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The Resona Group's Conceptual Structure

The Resona Group's Conceptual Structure expresses how we contribute to society (Purpose), what we aim to be in society (Corporate Mission), what we aspire to be (Long-Term Vision) and how we act (Resona WAY / Resona STANDARD).



The Resona Group's Purpose

Beyond Finance, for a Brighter Future.

In a world that keeps changing, we're here to provide peace of mind so that we can welcome the future with hope and confidence.

To achieve this, we think beyond the framework of finance to address different challenges alongside each region.

At Resona, we persistently strive towards reform and creativity for a brighter future—one that is hopeful and reassuring, just as it is exciting.

The Resona Group's Corporate Mission

The Resona Group aims at becoming a true "financial services group full of creativity."

Toward this goal, the Resona Group will:

1) live up to customers' expectations,

2) renovate its organization,

3) implement transparent management and

4) develop further with regional societies.

Long-Term Vision

Retail No. 1

The "Solution Group" most supported by customers and regional societies as it walks with them into a brighter future together

Corporate Promises / Behavior Guidelines

Resona WAY











e and Responsible Business Conduct

Resona STANDARD







Becoming the "Retail No. 1" Solution Group



Concept Movie of the Resona Group's Purpose (Japanese only) https://www.resona-gr.co.jp/holdings/about/rinen/purpose/index.html

ttps://www.tesona-gi.co.jp/notalings/about/fileti/parpose/index.htm

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To Be a Good Company



A corporation's reason for being is to deliver value to customers and the market. We therefore need to go back to the basics of business management and seriously ask ourselves a fundamental question: What do we offer society through our existence?

For the Resona Group to grow sustainably, it must aim to be a good company consisting of employees with good personalities

99

These quotes from former Chairman Eiji Hosoya are featured at the top of the Resona STANDARD (Resona Group's Behavior Guidelines), which provide specific examples of action to be taken to embody the Corporate Mission and the Resona WAY, to this day serving as a cornerstone for all Group employees.

