

Toward the Creation of a Sustainable Society

Resona's Definition of Sustainable Society

A society in which people support each other both in the present and for the sake of future generations and in which each individual is empowered to fully realize their unique personality and potential with the shared hope of creating a brighter future

Promoting Sustainability Transformation (SX)

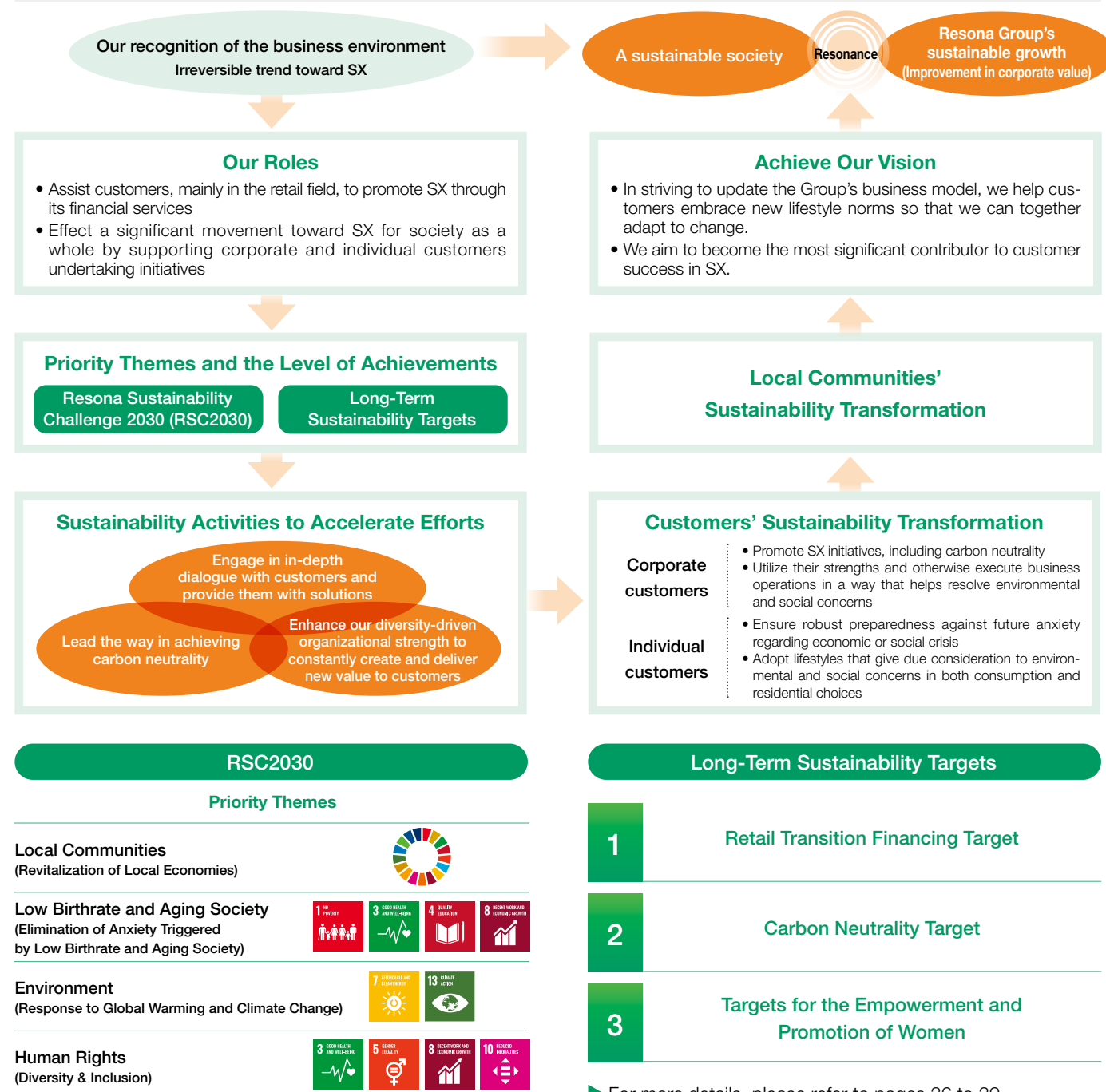
Today, we are seeing a growing and accelerating trend toward sustainability across all of society amid the ever-stronger public call for the realization of a sustainable society.

In order for the Resona Group to sustainably improve its corporate value on the back of this irreversible trend, promoting SX is essential. This means not only pursuing SX for the Resona Group itself but also

assisting our customers, who have supported the Group to date, in their efforts to respond to the tides of change.

With this in mind, the Resona Group is promoting SX based on the framework described below in order to ensure that its policies for SX-related initiatives are practiced by all Group members and to accelerate the pace of such initiatives.

A Framework for Promoting SX



▶ For more details, please refer to pages 36 to 39.

Value Creation Story

Initiatives to Improve Corporate Value

Mechanisms Supporting Sustainable Growth

Financial / Non-Financial Information and Corporate Data

Resona's Business Activities

- Having identified priority social issues that must be tackled by the Resona Group, we will strive to resolve such issues through our business activities.
- As a locally rooted financial institution that has long been supported by communities, we will also pursue business activities aimed at helping customers and local communities secure sustainability.

The Relationship between Our Three Long-Term Sustainability Targets

Our Long-Term Sustainability Targets, announced in June 2021, consist of three target categories. These targets were not formulated separately.

The Retail Transition Financing Target is associated with our efforts to provide our customers with needed solutions determined through robust dialogue with them, and is a direct target vis-à-vis our vision of SX for both customers and the Resona Group.

Meanwhile, the Carbon Neutrality Target is meant to establish our position as a pioneer in this area. We need to lead the way by first pursuing carbon neutrality—a difficult challenge—ourselves if we are to help our customers understand the importance of carbon neutrality

initiatives and help them navigate the various difficulties that will come their way.

As for the third target, for us to steadily support customers' SX in the face of the accelerating shift in the business environment, we need to be capable of constantly creating and delivering new solutions. To this end, we aim to push ahead further with women's empowerment, building on the outcomes of the ongoing empowerment efforts that lend the Resona Group a distinctive strength in terms of diversity-driven value creation. Thus, we have established Targets for the Empowerment and Promotion of Women.



Resona Group Sustainability Basic Policy (March 2022)

In March 2022, the Board of Directors resolved to approve the Sustainability Basic Policy, which summarizes the Group's stance on initiatives to promote sustainability going forward as well as the desirable direction of business operations, based on a fresh reexamination and discussion among Board members of relevant approaches and concepts the Group has developed to date.

At the same time, the Board of Directors deliberated on future

responsibilities to be borne by financial institutions in terms of respecting human rights and preventing corruption. Based on such deliberation, the Board of Directors clarified the Resona Group Policy on Human Rights, which codifies policies for ensuring respect for human rights within the Resona Group as well as throughout supply chain, and Resona Group Anti-Bribery & Corruption Policy, which stipulates policies for preventing corruption.

1. Promoting Sustainability through Business Activities	To realize a sustainable society, we will address priority issues that must be tackled by the Group in the areas of environmental and social sustainability, striving to resolve such issues through business activities. As a locally rooted financial institution that has long enjoyed community-level support, we will pursue business activities aimed at building sustainable local communities. Through these endeavors, we will improve our corporate value.
2. Developing a Management Structure Supporting the Promotion of Sustainability	Top management will be committed to promoting sustainability, to this end spearheading the development of the optimal business portfolio, allocating necessary management resources to promote sustainability and otherwise ensuring that a robust structure will be in place to support these endeavors.
3. Participation of All Officers and Employees and Dissemination of the Policy	Based on this policy, all officers and employees will proactively play their part in promoting sustainability. In addition, we will ensure that this policy is understood throughout and embraced by the entire workforce and, to this end, implement proper employee education.
4. Engagement with Business Partners and Suppliers	Through bidirectional and constructive dialogue, we will share our recognition of the importance of sustainability initiatives with our business partners and suppliers in order to facilitate the realization of sustainability for society as a whole.
5. Building Relationship of Mutual Trust with Society	We will responsibly engage in corporate activities vis-à-vis all stakeholders based on strict compliance with laws, regulations, rules and social norms. We will also strive to maintain transparent and easy-to-understand communications with regard to information disclosure while engaging in bidirectional dialogue with diverse stakeholders. Through these communications, we will identify the expectations and hear the requests of society, which we will take heed of to improve our business operations so that we remain a company deserving of the public's trust.
6. Governance	We will periodically verify and supervise the status of initiatives to promote sustainability from a holistic perspective, thereby living up to our stakeholder's expectations for accountability.

