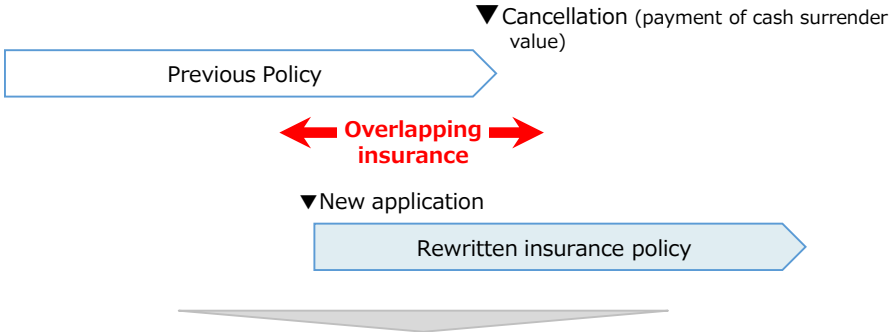
(Reference) Investigation of Specified Rewriting Cases (3/3)

Category E: Cases of overlapping insurance because the previous policy was canceled after the rewriting period (cancelled during the period seven to nine months after date of writing of the new policy)

Category F: Cases in which the previous policy was canceled during the period four to six month before the date of writing the new policy

[Typical case]
 The policyholder applied for a new policy after cancellation of the previous policy, but had period of no insurance because the previous policy was canceled before the rewriting period (canceled during the period four to six months before the date of writing the new policy).

[Typical case]
 The policyholder had overlapping insurance because the previous policy was canceled after the rewriting period (cancelled during the period seven to nine months after date of writing of the new policy).



[Suggested handling of a policyholder whose intention is clarified]

- Cancellation of the policy before the rewriting shall be accelerated retroactively to the time of application for the policy after the rewriting.
- This procedure shall involve the following adjustments.

Payment to the policyholder

- ✓ Premium applicable to the period under the overlapping insurance
- ✓ Cash surrender value, etc. on the policy before the rewriting if case of retroactive cancellation

Payments to be made by the policyholder

- ✓ Cash surrender value that had been paid for the policy before the rewriting

[Suggested handling of a policyholder whose intention is clarified]

- The previous insurance policy shall be reinstated, and cancellation shall be delayed retroactively to the time of application for the policy after the rewriting.
- This procedure shall involve the following adjustments.

Payment to the policyholder

- ✓ Insurance payment for hospitalization
- ✓ Cash surrender value on the policy before the rewriting which was reinstated (the amount applicable if the previous insurance policy was canceled when the rewriting was applied)

Payments to be made by the policyholder

- ✓ Cash surrender value that had been paid for the policy before the rewriting (the amount already paid)
- ✓ Insurance premium applicable for the period with no insurance

* The above is a suggested way to deal with the typical case, and it should not be understood that the Company shall offer these solutions to all policyholders indiscriminately. Each policyholder shall be dealt with on a case-by-case basis, in consideration of whether insurance benefits are payable or not, along with the policyholder's intent, etc.