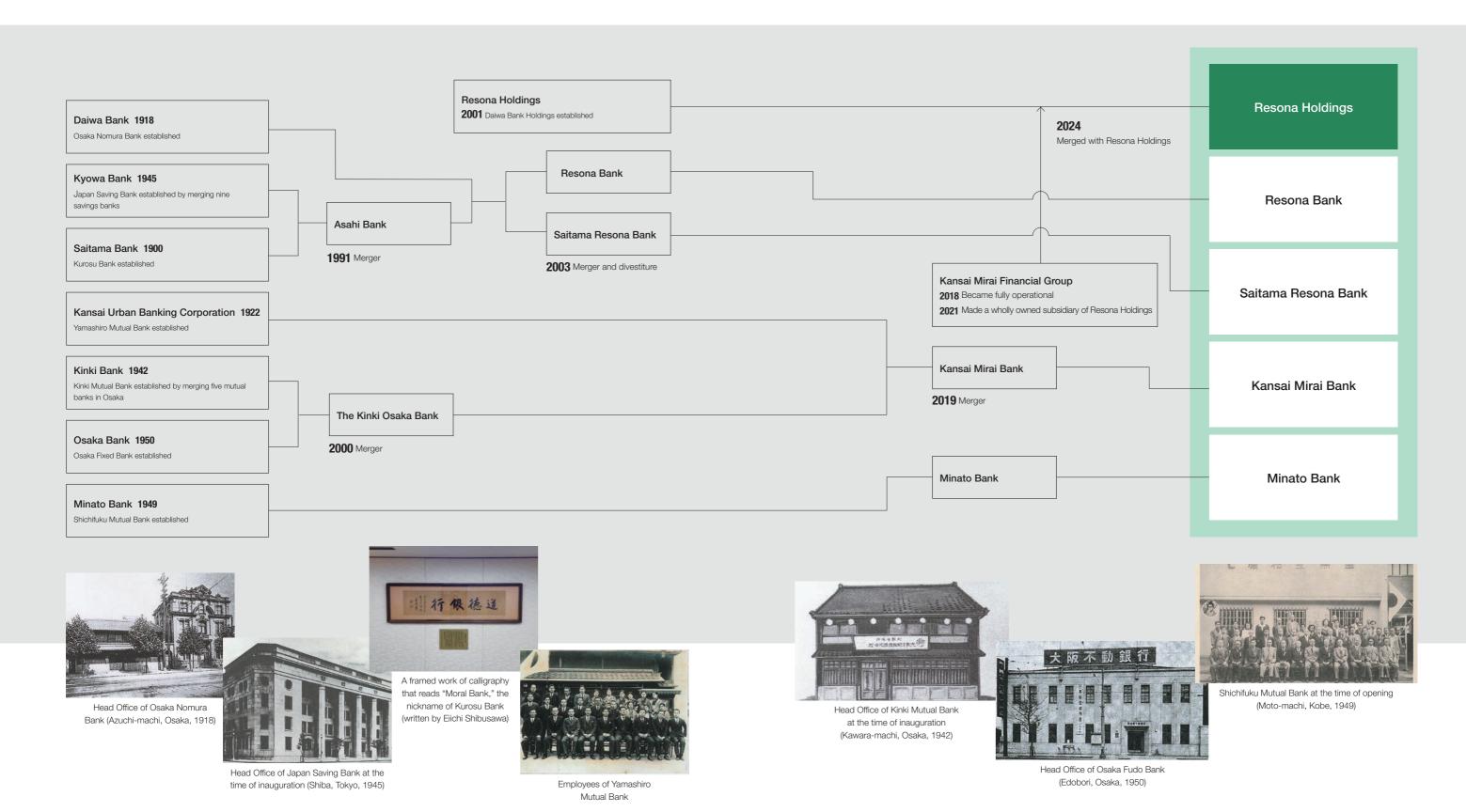


Eiji Hosoya

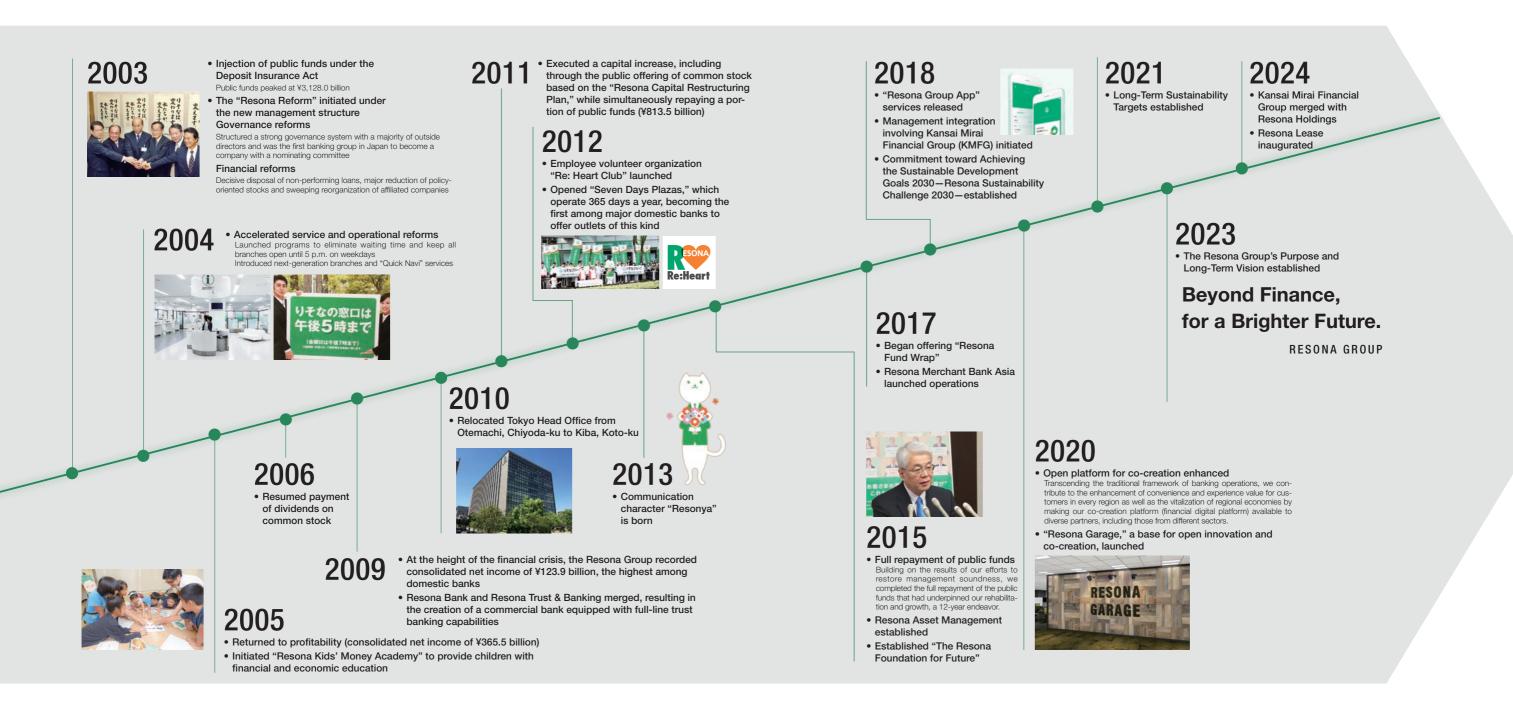
Deceased former Chairma

In June 2003, when the Resona Group was injected with public funds, he stepped aside from his former position as Vice President of East Japan Railway Company and assumed the office of Chairman at Resona Holdings to spearhead the "Resona Reform."

Track Record Spanning more than 120 Years as a Retail Business Specialist



20 Years of Cultivating "DNA of Reform"



Issued The Resona Group—20 Years of Taking on the Challenge of Reform, the Group's first book tracing its corporate history (September 2023)

This book begins by outlining why the Group had to be injected with public funds right after its inauguration, with four chapters and special features detailing its 20 years of various reforms aimed at achieving a revival.





The Resona Group's 20th Anniversary Special Website https://www.resona-gr.co.jp/20th (Japanese only)

A History of Specialization in the Retail Field × "DNA of Reform"

The Resona Group is taking full advantage of the robust retail base it has developed over many years and the "DNA of reform" it has engendered through the Resona reform following the injection of public funds in 2003. This is how we are pushing ahead with ongoing transformation from bank to financial service provider.



Social capital

16 million individual customers and 500,000 corporate customers



Largest retail/commercial banking group in Japan with full-line trust banking capabilities



Intellectual capital

Financial capital

Cutting-edge system / Digital infrastructure
Sales approach / Business processes Sales approach / Business processes

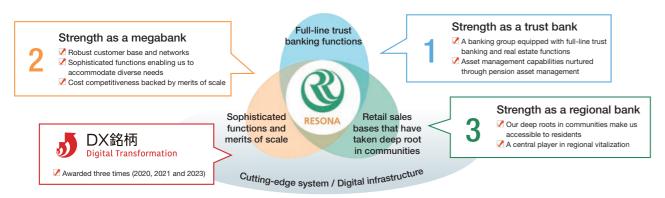


Sound financial position

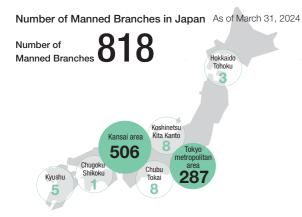
Our Unique Features

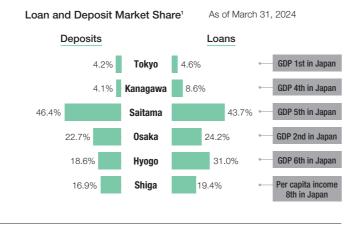
An unparalleled position supported by three strengths

Largest commercial banking group in Japan with full-line trust banking capabilities



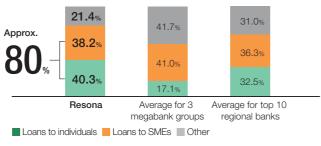
Network Position





Loan Portfolio² As of March 31, 2024

The Resona Group focuses on retail loans. Loans to individuals and SMEs account for approximately 80% of its loan portfolio.