Resona Group Policy on Human Rights https://www.resona-gr.co.jp/holdings/english/sustainability/sdgs/human_rights/policy.html
Resona Group Anti-Bribery & Corruption Policy <https://www.resona-gr.co.jp/holdings/english/about/compliance/index.html>

1 Retail Transition Financing Target ▶ Provide customers with needed solutions based on robust dialogue

Cumulative total of transition financing from FY2021 to FY2030: **¥10 trillion**



Financing Coverage: Financing aimed at helping retail customers update their awareness, transform their modes of behavior and stably move forward from their current situation. (Including financing for such green projects as renewable energy generation, as well as large-scale corporate financing involving third-party verification)

FY2021 results: Cumulative total of approximately **¥846.0 billion** (of this, ¥198.0 billion for environment-related fields)

Breakdown of Financing	Investment and financing aimed at supporting or facilitating initiatives to promote social or business sustainability Investment and financing requiring recipients to use such funds for the resolution of social issues (Main examples)
	<ul style="list-style-type: none"> Sustainability Linked Loans, Resona SX Framework Loans and SME loans with conditions linked to ESG target accomplishments Financing for social infrastructure development, regional vitalization, etc. SDGs Consulting Fund and private placement SDGs promotion bonds SDGs- and ESG-related funds¹
Financing in the environment-related fields	Investment and financing aimed at supporting or facilitating initiatives to address environmental issues (Main examples)
	<ul style="list-style-type: none"> Financing for renewable energy power generation businesses, including project finance and private placement Green Bonds Sustainability Linked Loans, Resona SX Framework Loans, SME loans with conditions linked to ESG target accomplishments (setting targets in environment-related fields) Housing loans with conditions linked to conformity with prescribed energy-saving standards SDGs- and ESG-related funds¹ (to help tackle environmental issues)

Review of FY2021 Accomplishments and Future Initiatives

Over the course of the first year since the establishment of the target, we have extended a consolidated total of approximately ¥846.0 billion, with the progress ratio amounting to 8.4%.

Our final target of extending ¥10 trillion was set with the intention of raising the cumulative balance of funds to approximately 1.4 to 1.9 times the amount previously extended in similar financing.

In this regard, our first-year results were approximately 1.4 times to 1.7 times as large as the previous cumulative balance of similar funding for a single fiscal year, suggesting that the current pace of expansion in such funding is mostly in line with our initial plan.

Looking at a breakdown of the financing, funds extended to support or facilitate initiatives to address environmental issues totaled ¥198.0 billion, accounting for one fourth of the overall balance. In addition, the total balance of funds extended in financing in conformity with external sustainability standards, such as the Green Loan Principles and Sustainability-Linked Loan Principles, stood at ¥287.0 billion. This indicates a higher growth rate compared with past operating results.

In light of the above described accomplishments, we have concluded that through in-depth customer engagement and the provision of

enhanced solutions, we were able to make a certain degree of progress in extending transition finance to SME customers to help them update their awareness and transform their modes of behavior.

On the other hand, we have discovered that there are a number of SME customers who have yet to take tangible SX action due to a diverse range of underlying issues. For us to empower as many customers as possible to steadily move forward from their current situation, we deem it essential to update our internal and external best practices while endeavoring to further enhance our dialogue and solution capabilities.

With this in mind, in FY2022 we will step up the development of human resources and the enhancement of our organizational capabilities. For example, we will consolidate know-how regarding customer dialogue and solutions based on successful cases of SX assistance, including those employing methods for assessing the degree of customer commitment to addressing ESG issues through businesses and a simplified CO₂ emission calculation service, and roll out such know-how throughout our organization.

For individual customers, we will similarly work to strengthen various solutions designed to assist their SX efforts.

1 Investment trusts managed by Resona Asset Management, which also offers investment advisory services
 2 Reference: Press release dated April 15, 2022 https://www.resona-gr.co.jp/holdings/news/hd_c/detail/20220415_2527.html (Japanese only)
 3 Net-zero energy house

In-Depth Customer Dialogue

Number of corporate customers interviewed by the Group on SX topics: Approximately **31,000**

Engaging in in-depth customer dialogue is the starting point of Retail Transition Financing. To this end, each Group bank conducted customer interviews on SX-related issues throughout the second half of FY2021. In the course of these interviews, approximately 31,000 corporate customers shared the current status of their SX initiatives with us.

As a result, we have discovered that the status of SX initiatives undertaken by SMEs varies widely by the size of their operations. Specifically, smaller businesses tend to lag behind other companies in terms of launching initiatives. Moreover, approximately 80% of interviewees were found to have been facing such issues as “lack of employee understanding and insufficient employee awareness” or “No idea what to do.”

To support these customers, we aim to act as their “running partner” and have developed a new framework for assessing the degree of

customer commitment to addressing ESG issues through business operations in FY2021. This framework is being utilized by every Group bank in customer dialogue from FY2022 onward and focuses on assessing the customer’s approach to and the status of their initiatives addressing environmental and social issues in order to establish a shared recognition of these matters and thereby enable us and the customer to think together what can be done going forward and find optimal solutions.

In addition, more than half of the SME customers interviewed showed interest in launching initiatives to measure and reduce CO₂ emissions from their operations. Based on this finding, in April 2022, Resona Research Institute, a Group subsidiary, began offering a simplified CO₂ emission calculation service free of charge.²

Enhanced Solutions

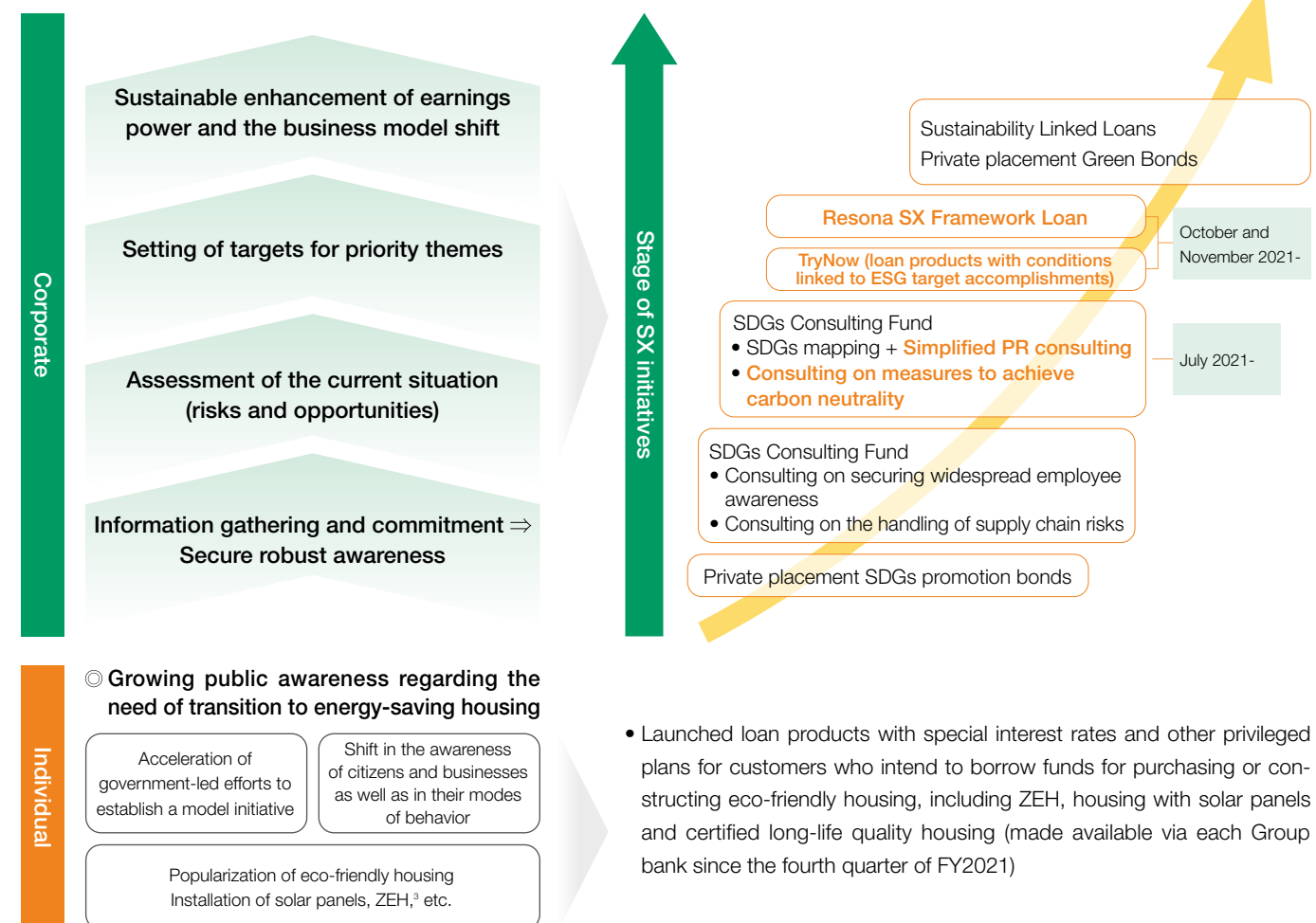
Strengthening SX-related solutions based on the stages of customer initiatives

The status of sustainability efforts undertaken by SMEs and the management resources they can afford to allocate to such efforts vary greatly by company. Accordingly, we recognize that our solution lineup must be diverse and capable of assisting each SME seeking to push ahead with sustainability initiatives according to their current situation.

With this in mind, in FY2021 we expanded the lineup of services offered under the SDGs Consulting Fund while releasing new loan

products designed to ensure that the Resona Group and each borrower share data on the latter’s ESG targets and the progress status of its relevant efforts. In these ways, we executed one measure after another to enhance solutions offered by each Group bank.

For individual customers, we launched housing loans with privileged conditions for purchasers of eco-friendly housing, making such loans available via each Group bank from the fourth quarter of FY2021.



- Launched loan products with special interest rates and other privileged plans for customers who intend to borrow funds for purchasing or constructing eco-friendly housing, including ZEH, housing with solar panels and certified long-life quality housing (made available via each Group bank since the fourth quarter of FY2021)

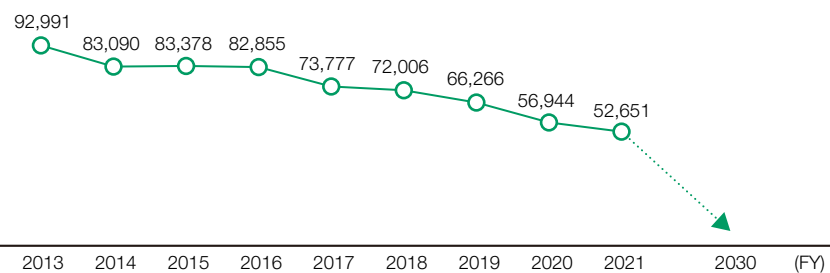
2 Carbon Neutrality Target ▶ Lead the way in achieving carbon neutrality

Reduce CO₂ emissions¹ attributable to energy used by the Group to net zero by the end of FY2030 via a proactive switchover to renewable energy

Priority Theme **Environment**

FY2021 results: **43%** reduction from the FY2013 level (a year-on-year decrease of 4,293 t-CO₂)

CO₂ Emissions Volume² (t-CO₂)



Breakdown of FY2021 Emissions (provisional)

Scope 1	5,082
Scope 2	47,569
Emissions from energy sources	46,367

In FY2021, the volume of CO₂ emissions attributable to the Resona Group's operations decreased by 43% (provisional basis) compared with the FY2013. This also represented a year on year decrease of 4,293 t-CO₂.

Our initiatives in said fiscal year included the introduction of energy procured from renewable energy sources at key facilities run by Group companies, the upgrading of power supply facilities and a switchover to LED lighting. Since approximately 90% of CO₂ emissions from Group operations are attributable to energy use, these efforts greatly contributed to the year-on-year decrease in CO₂ emissions.

For FY2022, we will continue to promote the introduction of energy procured from renewable energy sources, targeting such energy-intensive facilities as system centers.

In addition, we are engaged in energy-saving activities on a Groupwide basis to curb the financial impact of the current surge in energy prices. These activities are also expected to help us mitigate the worsening energy demand-supply balance, which usually becomes a subject of particular public concern in summer and winter due to rises in energy demand in these seasons.

Main Initiatives in FY2021

- Introduced the procurement of energy from renewable energy sources at key facilities run by Group companies
 - Osaka Head Office of Resona Group (August 2021)
 - Head Office of Saitama Resona Bank (June 2021)
 - Biwako Building of Kansai Mirai Bank (June 2021)
 - Head Office of Minato Bank (August 2021)
- Cut back on the number of company-owned internal combustion engine (ICE) vehicles while promoting a switchover to eco-friendly vehicles³
 - FY2021 results (consolidated)
 - Number of company-owned ICE vehicles reduced: 176
 - Number of company-owned vehicles replaced with eco-friendly vehicles: 34

Plan for Main Initiatives for FY2022

- Promote switchover to energy procured from renewable energy sources for an even broader scope of bases
 - Expand the scope of introduction of renewable energy, targeting system centers and other energy-intensive facilities
- Promote energy-saving activities across the board
 - Undertake such measures as those aimed at visualizing the volume of energy use at each base to raise the energy-saving awareness of the entire workforce
- Cut back on the number of company-owned ICE vehicles while promoting a switchover to eco-friendly vehicles
- Consider the introduction of eco-friendly branch facilities, etc.

1 Scope 1 and Scope 2
 2 Calculated by retrospectively incorporating CO₂ emissions from precursors of KMFG and its subsidiaries prior to management integration and aggregating Scope 1 and Scope 2 CO₂ emissions from Group banks based on methods stipulated by Japan's Energy Saving Act for statutory periodic reporting. CO₂ emissions attributable to fuel consumption by Company-owned cars are determined via a simplified calculation method using the Group's annual fuel costs and published figures for the annual and national average price of gasoline and the emissions coefficient.
 3 EVs, HVs and fuel-cell vehicles
 4 Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank
 5 The ratio of female directors and executive officers is as of June 30, 2022; the ratio of female senior managers and line managers is at the beginning of FY2022
 6 Due to the appointment of a female internal officer as a director of Resona Bank and Saitama Resona Bank
 7 2022 Survey of Workplace Opportunities for Female Workers undertaken by Nikkei WOMAN

3 Targets for the Empowerment and Promotion of Women ▶ Enhance our diversity-driven organizational strength to constantly create and deliver new value to customers

Achieve the below presented ratios for the representation of women in various positions, an increase of 10% or more from the levels at the beginning of FY2021 (by the end of FY2030)

- Ratio of female directors and executive officers at Resona Holdings: 30% or more
- Ratio of female senior managers at six Group companies: 20% or more⁴
- Ratio of female line managers at six Group companies: 40% or more⁴

Priority Themes

Local Communities

Low Birthrate and Aging Society

Environment

Human Rights (Diversity & Inclusion)

Ratio of women	2021 ⁵	2022 ⁵	Change	FY2030 targets
Directors and executive officers (Resona Holdings)	19.2%	15.3%	(3.9)% ⁶	30% or more
Line managers (six Group companies ⁴)	29.7%	31.2%	+1.5%	40% or more
Of these, senior managers (six Group companies ⁴)	10.5%	12.8%	+2.3%	20% or more

As of the beginning of FY2022, the ratio of women in senior and line manager positions increased as shown above. In particular, the ratio of female line managers grew for the 10th consecutive year.

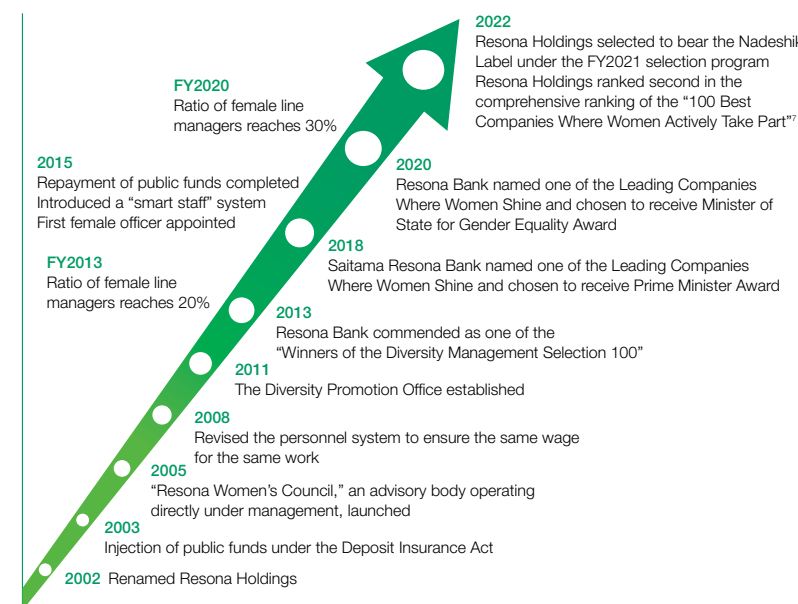
On the other hand, the ratio of women in executive officer positions at Resona Holdings dropped year on year. This was attributable to the appointment of an internal female officer who had concurrently served at Group banks, to the post of director at Resona Bank and Saitama Resona Bank. Reflecting this move, the ratio of female directors at Resona Bank and Saitama Resona Bank rose from 9% and 15% at the beginning of FY2021 to 27% and 23%, respectively. Also, as of June 30, 2022, the ratio of female directors at Resona Holdings increased from 20% to 30%.

To push ahead further with the empowerment of women, we deem it important to take on relevant initiatives on an ongoing basis, employing a medium- to long-term perspective. Such initiatives also need to be informed by input gleaned from female employees with varying job categories and ranks.

It was revealed via an in-house survey conducted in FY2021 that measures associated with the empowerment of women have, to a certain degree, taken root in the Group's organization, while a growing

number of women indicated increasing awareness regarding their own career development needs. On the other hand, the survey showed that many female employees possess business experience in only a handful of particular areas and lack the broad range of expertise typically required of those pursuing higher management positions. Moreover, we have found that, although child rearing assistance programs offered by the Group are by and large deemed sufficient, many respondents requested measures to improve other aspects of the employee assistance systems. Among these requests was the suggestion that further measures must be undertaken to secure robust understanding among the workforce toward individuals who need to utilize these programs along with the reinforcement of staffing for teams whose capacities are affected by the absence of such individuals. Others requested the additional measures to assist employees engaged in nursing care.