Diversity in Human Resources

Ratio of women	FY2024 ³
Directors and executive officers ⁴	12.1%
Senior managers⁵	14.8%
Line managers ⁵	32.8%

Number of employees with certification	March 31, 2024
FP 1st grade	Арргох. 1,360
FP 2nd grade	Арргох. 13,770
Real estate notary	Approx. 5,780

Developing a human resource system designed to empower diverse human resources to achieve success

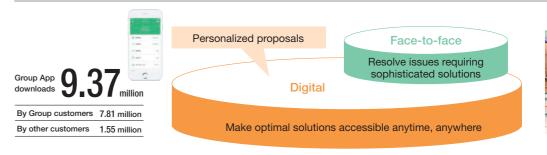
2008 Adopted the concept of the same wage for the same work ahead of other banks 2019 Instituted a post-retirement reemployment system in every job category for those aged 70 or younger

2021 Introduced a new human resource system \rightarrow Began to offer the option of delayed retirement (up to age 65) / Multi-path personnel system (offering 19 distinct job categories from the start)

2023 Formulated human resource strategies aligned with the medium-term



Integration of Digital and Face-to-Face Channels



Sound Financial Position

NPL ratio (Total of Group banks,

Financial Reconstruction Act criteria)

As of March 31, 2024

1.34%

Capital adequacy ratio (consolidated basis of Resona Holdings, Japanese 12.85% Credit Rating (Long Term) As of June 30, 2024

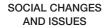
	Moody's	S&P	R&I	JCR
Resona Holdings	_	_	AA-	AA
Resona Bank	A2	Α	AA-	AA
Saitama Resona Bank	A2	_	AA-	AA
Kansai Mirai Bank	_	_	_	AA
Minato Bank	_	_	_	AA

- 1 Total of Group banks, market share based on deposits, and loans and bills discounted by prefecture (domestic banks licensed by BOJ)
- 2 Resona: Total of Group banks (Resona Bank + Saitama Resona Bank + Kansai Mirai Bank + Minato Bank); 3 megabank groups (MUFG Bank + Mitsubishi UFJ Trust and Banking; Mizuho Bank + Mizuho Trust & Banking; and Sumitomo Mitsui Banking Corporation) Top 10 regional banking groups (Fukuoka FG, Concordia FG, Mebuki FG, Chiba Bank, Hokuhoku FG, Shizuoka FG, Hachijuni Bank, Kyushu FG, Nishi-Nippon FHD and North Pacific Bank). Figures are based on financial statements from each company
- 3 Figures for directors and executive officers are as of April 1, Figures for senior managers and line managers are as of March 31,
- 5 Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank.

Resona Group Integrated Report 2024 On April 1, 2024, Kansai Mirai Financial Group was merged into Resona Holdings.

Value Creation Model

Our value creation model starts with issues customers and society as a whole are confronting and prompts us to think deeply about how to bring solutions to such issues through our business operations. While leveraging strengths we have cultivated thus far, we will tackle corporate transformation (CX) for the Resona Group itself in order to create value that transcends the conventional framework of financial services. By doing so, we will help resolve the increasingly diverse issues requiring ever more sophisticated solutions that our customers and regional societies are confronting. Through these pursuits, we are aiming for sustainable improvement in social and corporate value as well as the realization of "Retail No. 1."



A super-aging society

Need for vitalization of regional economies

Changing industrial structure

Acceleration of digitalization

Changes in the interest rate environment

Shift from savings to investment

Global warming and climate change

Shift to a decarbonized society

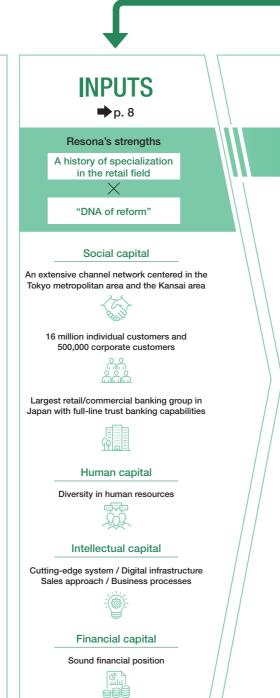
Increasing importance of corporate social responsibility

Diversifying lifestyles

Priority social issues (RSC20301) **⇒**p. 36 Low Birthrate and Local Communities an Aging Society Revitalization of Elimination of Anxiety Local Economies Triggered by Low Birthrate and Aging Society **Human Rights** Environment Diversity & Inclusion Response to Global Warming and







ACTIVITIES → p. 58-

OUTCOMES

Beyond Finance, for a Brighter Future.



Social value

Corporate value

Customers

Overwhelming convenience Sustainable business development Abundant lifestyles

Shareholders

Increase corporate value

Society

Sustainable development of regional societies

Employees

Fulfillment in both work and private life

Stakeholder Dialogue and Collaboration

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Sophisticated Corporate Governance ⇒p. 86

SOCIAL CONTRIBUTION

¹ Resona Sustainability Challenge 2030 announced in November 2018 to represent Resona's commitment to facilitating global efforts aimed at achieving SDGs.



Purpose-Driven Management

In 2023, the Resona Group entered a new stage in its evolution, one in which it is striving to genuinely become "Retail No. 1." At the same time, the Group's conceptual structure, which underpins its endeavors to take on new challenges, was refreshed.

The newly refreshed conceptual structure provides a basis for the Resona Group to move forward toward the next stage. Moreover, the process of updating this conceptual structure provided an opportunity for every Group member to reexamine and reaffirm their reason for being and foundations.

Established in 2023, our Purpose is summarized as "Beyond Finance, for a Brighter Future." It is a clarification of our underlying thoughts on how we contribute to society, an approach that has long informed our Group operations. In addition, our Corporate Mission, which has been and continues to be cherished by every one of us, remains unchanged and will be passed down to future generations as it represents our "DNA" cultivated in the course of learning lessons from the "Resona Shock." Our Purpose, along with our unwavering commitment to our Corporate Mission and our Long-Term Vision of realizing "Retail No. 1," is expected to serve as a cornerstone to be relied on by all of us whenever we find ourselves lost so that we can regain the confidence to move forward.

Even as the business environment evolves, individuals' value systems are growing increasingly diverse. Our organization consists of individuals and, therefore, needs to align its management approach with these changes.

Our Purpose provides us with not only an ultimate goal but also the starting point for our corporate value chain. In following this path, however, we must keep in mind that the realization of the Purpose is unlikely to be a smooth or simple process.

We must start with enabling each employee to deeply understand the Group's Purpose and to discover resonance between that and their own purpose. This will ensure that every employee is

clearly aware of what they are working toward and highly motivated to perform their duty. Furthermore, we will foster a corporate culture in which 30,000 officers and employees are autonomously thinking about, discovering and taking action to meet customer needs. Such a corporate culture will, in turn, make the Group stronger and enable us to navigate an era of rapid changes and address the increasingly diverse and complex issues that our customers will require ever more sophisticated solutions to confront.

Therefore, the Purpose should never be seen as merely a slogan. If we don't seriously dedicate ourselves to its realization, the Purpose will be just a nice-sounding wish. As CEO, I truly believe in the significance of the Purpose and am determined to fulfill my tasks accordingly, taking the lead in the overall transformation of the Group's organization as well as in the optimization and realignment of our corporate value chain.