Based on these inputs, in FY2022, we will implement a variety of initiatives, including empowering women to gain more diverse experience over a wider range of business operations, stepping up initiatives to encourage male employees to assume a greater role in child rearing and enhancing the content of nursing care seminars for employees.



External Recognitions

- The FY2021 Nadeshiko Label (Resona Holdings)
- Ranked second in the 2022 comprehensive ranking of the "100 Best Companies Where Women Actively Take Part"⁷ (Resona Holdings)
- "Platina Kurumin" certification (Four Group banks)
- "Leading Companies Where Women Shine" Minister of State for Gender Equality Award (Resona Bank)
- Certified under the 2022 Certified Health and Productivity Management Organization Recognition Program (Resona Holdings)
- "Gold" rating under the Pride Index for the fifth consecutive year (Resona Holdings)

Governance

The Sustainability Basic Policy (▶ p. 35) and other important policies related to sustainability, are determined by the Board of Directors.

The status of initiatives undertaken based on these policies provided by the Board of Directors is reported to the Board at least once a year, while matters deemed particularly important are reported to and discussed by it on an as necessary basis. In this way, we have secured a robust structure that ensures proper supervision over sustainability initiatives.

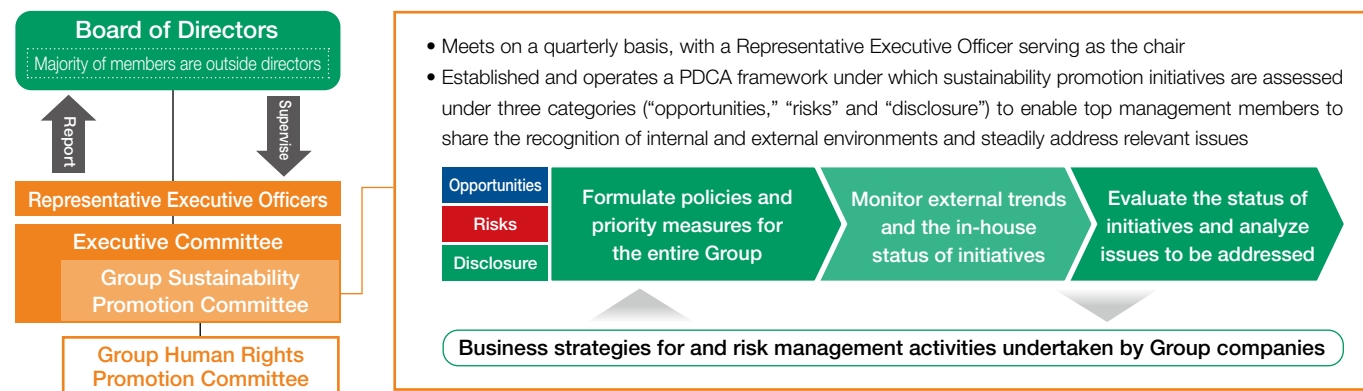
With outside directors constituting its majority, the Board of Directors engages in multifaceted discussion and reflects its conclusions in the Group's business strategy, risk management and information disclosure.

In addition, the Group Sustainability Promotion Committee, chaired by the president of Resona Holdings, is tasked with exercising the consolidated supervision of and spearheading measures to address

specific issues associated with sustainability and deemed important. Members of this committee include the presidents of KMFG, Group banks and Resona Asset Management as well as the heads of the Corporate Administration Division and risk management divisions in addition to officers in charge of corporate and retail banking.

This committee also invites external specialists to contribute their opinions on diverse subjects, such as the direction and pace of the Group's initiatives. These inputs are reflected in discussions undertaken by top management.

Moreover, the Group Human Rights Promotion Committee, a sub-committee under the Group Sustainability Promotion Committee, is charged with the consolidated management of important matters associated with human rights promotion among all Group employees.



Main Content of Relevant Agenda Items Submitted to and Other Subjects Discussed by the Board of Directors (July 2021 to June 2022)

- Outcomes of FY2021 sustainability initiatives and issues to be addressed going forward
- Establishment and updating of sustainability-related policies
- Top risks to be addressed in the FY2022 management plan period (climate change-related risks positioned as a top risk)
- Status of response to climate change-related risks based on the TCFD recommendations and future initiatives
- Enhancement of stakeholder dialogue in the shareholder relations (SR) field, with ESG issues considered priority subjects

Main Opinions Contributed by Board Members on Outcomes of FY2021 Sustainability Initiatives and Issues to Be Addressed Going Forward

◎ **Main Achievements**

- Made progress in initiatives to achieve each component of the Long-Term Sustainability Targets
- Increased sophistication of methods for managing climate change-related risks
- Established and updated relevant policies to further upgrade the Group's sustainability initiatives; introduced a framework for assessing the degree of customer commitment to addressing ESG issues through business operations; and otherwise promoted the development of a robust structure supporting sustainability initiatives for the future, etc.

◎ **Main Issues to Be Addressed Going Forward**

- Facilitate an ongoing shift in employee mindset as well as the mode of employee behavior and ensure that the framework developed in FY2021 is steadily operated in a genuinely effective manner
- Step up external collaboration to enhance our sensitivity to changes in the business environment while upgrading our solutions
- Formulate a reduction target for Scope 3 emissions
- Define the Group's reason for being, clarify process for translating the value of human capital and intellectual assets into financial value, etc.

◎ **Main Opinions Voiced by Board Members**

- The pace of change in the business environment is now even faster than it was when the Long-Term Sustainability Targets were being formulated. Group members must therefore further accelerate their initiatives, and report on their status to the Board more frequently.
- For the Group to accelerate diverse initiatives, it is essential that the senior management members of each Group company exercise leadership. These individuals should be spearheading the transformation of the organizations under their supervision.
- The definition of the Group's reason for being should be drafted in close collaboration with the Board of Directors, etc.

Process for Determining Compensation for Executive Officers in Step with the Evaluation of Their Sustainability-Related Achievements

The Company's policies for the determination of compensation for directors and executive officers are determined by the Compensation Committee, whose membership consists exclusively of independent outside directors. The compensation system in place for executive officers takes into account the status of initiatives aimed at helping

realize SDGs, making this one of the indicators determining the amount of annual incentives. As such, compensation for executive officers is linked to evaluations granted to the recipients in terms of sustainability initiatives (▶ p. 71)

Our Response to Global Warming and Climate Change (initiatives related to the TCFD recommendations)

The Resona Group has identified responding to global warming and climate change as an environmental and social priority issue. Accordingly, we have declared our intention to proactively take on the reduction of environmental burdens deriving from society as a whole.

Furthermore, in June 2021, we announced Long-Term Sustainability Targets (▶ pp. 36-39) to gear up the pace of the above endeavors and are currently pursuing the realization of a carbon-neutral society.

Governance

The Board of Directors exercises robust supervision over the Group's response to climate change, positioning this response as an essential component of sustainability initiatives.

For details on the status of supervision, please also refer to the article titled "Governance" on the left-hand page.

Management Strategy

Business Opportunities and Risks Arising from Climate Change

To measure the impact of climate change, which is highly unpredictable, we have undertaken qualitative and quantitative evaluations of opportunities and risks based on two different scenarios involving, respectively, a 1.5°C and a 4°C rise in global temperatures.

This evaluation includes the assessment of estimated impact in the short-, medium- and long-terms, which are defined as approximately 5-, 15- and 35-year periods, respectively.

◎ **1.5°C scenario (reference: IEA Net-Zero Emissions by 2050, IPCC RCP2.6 and other publicly approved scenarios)**

Projected developments		Impact on the financial industry	Time frame
<ul style="list-style-type: none"> • GHG emissions from businesses are severely restricted by government-led policies and laws. • Advances in and the popularization of low-carbon technologies enhances the availability of low-carbon alternatives to existing products and services. • Frequency of sudden occurrences of abnormal weather remains virtually unchanged. 		Financing streams will be ever more focused on measures to alleviate climate change impact.	Short to long term
Projected financial impact			
Opportunities	Product and service markets	Growing funding needs among businesses for the development of low-carbon products and services and capital expenditure aimed at reducing their GHG emissions Increased opportunities for the Group to offer financial services due to growing public awareness of climate change	
	Resource efficiency, energy sources, and market resilience	Reduction in business costs due to enhanced resource and energy efficiency Shift to low-carbon energy sources and the resulting alleviation of the future impact of carbon price surge Growth in the Group's corporate value due to the implementation of a sustainability-focused business model	
Risks	Transition risks	Policy and legal	Introduction of stringent government-led policies and regulations negatively affecting the operations of corporate customers and reducing the value of the Group's loan assets
		Technology and market	Advances in low-carbon technologies and changes in consumer preferences prompting a shift to alternative products and services and negatively affecting the operating results of corporate customers, resulting in a reduction in the value of the Group's loan assets
	Physical risks	Reputation	A decline in Resona Holdings' share price due to inconsistencies between strategy and actions or insufficient disclosure of information about climate change
		Acute	Virtually unchanged frequency of sudden occurrences of abnormal weather (hence, no major financial impact is expected)
	Chronic	No chronic and irreversible climate change (hence, no major financial impact is expected)	