Looking ahead, we will remain a financial group that does its utmost to help customers and society as a whole resolve issues they are confronting. To that end, each officer and employee will remain mindful of how they contribute to a brighter future and for whom they are doing so.

We are also aware that solutions to such issues may not lie in the conventional framework of financial services.

The discovery of solutions to create a brighter future for those we serve may well entail our exploring myriad options and venturing into uncharted areas. This is exactly why we deem it important to avoid overly relying on conventional wisdom and value systems and to empower each employee to take a deep look into, and identify the best possible solution to, issues their customers are facing.

I believe that the processes discussed above will help 30,000 officers and employees achieve personal growth and serve as a driving force that lends the Resona Group fresh competitive strength.

Our Ideals for What the Resona Group Should Look Like over the Long Term and How We Should Leverage the Combined Capabilities of Group Companies

Here. I will once again address our ideals with regard to what our Group should look like over the long term. Starting with addressing issues confronting customers and society as a whole, we seek to thoroughly configure our business approach to create and maximize customer value. To this end, we are combining the potential strength of the Group and the power of innovation. Our endeavors will serve as a premise for the realization of "Retail No. 1" in line with our Long-Term Vision as well as the embodiment of our Purpose, namely, "Beyond Finance, for a Brighter Future."

Currently, such megatrends as those related to decarbonization and digital transformation (DX) are expected to result in longterm structural changes. Simultaneously, we are witnessing the emergence one after another of major events that had before now been considered rare, occurring only once every several decades. There is no doubt that we are facing a moment of profound transition. Domestically, the economy is finally seeing deflation recovery. On the back of a recent trend toward modest inflation, we have

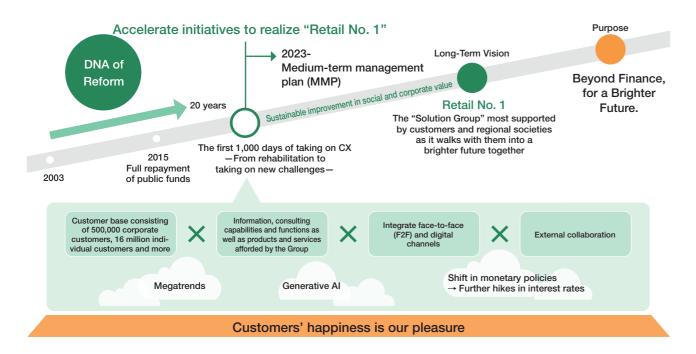


seen changes in the issues and needs customers and regional societies are confronting on diverse fronts.

For us to deliver new value to customers amid this evolving environment, it is important that we swiftly adapt ourselves to changes without overly relying on conventional ideas and frameworks. This is why we have included corporate transformation (CX) in objectives under the Group's current medium-term management plan (MMP). Changes always bring us both fresh opportunities and risks. The success of our endeavors hinges on how we seize opportunities arising from such changes by taking full advantage of the Group's strengths and realizing innovation.

With this in mind, it is essential to leverage the collective capabilities of all Resona Group members. Specifically, we need to bring to bear the combined functions of the four commercial banks, each of which boasts unique strengths, and the capabilities of all other Group companies as well as our strategic partners outside the Group

The Resona Group boasts a robust customer base nurtured over the course of its long history, maintaining transactions with 16 million individual customers and 500,000 corporate customers. The Group is also equipped with strong potential in other areas, with its highly competitive lineup of functions, products and services encompassing trust banking, real estate, and other fields. These operations also provide us with access to a diverse range of information. However, it is frustrating to see that these capabilities have yet to be utilized to the fullest possible extent. In other words, the Group still possesses considerable potential that could be realized going forward. In order to provide as many customers as possible with solutions best suited to meeting their needs, we will drastically accelerate the development of connections among all Resona Group members, to this end shifting away from dependence on conventional ideas.



Initiatives to Improve Corporate Value

Over past few years, our stock prices have remained on an upward track on the back of growing market expectations for the normalization of Bank of Japan (BOJ) monetary policy. On the other hand, although PBR rose to 0.84 times at the end of March 2024, I have also been personally frustrated by the ongoing stagnation of this indicator at a level below 1 time.

Let us now turn to a discussion of both financial and non-financial aspects of our endeavors to improve corporate value. It is my view that specific measures to do so must involve the simultaneous pursuit of higher ROE and lower capital costs. This twofold approach will help us raise PBR and thus garner higher market ratings.

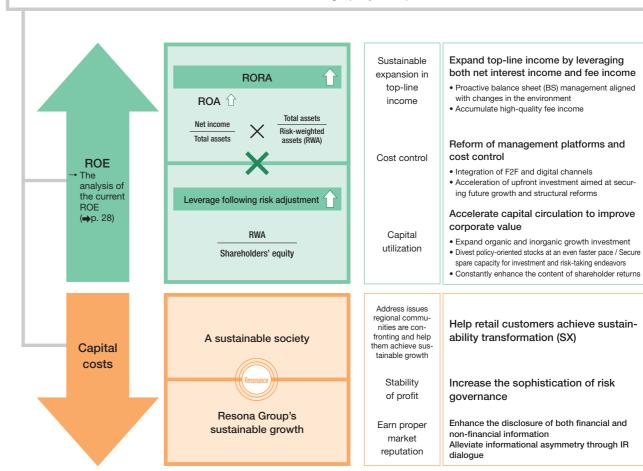
First, to improve ROE, we intend to achieve a turnaround in and raise ROA through the enhancement of net interest income and fee income while overhauling the Group's cost structure via the acceleration of business process reforms. This is our basic approach. Furthermore, as we are already progressing toward the full utilization of capital, we will continue implementing investment in both

organic and inorganic growth fields. Once a virtuous cycle of capital circulation is established, we will be able to pursue sustainable improvement in ROE. For the final year of the current MMP, we have set an ROE target of 8% (based on total shareholders' equity). This indicator amounted to 7.2% in FY2023, and we have formulated an annual target of 7.3% at the beginning of FY2024. However, if we were to factor in possible further hikes in the policy rate, our ROE could be well above 8% in the future. If this scenario comes into play, we could aim for a drastically higher target.

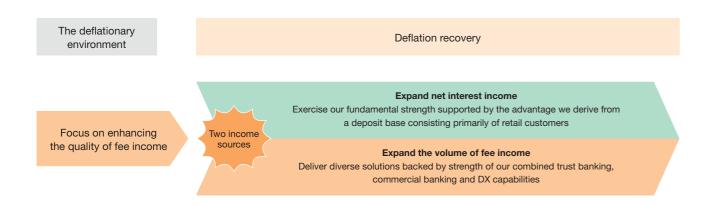
To reduce capital costs, it is important to develop a high-quality, stable earnings structure that enables us to live up to the expectations of market participants even as we properly manage risks arising in this era of increasing uncertainty. We will also proactively enhance the content of financial and non-financial information disclosure to secure the widespread public understanding of the Group's sustainability while stepping up initiatives to address

Resona's Sustainability Management

- Business endeavors that start with addressing issues customers and regional communities are confronting
- · High-quality, stable profit



Expand Two Business Areas a mid a Deflation Recovery Environment



Moving on, let us take a more detailed look at our initiatives. In March 2024, the BOJ finally lifted the negative interest rate policy, initiating the normalization of its monetary policy. This is serving as a tailwind for the Resona Group, which has a balance sheet highly sensitive to interest rates. Of course, competitor banks will also benefit from this tailwind. Therefore, the success of our endeavors to seize golden opportunities as they emerge and secure sustainable growth for the Resona Group hinges on our ability to deal with change.

In this regard, we need to start with reviewing our mindset for deep-seated attitudes as well as our behavior for patterns we may have developed over the course of struggling in the deflationary, negative interest rate-environment. We then need to accurately assess 1) changes in society, 2) changes in customer needs and 3) changes in competitors. We need to not only smoothly extend funding solutions and deliver sophisticated consulting services to meet customer needs, but also to update the business processes and systems that support our conventional operations as quickly as possible.

Accordingly, we will work to further expand top-line income by drawing on the competitive edge that our robust retail customer base gives us as well as our outstanding consulting capabilities to revive the deposit-lending business. At the same time, we will rebalance and thereby restore the strength of our securities portfolio. Moreover, we will continue upgrading the fee businesses we have long nurtured and, to this end, push ahead with the integration of F2F and digital channels. We have already seen upturns and ever-faster rises in net interest income from domestic loans and deposits, interest income from yen bonds and fee income in the second half of FY2023 and hope to maintain the strong momentum arising from these favorable trends in FY2024.

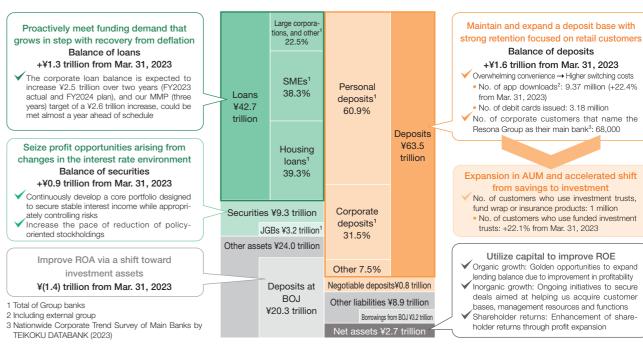
Under the previous MMP, which was in force during the earlier period of the COVID-19 pandemic, we recorded a considerable deterioration in ROE due mainly to an increase in the volume of low-utilization assets on the back of substantial expansion in the balance sheet. However, ROE recovered in the final year of this MMP. Backed by the current trend toward the normalization of the BOJ's monetary policy, we will strive to improve ROA via more proactive engagement in risk-taking endeavors relative to yen interest rates in line with the latest MMP. The shift in the BOJ policy began affecting the asset side in 2023, prompting the transfer of BOJ deposits to funds for high-quality lending or securities with medium-term maturity periods.

In a world with interest rates once again, the Group is expected to be better positioned to hone the strengths arising from the liability side of its balance sheet as well as its stable retail deposit base, which boasts strong retention. Therefore, increasing the sophistication of balance sheet management will be a matter of importance.

The fee businesses constitute one of the two business areas we aim to expand. Specifically, we aim to record an all-time best for the fourth consecutive year. As part of these efforts, we have identified expanding the AUM business as a medium- to long-term objective to be achieved on the back of a progressing shift from savings to asset management and moderate inflation. As the Japanese government has identified a target of building national strength through asset management, the development of NISA and other systems is ongoing. Reflecting this, the general public's perception of asset management has begun to change. We believe that these factors will, in turn, together serve as a pivotal opportunity for us to promote our long-term asset management services. The Resona Group boasts professional asset management knowhow cultivated over the course of more than 60 years of corporate pension fund management. We will provide as many retail customers as possible with access to this know-how while fully leveraging the Resona Group's unique business development approach focused on long-term asset-formation and dispersed investment and backed by the integration of its F2F and digital channels.



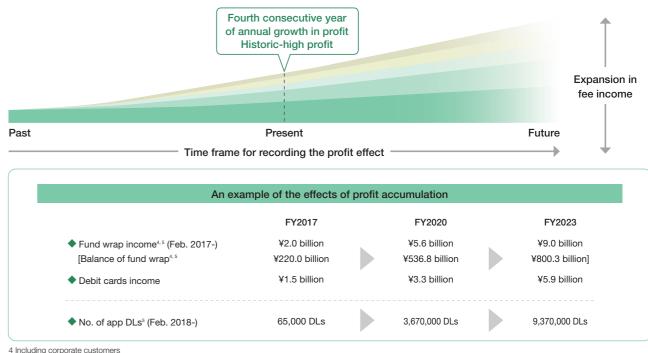
As of March 31, 2024 Total assets: ¥76.1 trillion



The diagram presented below illustrates the historical progress and future expansion trajectory of our fee businesses. In addition to growth in fee income from conventional consulting services, we have confirmed a stable increase in fee income from recurring revenue businesses that leverage the integration of F2F and digital channels. Specifically, income from the fund wrap increased 4.5 times over six years, with the possible achievement of ¥10.0 billion already in sight.

Income from debit cards has similarly grown fourfold from ¥1.5 billion to ¥5.9 billion over the course of the last six years and is expected to keep on an upward trend. With regard to the Group App, which has quickly gained widespread customer support since its February 2018 release, we have recently recorded nearly 10 million downloads (DLs). Thus, the app is growing into a major platform that will shape the very structure of our businesses.