◎ **4°C scenario (reference: IPCC RCP8.5 and other publicly approved scenarios)**

Projected developments		Impact on the financial industry	Time frame
<ul style="list-style-type: none"> • Without notable breakthroughs in climate change countermeasures, the volume of overall GHG emissions continues to grow at the current pace. • Due to an increase in the number of sudden occurrences of abnormal weather, society suffers even more significant damage. • Chronic and irreversible changes, such as a sea level rise, affect economic activities undertaken by businesses and individuals. 		Financing streams will be ever more focused on measures to adapt to climate change effects.	Short to long term
Projected financial impact			
Opportunities	Product and service markets	Growing demand for funding for public projects and capital expenditure aimed at alleviating physical damage attributable to abnormal weather	
	Resource efficiency, energy sources, and market resilience	Reduction in business costs due to enhanced resource and energy efficiency	
Risks	Transition risks	No significant breakthroughs in climate change countermeasures (hence, no major financial impact is expected)	
		Physical risks	Acute
	Chronic		Suspension of the Group's operations due to damage to its facilities or injuries to its employees because of a disaster

Ratio* of lending to energy and utility sectors in the entire portfolio (based on definitions under the Task Force on Climate-related Financial Disclosures (TCFD) recommendations)

As of March 31, 2020	As of March 31, 2021	As of March 31, 2022
1.3%	1.2%	1.2%

* Total of loans and bills discounted, acceptances and guarantees, foreign exchange, etc. (sum of Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank)

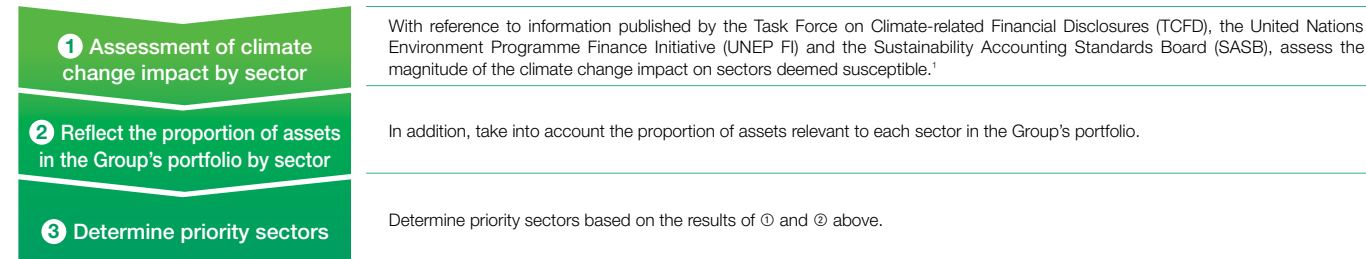
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In-Depth Qualitative Analysis of Climate Change Scenarios

The proportion of lending extended to the energy and utility sectors in the Group's entire portfolio is not considered significant. Nevertheless, we must assume that the possible impact of climate change-related risks on a broad range of sectors could be profound. Also, the form and magnitude of such impact and the timing of its materialization may differ largely by sector.

In light of these factors, we have identified priority sectors deemed particularly susceptible¹ to climate change-related impact based on assessments of the potential magnitude of such impact while taking into account the proportion of relevant assets in the Group's portfolio. Targeting these sectors, we conducted an in-depth qualitative analysis of our existing climate change scenarios.

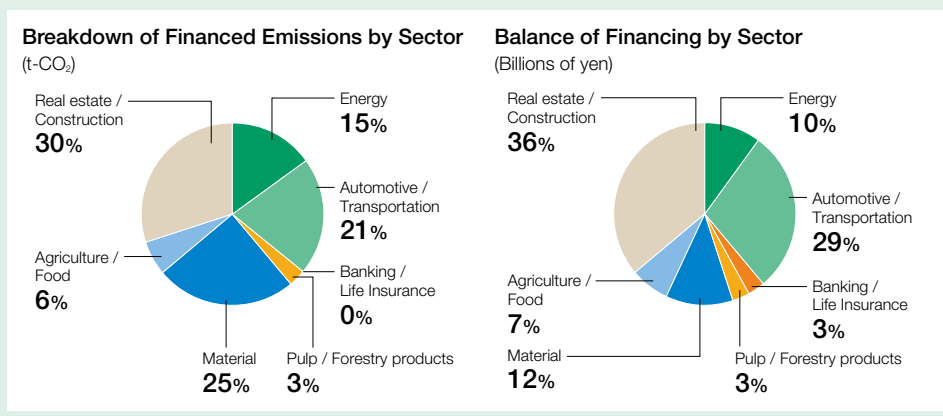
① Process used to select priority sectors



Sector	Climate change impact	Portfolio size ²	Selection results
Real estate / Construction	Medium	High	Selected as a priority sector
Automotive / Transportation	High	Medium	Selected as a priority sector
Energy	High	Small	Selected as a priority sector
Material	High	Small	Not selected ³
Agriculture / Food	Medium	Small	Not selected
Pulp / Forestry products	High	Small	Not selected
Banking / Life Insurance	Medium	Small	Not selected

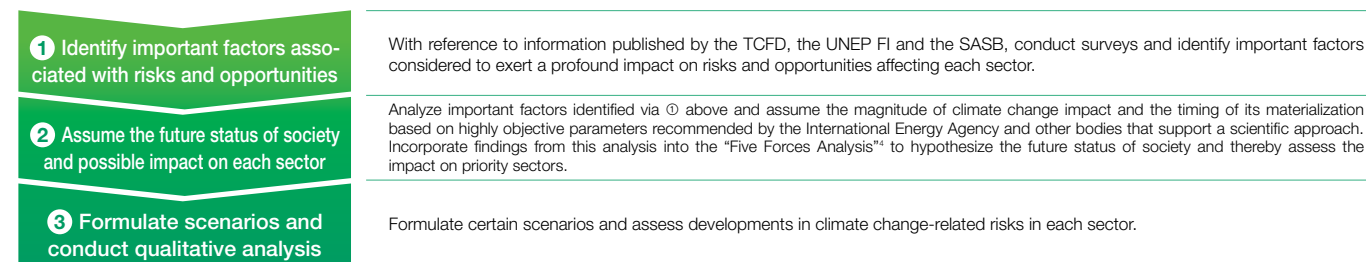
We have confirmed that the above results coincide with results of sector-based analysis of financed emissions based on methods stipulated by the PCAF standards.

In addition, the graph to the right illustrates analysis results of financed emissions based on assessments undertaken via the FY2021 Portfolio Carbon Analysis Pilot Program Assistance Project sponsored by the Ministry of the Environment.



② Formulation of scenarios for each priority sector and the qualitative analysis of developments in climate change-related risks

Targeting each priority sector, we formulated scenarios and conducted a qualitative analysis regarding the magnitude of climate change impact and the timing of its materialization.



① Important Factors Associated with Risks and Opportunities in Each Sector

	Real estate / Construction	Automotive / Transportation	Energy
Policy	Introduction and/or heightening of carbon tax	Introduction and/or heightening of carbon tax	Introduction and/or heightening of carbon tax
Legal	Strengthening of environment-related building regulations	Tightening of GHG emission regulations	Tightening of GHG emission regulations
Market	Shift in customer needs to buildings with higher environmental performance	Rising energy prices	Popularization of renewable energy
Acute	Increasingly frequent occurrences of flooding and other natural disaster damage	Technology: Transition to electric vehicles Acute: Operational impact of a catastrophic disaster Chronic: Damage to railroads due to heat expansion and rising air conditioning expenses (transportation)	Reputational: Higher customer awareness regarding the need to address environmental concerns Acute: Surging expenses for the reinforcement of disaster countermeasures and the emergence of physical damage

② The Future Status of Society and Possible Impact on Each Sector

	Future status of society	Impact on sector
Real estate / Construction	1.5°C: Initiatives aimed at achieving carbon neutrality advance significantly, leading to the enforcement of carbon taxation, the introduction of building materials with low carbon footprint and the growing popularization of renewable energy	The construction of facilities designed to reduce environmental burden progresses at an ever-faster pace
	4°C: Rising physical risks lead to growing demand for buildings with greater disaster resilience	While the construction of facilities equipped with greater resilience against flooding and other disasters progresses, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs
Automotive / Transportation	1.5°C: Initiatives aimed at achieving carbon neutrality advance significantly, leading to the introduction of a carbon tax, the popularization of renewable energy and EVs and the acceleration of modal shift in the transportation sector	Toward carbon neutrality, the use of eco-friendly vehicles and rail cars gains growing popularity, resulting in the acceleration of modal shift
	4°C: Physical risks rise as the transition to a low carbon society fails to gain further momentum	While the market environment remains unchanged, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs
Energy	1.5°C: Initiatives aimed at achieving carbon neutrality advance significantly, leading to the introduction of a carbon tax and the growing popularization of renewable energy	The use of renewable energy gains popularity at an ever-faster pace with the move toward carbon neutrality
	4°C: Ongoing dependence on fossil fuel results in higher physical risks	While fossil fuel demand grows solidly, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs

③ Developments in Climate Change-Related Risks

■ Low risk ■ Medium risk ■ High risk

Priority sectors	Transition risks: 1.5°C Scenario					Physical risks: 4°C Scenario						
	2025	2030	2035	2040	2045	2050	2025	2030	2035	2040	2045	2050
Real estate / Construction	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low
Automotive / Transportation	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low
Energy	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low

Priority sectors	Transition risks: 1.5°C Scenario	Physical risks: 4°C Scenario
Real estate / Construction	Risk remains low based on an assumption that an increase in costs attributable to the need to lower energy consumption intensity will be offset by growing revenue backed by rising demand for net-zero energy buildings (ZEB) in 2040	Risk becomes constantly high from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%
Automotive / Transportation	Risk remains medium based on an assumption that demand for vehicles with internal combustion engines (ICEs) will significantly decline in 2030 due to carbon taxation and the enforcement of stricter regulations on such vehicles. However, risk becomes constantly high from 2035 onward due to the enforcement of domestic regulations on the marketing of new ICE vehicles in the 2030s, provided that falling demand is not compensated for by demand for eco-friendly vehicles	Risk rises to and remains medium from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%
Energy	Risk becomes constantly high from 2030 onward based on an assumption that the use of fossil fuel will decrease due to the enforcement of carbon taxation, across-the-board efforts to achieve carbon emission reduction targets and changes in the energy mix	Risk becomes constantly high from 2030 onward based on an assumption that monetary damage arising from flooding will increase approximately 20%, and then subsides to medium in line with an assumed increase in crude oil prices (approximately 30%) in 2040 and resulting growth in revenue

1 The Resona Group's sector classification: Energy, Automotive / Transportation, Material, Pulp / Forestry products, Agriculture / Food, Real estate / Construction, and Banking / Life insurance
 2 Portfolio size classification is as follows: Large: More than ¥5 trillion; Medium: ¥1 trillion to ¥5 trillion; Small: Less than ¥1 trillion
 3 Not selected, as risk characteristics vary largely by type of material and, therefore, the sector's impact on the Group's portfolio is dispersed
 4 A method for sector analysis in light of impacts attributable to sellers, buyers, newcomers and alternatives, with policies considered as an element affecting all the other factors

In-Depth Quantitative Analysis of Climate Change Scenarios

Based on the qualitative analysis, we conducted a quantitative analysis of the impact on the Group's financial performance of transition and physical risks.

Transition risks (1.5°C Scenario)

The characteristics and magnitude of transition risks' financial impact vary by sector. Also, these factors may be altered going forward by measures undertaken by businesses pursuing carbon neutrality. Accordingly, our qualitative analysis has targeted priority sectors selected via qualitative analysis.

In addition, we have positioned "introduction and/or heightening of

carbon tax" as an important risk factor to be used as an assumption for our scenario in light of the universal impact of such taxation on each sector. Moreover, in reference to publicly approved scenarios, we have assumed a 1.5°C rise in global temperature to assess the resulting future impact on our clients. In this way, we estimated our exposure to credit risks that may emerge during the period leading up to 2050.

Target Sectors	All the priority sectors (Real estate / Construction, Automotive / Transportation and Energy)
Assumptions for the Scenario	The assumed impact on the Group's credit risk exposure is based on additional expenses that would be incurred by clients due to the introduction and/or heightening of carbon tax as well as future business responses to the growing public call for carbon neutrality
Reference Scenarios	IEA Net-Zero Emissions by 2050 and IPCC 2.6
Analysis Period	Present to 2050
Risk Indicator	Estimated increase in credit-related expenses
Analysis Results	Credit-related expenses could increase during the period leading up to 2050 by a maximum of around ¥81.0 billion

Physical risks (4°C Scenario)

Physical risks are considered to have a differing degree of impact on clients depending on the locations of both their businesses and real estate properties pledged as collateral for loans in addition to sector-specific characteristics of their operations. Taking this into account, our quantitative analysis targeted business corporations in general.

Due to restrictions in data available for analysis, we have positioned flood damage resulting from the materialization of acute risk as an

important factor to be used as an assumption for our scenario. In reference to publicly approved scenarios, we have thus estimated the impact of a 4°C rise in global temperature on the business performance of our clients and real estate properties pledged as collateral for loans, determining its impact on the Group's credit risk exposure during the period leading up to 2050.

Target Sectors	Business Corporations in General
Assumptions for the Scenario	Based on analyses of hazard maps and natural disaster models, we have estimated the frequency of flooding arising from the materialization of acute risk and resulting growth in flood damage. Having assessed the impact of the above factors on the business performance of clients and their real estate properties pledged as collateral for loans, we have thus determined the extent to which the Group's credit exposure would be affected.
Reference Scenarios	IPCC RCP8.5
Analysis Period	Present to 2050
Risk Indicator	Estimated increase in credit-related expenses
Analysis Results	Credit-related expenses could increase during the period leading up to 2050 by a maximum cumulative total of around ¥19.0 billion

Issues to be addressed going forward

Results of the above analysis suggest that the impact of transition and physical risks on credit-related expenses is considered to be limited. However, we believe that these results do not indicate that the impact on the Group's overall risk exposure is limited as the above analysis has taken into account only a portion of risk factors while using various assumptions in the course of damage estimation.

The analysis of climate change impact requires the study of a diverse range of risk factors and intertwining relationships between them. Moreover, the spillover effect of climate change-related risks could take differing courses depending on various underlying factors. Therefore, we need to continue to research diverse analytic methods while enhancing the content of data for use in analysis.

At the same time, even though we are in the process of developing more precise analysis methods, we are convinced that climate change is highly likely to have a financial impact on our loan assets, the largest category of assets in the Group's possession. Accordingly, we clearly

recognize that the opportunities and risks our clients face will directly affect the Group.

The majority of the Group's loan assets are accounted for by loans furnished to individual and SME customers. This suggests that climate change-related lending risks are dispersed. However, it was confirmed that, compared with large corporations, the status of SMEs' climate change responses varies widely by company, indicating a diverse range of underlying issues confronting this customer group.

Having established Long-Term Sustainability Targets in 2021, the Resona Group is striving to assist customers in their pursuit of carbon neutrality by acting as their "running partner." Looking ahead, we will engage in in-depth customer dialogue and enhance our diverse solution lineup designed to meet the needs of customers facing differing situations and issues. In these ways, we will focus our efforts on mitigating climate change risks and discovering new opportunities.

Risk Management

The Resona Group has positioned climate change-related risks as top risks that are deemed to possess a high possibility of impacting heavily on its operations. In line with this positioning, we have developed a consistent risk management structure placing the foremost emphasis on managing these risks.

Top risks are determined via discussion at the Executive Committee, the Board of Directors and other important bodies. Through top risk management, the Company helps Group members share risk recognition while striving to enhance risk governance, prevent the emergence of significant risks, ensure swift response to risk materialization and curb the spread of risk repercussions.

Having identified climate change-related risks as contributing to uncertainty, the Group has launched a risk management framework (▶ p. 75) based on its own definitions of risk categories, such as credit risk, operational risk and reputational risk, determined in line with the characteristics of such risks.

To address credit risk, which is considered to have a particularly strong impact on the Group's operations, we are working to step up risk management via, for example, "Initiatives for Socially Responsible Investing and Lending" described below. Simultaneously, we are developing a structure enabling us to help realize a carbon-neutral society through our financial functions.

Initiatives for Socially Responsible Investing and Lending

<https://www.resona-gr.co.jp/holdings/english/sustainability/management/sri/>

Loan Business

In line with the Group Credit Policy adopted based on a Board of Directors resolution, the "Basic Stance on Lending" clarifies the Group's intention to maintain a dialogue with customers who have not yet fully committed to addressing social and environmental issues with the purpose of encouraging their involvement. In addition, it explains the Group policy of abstaining from financing projects associated with coal-fired thermal power generation, except when it finds compelling reasons for financing such projects, such as to realize economic restoration following a disaster. The Group is engaged in the screening and selection of candidate projects accordingly.

In December 2020, we updated the above document to include a policy of not extending new loans to projects deemed to possibly exert a major negative impact on the environment, such as coal mining employing specific mining methods.

Investment

In connection with trust assets managed by Resona Asset Management, the "Responsible Investment Policy" mandates that, in addition to assessing investees' financial performance, the Group exercise due diligence in confirming their non-financial performance, for example, the sufficiency of their initiatives aimed at addressing ESG issues to help them enhance corporate value and achieve sustainable growth from a medium- to long-term perspective. Through such endeavors, the Group is increasing the value of trust assets.

Furthermore, the Responsible Investment Committee strives to ensure the appropriateness of the Group's investment initiatives by consolidating insights offered by committee members, including officers in charge of trust asset management divisions.