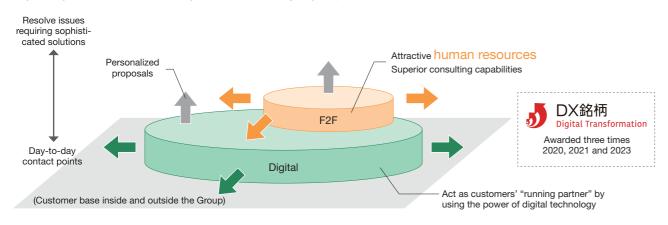
Accumulate High-Quality Fee Income



- 5 Including external group

Reform of Management Platforms and Cost Control

Day-to-day transactions that are fully accommodated digitally × Specialized face-to-face services



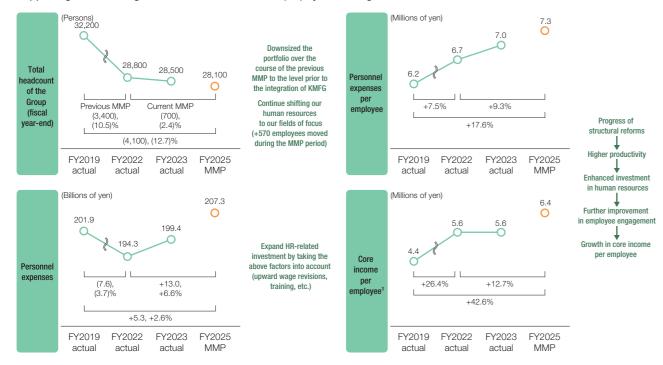
The establishment of a new mode of next-generation retail financing will require the provision of both digital-driven connections and specialized F2F services focused on in-depth consulting capable of meeting the needs of all 16 million individual customers. 500,000 corporate customers and more. In the area of day-to-day financial transactions, a shift to digital- and data-driven services will continue over the medium to long term for both individual and corporate customers. At the same time, there will always be customers who need sophisticated solution capabilities. The latter service field definitely requires in-depth solutions centered on F2F consulting and will be a focal point of our efforts to set the Resona Group apart from others.

In other words, integrating human resource capabilities and

technologies will be essential to securing our abilities to provide customers with the best possible solutions and deliver a sense of excitement that exceeds mere satisfaction. Executing upfront investment in IT and human capital is an integral part of our efforts

First, our IT-related investment is intended to bolster our abilities to provide customer value. This will involve the further enhancement of non-face-to-face channels and digital settlement infrastructure. Another goal of this investment is to drastically improve productivity via, for example, digital-driven reforms of in-house operational processes. We are clearly aware of risks arising from delays in upgrading our digital and data capabilities, which are highly likely to limit our growth potential. Through the

Supporting sustainable growth and structural reforms (CX) by enhancing investment in human resources



1 Core income [Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses] / Number of employees

acceleration of structural reforms under the current MMP, we will solidify a path toward sustainable growth for the Resona Group.

To date, the Group has engaged in a variety of reforms to improve productivity. Over the course of three years under the previous MMP, the total workforce decreased, with the number of employees declining by 3,400 due to natural attrition. This was aided by a shift of staffing to strategic fields via the review of our branch network. We also shared our know-how of low-cost operations amassed in the course of the Resona Reform with Kansai Mirai Financial Group (KMFG), Management resources freed up through these initiatives are now being reinvested in human capital. While personnel expenses per employee are expected to increase 17.6% over the six years from March 31, 2020 to March 31, 2026 (the combined time frame of the previous and current

MMPs), we plan to raise core income per employee at a pace exceeding growth in the above expenses by 42.6% over the course of the same period.

We expect various process reforms to yield considerable effects in terms of growth in top-line income and cost reductions as these reforms will encompass such business processes as those related to lending and housing loan clerical work in addition to the migration of our trust banking systems to open systems. Ever since the Resona Reform, we have cultivated the "DNA of reform." eventually passing it down to the present generation of Group members. True to this DNA, we are determined to continue pursuing forward-looking structural reforms to take advantage of a favorable shift in the environment due to the normalization of the

Full Utilization of Capital

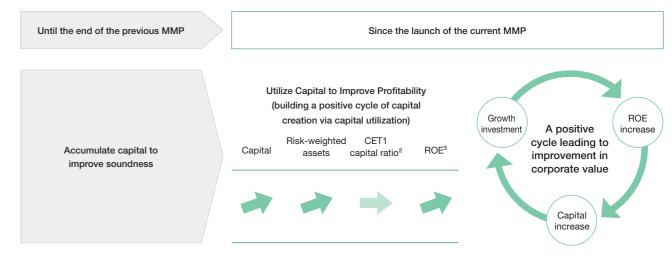
The Resona Group has pushed ahead with the qualitative and quantitative enhancement of capital even after fully repaying the loan of public funds in 2015. Having marked eight years since the above accomplishment, we have finally entered a phase in which we can fully utilize capital. Looking ahead, we will step up investment aimed at achieving organic and inorganic growth while enhancing the content of shareholder returns in a balanced manner that gives due consideration to financial soundness. In these ways, we will establish a capital circulation structure supporting the improvement of corporate value.

In FY2023, the first year of the current MMP, net income for the period remained above the planned target. This made it possible for us to accelerate growth investment, especially in areas of organic growth. Meanwhile, major accomplishments involving inorganic growth included the closing of two deals regarding the transformation of two leasing companies into wholly owned subsidiaries and the expansion of a capital and business alliance with Digital Garage, Inc. In addition, the above leasing companies merged together in April 2024, with the resulting company renamed Resona Leasing Co., Ltd. to make a fresh start.

With regard to shareholder returns, the volume of dividends per

share for FY2023 was increased by ¥1, while the Group executed share buybacks by expending ¥25 billion over the course of said fiscal year. The latter amount is equivalent to the total volume of funds allocated to share buybacks during the three-year period under the previous MMP.

We also consider the reduction of policy-oriented stockholdings an important capital management issue. In May 2024, we announced a refreshed plan that calls for cutting back on the current book value-based balance of these stockholdings by two thirds or more over the six years leading up to March 2030. Once completed, the balance will be slashed by 94% compared with the figure for March 2003, when we initiated the reduction of policyoriented stocks. We aim to reallocate spare capital freed up in the course of executing this plan to secure funds necessary to augment the Resona Group's abilities to deliver new customer value and achieve sustainable growth in an era of change. Specifically. we will reallocate management resources thus obtained to growth investment in the retail field. This will, in turn, yield upside profit effects and provide us with a basis for planning the ongoing enhancement of shareholder returns.