Overview of the "Basic Stance on Lending"

	Policy	Business description
Stance on Lending Across Sectors	Prohibition of lending to the following borrowers	<ul style="list-style-type: none"> Those involved in child or forced labor or human trafficking
	Prohibition of lending to the following projects or businesses	<ul style="list-style-type: none"> Businesses that exert a seriously negative impact on wetland sites designated by the Ramsar Convention, the World Heritage Sites designated by UNESCO Businesses in violation of the Washington Convention
	Due consideration given to environmental and social impacts in the course of lending to the following businesses	<ul style="list-style-type: none"> Businesses that negatively affect indigenous local communities and other areas of high conservation value Businesses that entail the involuntary resettlement of residents resulting from the appropriation of land
Stance on Lending to Specific Sectors	Prohibition of lending to the following borrowers	<ul style="list-style-type: none"> Those involved in the development, etc., of weapons of mass destruction, such as nuclear weapons, chemical weapons and biological weapons, and / or inhumane weapons such as cluster bombs
	Prohibition of lending to the following projects or businesses	<ul style="list-style-type: none"> Coal-fired power generation (except where there are compelling reasons, such as to realize restoration following a disaster) Coal mining projects employing the Mountain Top Removal (MTR) method Palm oil farm development projects involving illegal practices or lacking sufficient improvement measures
	Due consideration given to environmental and social impacts in the course of lending to the following businesses	<ul style="list-style-type: none"> Large-scale hydroelectric power generation

Metrics and Targets

In 2021, the Resona Group established Long-Term Sustainability Targets for its long-term initiatives aimed at mitigating climate change-related risks and increasing opportunities.

The details of each target, progress thus far in initiatives to achieve it and our relevant future action plans are featured on preceding pages.

Retail Transition Financing Target (▶ pp. 36, 37)

Carbon Neutrality Target (▶ p. 38)

Work in tandem with customers to mitigate climate change-related risks and discover new business opportunities through engagement in in-depth customer dialogue and the enhancement of our solutions

Lead the way in achieving carbon neutrality

Human Resources

Our Basic Concepts and Human Resource Management Initiatives

Since the 2003 “Resona Shock,” which struck the Group immediately after its inauguration, our human resource management has been focused on practicing diversity management that empowers each and every employee to serve as a key workforce component regardless of their gender, age or job category.

In recent years, we stepped up this approach, promoting diversity & inclusion (D&I) to help diverse human resources realize their potential and take full advantage of input from for differing value systems.

Specifically, the “Resona Women’s Council” is in place to reflect voices from female employees in business management, while leadership training, a mentoring system and other programs have been implemented to raise the ratio of female line managers. In addition, we

provide middle-aged and senior employees with career development training to empower them to continue to work actively.

Our emphasis on D&I is also reflected in the human resource system. For example, we apply a unified job class and personnel evaluation system for multiple employee categories (full-time employee, “smart employee” (region- or task-specific employee) and “partner employee” (part-time employee)). This means that employees who are in the same job class and employment status receive the same level of basic compensation (hourly wage conversion) to ensure the same compensation for everyone doing the same work. Our wage systems are thus designed to reward employees based on the degree of their contribution regardless of job category.

Activities of the “Resona Women’s Council”

Consisting of female employees from across the Group, this council is working to realize diverse initiatives to enable women to pursue long-term careers and advancement. These initiatives range from developing the workplace environment, planning measures to support those striving to strike a balance between work and private life and ensuring robust career development support.



Enhancing Training and Mentoring Systems for Female Employees

We are enhancing the content of measures in place to empower women in leadership positions to achieve success. For example, we are providing job rank-based training for selected candidates and introducing a mentoring system for newly appointed departmental or branch managers.



New Human Resource System

In anticipation of a major shift in the bank business model, we implemented a revision to our human resource system in April 2021 aimed at helping each employee grow into a true professional.

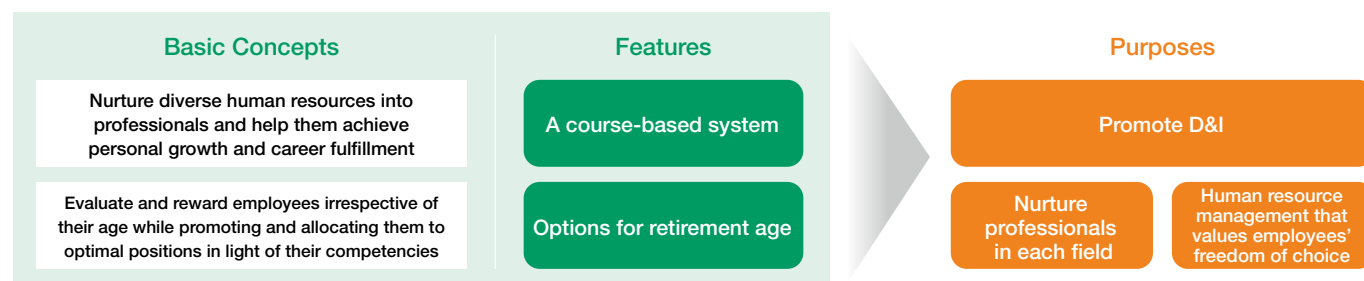
The revised human resource system is a multi-path structure that offers a total of 19 career courses encompassing various operational areas in order to promote the transition to a human resource portfolio with a greater focus on securing diverse workers boasting strengths in their areas of specialty.

We have also launched a comprehensive career support system aimed at helping employees spontaneously develop their careers.

Furthermore, we began providing employees with options regarding retirement age, which can range between age 60 and age 65, in addition to introducing a “senior smart employee” system that allows individuals in this age group to cut back on their working hours and days.

By doing so, we ensure that each employee can spontaneously select their work style in their 60s. In October 2019, prior to the introduction of the revised human resource system, we also decided to allow those past retirement age to continue working until age of 70. We are thus striving to empower employees to remain active members of the workforce over the long term.

In addition to offering equal opportunities for employees regardless of gender, age or job category, the revised human resource system takes recent changes in the operating environment into account, with the aim of better positioning our diverse human resources to pursue business success. This is one way the Resona Group promotes D&I and enhances its corporate value via the incorporation of diverse thoughts and ideas in addition to ensuring that individual employees find their jobs rewarding.



Facilitating Autonomous Career Development

In line with the revised human resource system, we are steadily shifting to a human resource portfolio focused on diversity and specialty.

In FY2021, the first year under said human resource system, we restructured our in-house job-posting systems, instituting a “Career Challenge System.” This allows employees to apply for and be transferred to their desired career courses via posting. In this way, we are providing fresh opportunities to employees who seek to launch and pursue professional success in a new career.

Through the Career Challenge System, a total of more than 100 applicants were transferred to their desired courses on an annual basis. Going forward, we are planning to conduct similar job postings

several times a year. Moreover, we have enhanced the content of various trainee systems, with an eye to enabling as many employees as possible to achieve their career targets, as part of our efforts to solidify our human resource foundations and create an unparalleled team of professionals.

Empowering each employee to pursue autonomous career development and work with a sense of fulfillment is key to securing sustainable improvement in corporate value. Accordingly, we will continue to develop an employee-friendly working environment as well as robust training systems while upgrading the measures we have in place to support autonomous career development.

Systems Supporting Autonomous Career Development

Career Challenge System	This system allows each employee to spontaneously apply for transfer between each career course, with the aim of supporting their autonomous career choices.
Trainee System	This system provides applicants with opportunities to undergo on-the-job training in desired career courses over the period of around three to 12 months, thereby helping them acquire necessary professional skills
Post-Challenge System	This system proactively offers career advancement opportunities to ambitious individuals by assisting them in the pursuit of graduate school education aimed at acquiring an MBA, promoting them to managerial positions, entrusting them with the launch of new projects and allowing them to apply for specific positions.
Free Agent (FA) System	Under this system, individuals whose performance is outstanding or who have otherwise earned high evaluations are given the opportunity to request a transfer to their desired type of assignment or department, with the aim of helping them achieve career fulfillment

Work Style Reform Initiatives

We also consider it essential to offer a variety of work style options in order to promote D&I.

To this end, the Resona Group maintains smart employee positions in addition to full-time employee and partner employee positions, with the aim of securing a broad range of options for employees that meet their needs for optimal work-life balance. The smart employee positions allow employees to cut back on working hours or limit the scope of their assigned tasks while ensuring long-term employment comparable to that offered with full-time positions. Currently, the Company’s smart employee roster comprises individuals who transitioned from full-time positions due to their need to engage in childrearing or nursing care along with those who were promoted from partner employee positions.

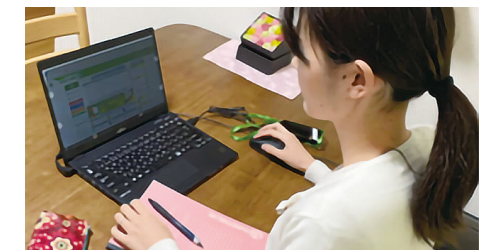
Although the Resona Group introduced the remote working system primarily as part of initiatives to prevent the spread of COVID-19, it is now accelerating the use of this work style throughout its operations. As it eliminates the need for commuting, remote working enables diverse individuals, including those facing time constraints, to pursue career success in a flexible manner. From the perspective of promoting diversity in work styles, we will push ahead further with the expansion of the scope of employees eligible to remote working.