- 2 Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities
- 3 Net income attributable to owners of parent / Total shareholders' equity (simple average of the balances at the beginning and end of the term)

Becoming the Most Significant Contributor to Customer Success in SX

The Resona Group aims to become the most significant contributor to its retail customers' successful SX. Accordingly, we have strengthened initiatives to address environmental, social and governance (ESG) issues. We deem it important to engage with customers to help them assess opportunities and risks associated with SX based on their current situation, which may vary widely by company. As a financial group aimed at realizing "Retail No. 1," our mission is to provide customers with these and other specific forms of support and act as their "running partner" on an ongoing basis. To this end, we also need to transform ourselves. We need to be more open-minded and attentive to changes in society in order to lead the way in adapting to such changes. Looking ahead, therefore, we will accelerate our initiatives in ESG fields even as we extend meticulous support to customers pursuing SX.

Currently, we are striving to achieve Long-Term Sustainability Indicators, which encompass the diverse aspects of our operations, including customer value, environmental value, social value and employee value, with the target year set at FY2030. Specific details of our initiatives to this end are discussed by our CSuO (-p. 40) and CHRO (-p. 70) in their respective messages. We will steadily move forward toward realizing each indicator while staying customer-centric and leveraging a medium- to long-term perspective.

In Closing

In 2023, the Resona Group issued a book tracing its corporate history in conjunction with the milestone 20th anniversary of its inauguration. While some of our precursors date back much further than two decades and even boast more than 100 years of history, the above publication is focused on describing the 20 years of reforms that kicked off on May 17, 2003, when the injection of public funds was decided on in accordance with the Deposit Insurance Act. I contributed a preface for this book and urged readers to "Take this history genuinely as your own with a sense of gratitude for the stakeholders who have supported us to date and a strong commitment to your mission." I also stated that "All officers and employees working at the Group today have a responsibility to correctly pass these lessons down to future generations to preserve the 'DNA' of Resona and enable it to achieve further growth." Over the course of more than 100 years of history specializing in the retail banking field, the Group has amassed a distinctive strength while cultivating the "DNA of reform" via a two-decade period of endeavor aimed at achieving a revival. We will fully take advantage of these assets to move the Resona Group forward toward the next stage. We will also unflaggingly uphold our basic stance, "Customers' happiness is our pleasure." In these ways, we will achieve further growth in tandem with customers and regional societies.

Going forward, we ask our stakeholders for their ongoing support of the Resona Group's endeavors to take on new challenges.



The Resona Group's Purpose

In May 2023, the Resona Group established a Purpose, "Beyond Finance, for a Brighter Future." This Purpose was formulated as a verbalization of the underlying concepts supporting the Group's operations in order to clarify how we will contribute to customers and society as a whole moving forward. It also expresses our aspirations to create a "Brighter Future" via the use of ideas that transcend the framework of finance, starting with addressing the increasingly diverse and complex needs our customers and society are now facing.

We are currently engaged in various initiatives to secure the recognition of and resonance with the Purpose among our employees, customers and the general public. For example, we are working to spread knowledge and understanding of our corporate activities informed by the Purpose among our customers and the general public through such means as TV, online and other media advertising. We also endeavor to ensure that all employees throughout our organization are on the same page regarding the importance of the Purpose by creating a variety of educational content, developing evaluation and commendation systems, enhancing our lineup of training sessions and facilitating employee dialogue involving top management.

We will continue striving to secure a deeper understanding of the Purpose among our stakeholders, with the aim of accelerating our pursuit of sustainable improvement in social and corporate value.

The Resona Group's Purpose

Beyond Finance, for a Brighter Future.

In a world that keeps changing, we're here to provide peace of mind so that we can welcome the future with hope and confidence.

To achieve this, we think beyond the framework of finance to address different challenges alongside each region.

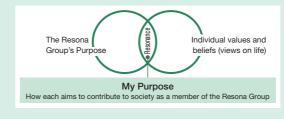
At Resona, we persistently strive towards reform and creativity for a brighter future —one that is hopeful and reassuring, just as it is exciting.



Topics1

A "My Purpose" Project That Empowers 30,000 **Employees to Establish Their Own Purposes**

The Resona Group holds workshops in which employees learn to nurture their value creation capabilities by autonomously putting the Purpose into practice. By doing so, we improve their engagement while helping each employee establish a personal version of the Purpose.





Topics2

Becoming a Title Partner of B.LEAGUE

In July 2024, we became the title partner of B.LEAGUE, a professional male basketball league in Japan. This partnership will not only involve working in tandem with B.LEAGUE but also with each of the league's clubs while maintaining ties with basketball fans, regional communities and other league partners. We will strive to energize this league while creating a "Brighter Future"



Value Creation Story

Dialogue between Professor Nozaki and Group CSO Ishida



Joined Saitama Bank in 1986 Became a professor at the Faculty of Integrated Social Sciences at Kvoto Bunkvo University in 2015 after serving in the research departments of foreign securities companies and financial institutions since 2000. Became a professor at Toyo University's Faculty of Global and Regional Studies in 2018 (incumbent).

Hironari Nozaki

Professor, Faculty of Global and Regional Studies, Toyo University



Shigeki Ishida

Group CSO, Director, Deputy President and Executive Officer

How Should the Resona Group Address the Radically Evolving Environment?

Once Again, We Are Living in a "World with Interest Rates." How Will We Improve Corporate Value by Seizing Opportunities Arising from External Changes?

Nozaki In addition to changes in the macro environment, such as the Bank of Japan (BOJ) monetary policy, we have seen a radical shift in the general public's value systems and behavioral patterns. However, Resona has a history of adapting itself to changes. This is an aspect of the Group's distinctive strength.

Against this background, what do you consider to be the most noteworthy change? Please also share your recognition, as CSO, of opportunities and risks arising from these changes.

Ishida I recognize that external changes currently taking place, including the shift in the monetary policy, inflation, and labor shortages as well as technological advancement, such as the emergence of generative AI, affect a diverse range of fields. These changes also include trends toward SX and DX in addition to a shift from savings to investment. In summary, we are at a point of major transition. Based on this recognition, we aim to accommodate the needs of customers and regional communities and help them resolve issues arising from these changes. This is our basic stance on how to improve corporate value.

I also deem it important to adapt to the reinstatement of a "world with interest rates," which is an imminent issue requiring proper response. Interest rate hikes will entail both opportunities and risks. While opportunities will arise with improvements in the margins of loans and bonds, interest rate hikes could also lead to, for example, higher credit risks and expansion in unrealized losses on our bond holdings. Furthermore, as each financial institution is expected to execute more flexible pricing strategies, the competitive environment surrounding the Group might evolve. This change similarly deserves attention.