Also, the Resona Group focuses on maintaining robust communications between top management and frontline employees via, for

example, townhall meetings. Utilizing these and other dialogue opportunities, we will directly deliver messages from management with regard to our commitment to realizing D&I while taking heed of voices from employees. In these ways, we will work to further enhance the lineup of work style options available to employees and thereby improve productivity.

Work Style Reforms

- Expanded the scope of employees eligible for remote working to include all employees, including branch staff
- Making meeting rooms and other branch facilities available as satellite offices for all employees
- Enhancing the content of remote-based training and education programs



Toward the Creation of a Sustainable Society

Human Resource Development under the New Human Resource System

The new human resource system is intended to enable each employee to achieve personal growth as a professional.

With the aim of nurturing genuine professionals, we are helping employees develop the “specialist skills” necessary to assume the tasks they will take on in their chosen course under the multi-path human resource system. At the same time, we also strive to help employees acquire the “general business skills” uniformly required of them no matter which of the 19 courses they choose. In line with these requirements, our human resource development efforts are centered on providing employees with on-the-job (OJT) training as well as extending assistance for self-motivated learning to help them acquire general business skills.

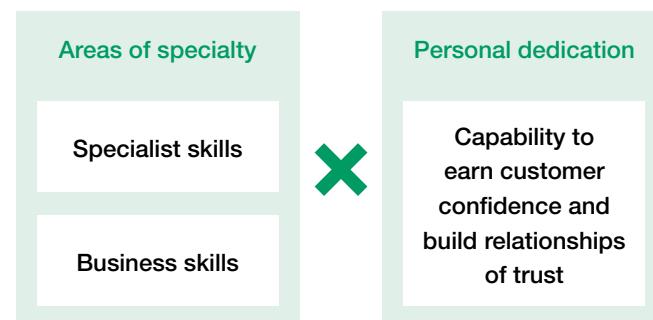
We also believe that for employees to be genuine professionals, they must be not only equipped with business knowledge and skills but also capable of thinking and acting in the best interest of customers. The latter capabilities are essential to gaining the in-depth understanding of issues customers are confronting and helping them navigate the resolution of such issues. Based on this belief, we opened Resona Academy



in 2019 and have since been striving to nurture human resources who can accurately assess customer issues and offer optimal consulting.

Definition of “Professional Human Resources”

Individuals equipped with strong specialist skills enabling the resolution of issues customers are confronting and with a personal dedication to enhancing customer happiness



Comprehensive Career Support System

Provide assistance to every employee in all aspects of career development to help them pursue their personal career goals



Reform of the Human Resource Portfolio

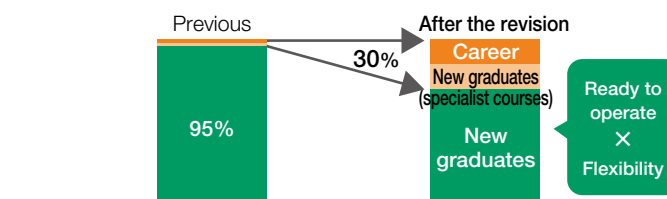
Hiring Portfolio

As stipulated in the medium-term management plan (MMP), we aim to establish a “Resonance Model” and achieve “Long-Term Sustainability Targets.” To realize these aims, we intend to establish a human resource portfolio that is resilient against future changes in the business environment.

At present, we are facing the urgent need to promote a shift in our business model. With this in mind, we have revised the composition of our hiring portfolio, specifically, raising the proportion of mid-career hires and new graduates earmarked for specific specialist courses to 30% of overall hiring, with the aim of swiftly obtaining a diverse pool of professional human resources capable of creating new businesses. In addition,

our new human resource system, which offers with 19 career courses, has proven quite appealing to people seeking to become specialists and is greatly contributing to the acquisition of these human resources.

Hiring Portfolio (Resona Bank and Saitama Resona Bank)



Downsizing and Reallocation of Human Resources

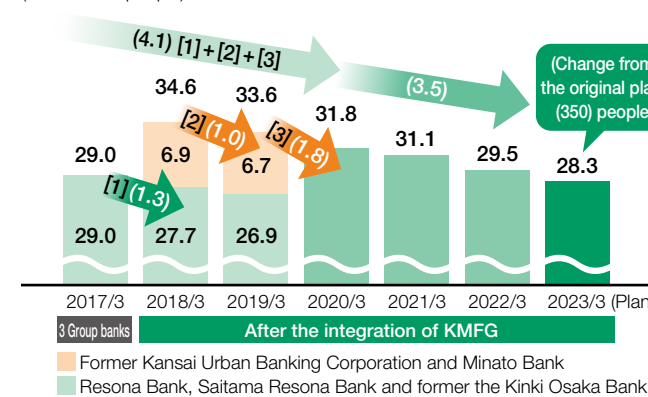
Over the three-year course of the MMP, the Resona Group’s total headcount is expected to decrease by approximately 3,450 to 28,300 people as of March 31, 2023 via natural attrition.

At the same time, we are working to improve productivity via channel reforms and the digital transformation (DX) of branch-counter procedures in order to reduce the workload by an amount equivalent to 5,140 employees. Simultaneously, we will dynamically and flexibly

reallocate 1,690 employees to succession, digital and other strategic fields. These and other efforts to rebalance our human resource portfolio are being undertaken on a Groupwide basis and entail the optimization of staff allocations between Resona Holdings and Kansai Mirai Financial Group (KMFG), while pursuing synergies arising from the exchange of human resources among Group companies.

Total Number of Group Employees

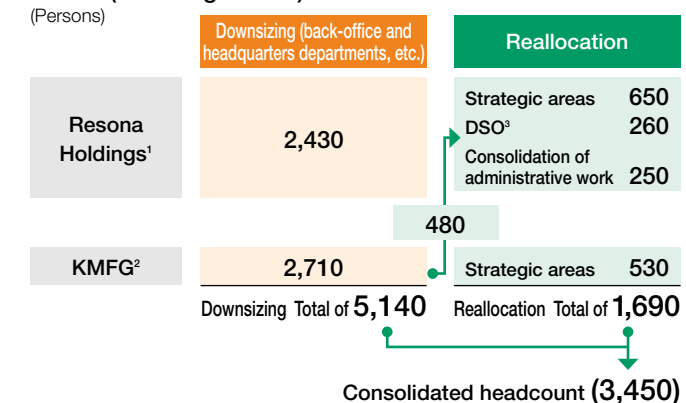
(Thousands: people)



1 Including Resona Bank and Saitama Resona Bank 2 Including Kansai Mirai Bank and Minato Bank 3 Digital Service Office

Human Resource Reallocation Plan for the FY2020-FY2022 Period (including results)

(Persons)



An Interview with the Executive Officer in Charge of Human Resources



Hideo Sekiguchi
Executive Officer,
Resona Holdings

Q. Please describe measures currently being undertaken to assist employees in their career development efforts, including those supporting reskilling and recurrent education.

A. We have developed a comprehensive career support system designed to assist employees in every aspect of their career journeys and enable them to autonomously choose their career paths and pursue their career goals. Under this system, we provide employees with access to up-to-date career information through roundtable sessions attended by their senior colleagues who boast diverse career records. Employees are also able to seek consultation from their supervisors and specialist staff (career advisors). Furthermore, we extend support for self-motivated learning alongside the trainee system. Through these measures, we provide assistance to those seeking to take on challenges in new

Supporting Employees’ Career Development Efforts while Taking a Groupwide Approach to Human Resource Development

career fields as well as those striving to achieve professional growth in their current areas of specialty.

Moreover, as we believe that all of our employees need fresh educational opportunities to acquire or improve their knowledge of IT, DX and other leading-edge fields in light of the rapidly evolving business environment, we developed the IT Brain Enhancement Program, under which we are currently endeavoring to enhance the overall level of employee skills in this area through, for example, the streaming of video content and the provision of e-learning programs.

Q. Could you describe collaborative initiatives with KMFG regarding human resource development?

A. Over the course of the past year since making KMFG a wholly owned subsidiary, we have strengthened collaboration with this

subsidiary on various fronts, including human resource development. For example, we have already launched joint training aimed at nurturing leadership. In these ways, we strive to ensure a shared recognition of the future direction the Resona Group is aiming for and the ideal traits it is looking for in its leaders.

In addition, we and KMFG are working together to standardize our tools for supporting employees’ self-motivated learning aimed at developing the general business skills uniformly required of all professional human resources. We have also begun assisting employees in the acquisition of external qualifications for the same purposes.

Going forward, we will continue to hold joint training while striving to unify human resource development programs that can be implemented on a Groupwide basis. At the same time, as part of human resource development assistance we hope to help our human resources interact with other Group members so that they inspire one another and develop ties with colleagues across the Group.