Overall, however, I believe that the opportunities will far outweigh the risks arising from interest rate hikes. With this in mind, we are stepping up initiatives to help corporate customers to improve and rehabilitate their businesses, which will be affected by rising costs, even as we maintain appropriate risk control. These are part of preparatory steps under way to ensure that we can indeed seize opportunities arising from interest rate hikes.

Nozaki Resona's high sensitivity to interest rates is the subject of immense attention in the capital market. On the other hand, higher income arising from interest rate hikes might also cause the Group's workforce to be content with the status quo. Aren't you concerned about this scenario?

Ishida On the back of the prolonged negative interest rate environment, the Group has maintained considerable focus on expanding its fee businesses and thereby achieved major accomplishments by rallying its overall strength. In a "world with interest rates," the profitability of assets is expected to naturally improve. However, we can never be dependent on this tailwind alone. Rather, we must strive to raise top-line income by leveraging both asset and fee businesses to achieve growth. In the inflationary period, the transition from savings to investment products is highly likely to accelerate amid the ongoing shift from savings to investment. We intend to robustly employ these and other opportunities to achieve business expansion.

What Solutions Will We Deliver amid Changes in Customer Value Systems and Behavior?

Nozaki It has been nearly three decades since Japan's financial industry has tangibly benefited from an interest rate of 1% or more. The business environment when the restrictive interest policy was instated was entirely different from what it is now. And, although the Resona Group boasts distinctive strengths backed by a deposit base with high retention, don't you feel anxiety regarding a possible outflow of depositors to competitors specializing in internet banking ("internet banks") as these banks are now winning a arowing number of accounts?

Ishida I fully agree with your views on the striking differences between the past and current business environments in terms of competitors. In particular, I consider the emergence of internet banks to be a major threat in the individual banking field. On the other hand, the Resona Group is capable of differentiating itself from internet banks in various ways.

First, we have the "Resona Group App." This app has been constantly updated and its functions improved. Through the app, we aim to provide users with greater convenience than what mere internet banks can deliver.

Second, we have more than 800 manned branches. I believe that the advancement of a digital world will better position us to hone the strength of this branch network. Looking ahead, we will step up the use of digital technologies and integrate our face-toface and digital channels, with the aim of differentiating ourselves from internet banks.

In addition, we expect needs for asset management solutions to only grow stronger going forward. Accordingly, we will deliver value to customers by leveraging know-how amassed in the course of pension asset management.

Nozaki While consumer modes of household finance have been evolving due to changes in individual value systems and behavior, business corporations have long focused on securing surplus funds. In this field, what changes do you expect to see going forward?



Ishida With inflation expected to get worse, we forecast that funding demand will grow among business corporations due to the pressing need to deal with labor shortages and to promote SX and DX. In fact, the volume of funds extended in corporate financing grew considerably in FY2023. We will steadfastly accommodate the funding needs of our customers.

In terms of managing deposits entrusted by corporate customers, I believe that our settlement services could differentiate us from competitors. In recent years, we have seen remarkable advancement in B2C settlement services. On the other hand, similar services used in the B2B sector are largely based on the conventional framework. There is room for improvement.

In FY2023, we strengthened our capital and business alliance with Digital Garage. In these and other ways, we intend to leverage external insights in order to deliver innovative solutions in the field of B2B settlement.

In sum, I believe that future growth for the corporate banking business hinges on our efforts to seize burgeoning funding demand and provide settlement services.

Nozaki That's very interesting. The development of the B2B settlement system could also enable the Group to deliver high-valueadded financial services, such as supply chain financing. I expect the Group to step up its initiatives in this area.

In addition, the Group is capable of assisting in business succession, business rehabilitation and startup endeavors with regard to the two aspects of debt and equity, as well as of providing solutions that leverage its trust banking functions. I expect that the Group can create new opportunities by fully taking advantage of these and other functions to deliver value-added solutions that have never before existed.

How Will We Utilize Capital?

Nozaki In connection with topics discussed thus far, I would like to ask you to share your thoughts on balance sheet management. Over the past 10 to 20 years, liquidity deposits have been the sole asset that increased amid the low-interest rate environment. If these deposits were considered speculative funds, their volume might decline going forward. Do you have in mind a future scenario in which the Group intentionally chooses to reduce the size of its balance sheet in order to enhance asset efficiency?

Ishida Instead of merely reducing the size of our balance sheet, we aim to improve asset efficiency via proactive balance sheet management. Specifically, we will push ahead with replacing items on the left side (asset side) of the balance sheet to increase assets with higher potential in terms of risk returns and cost returns, with the aim of improving profitability and asset efficiency.

Nozaki How about the Group's future plan on how to utilize capital in a way that serves the interest of shareholders?

Ishida In the course of repaying public funds, the Resona Group expended capital totaling more than ¥3 trillion. We have striven to accumulate high-quality capital since achieving the full repayment of these funds in June 2015.

As a result, we achieved a Common Equity Tier (CET)1 capital ratio* of around 10% at the close of the previous medium-term management plan (MMP) on March 31, 2023. Under the current MMP, the Group entered a new phase in which it proactively utilizes the capital to be created going forward.

With regard to how we will utilize capital, the current MMP's aim is to raise the volume of shareholder returns while enhancing growth investment. Specifically, we will utilize capital to achieve both organic growth (e.g., via lending) and inorganic growth (e.g., via M&A). Moreover, as part of in-house investment, we will allocate a cumulative total of ¥33 billion in additional funds to human capital-related investment over the course of three years and intend to invest ¥120 billion in system development over the same time frame, with the latter representing 1.5 times of similar investment undertaken over the course of the previous MMP.

We have also updated our plan for the reduction of policyoriented stockholdings. Our current plan is to cut back on the balance of such stockholdings by more than two thirds of their book value over the course of the next six years. Capital freed up via the execution of this plan will be robustly allocated to investment aimed at securing sustainable growth. In this way, we intend to improve corporate value.

Nozaki Do you think the Group needs to reduce its balance of policy-oriented stocks to zero?

Ishida Once the updated plan has been completed in 2030, the balance of these stocks is expected to be only slightly more than 5% of the balance at the end of March 2003. As such, this plan was formulated based on our strong determination. We believe that steadily implementing this plan and reporting its results to stakeholders is of immediate importance.

Nozaki We have seen the remarkable enhancement of the content of shareholder returns, such as share buybacks, undertaken by many Japanese corporations. Personally, however, I believe that they should take a more forward-looking and innovative approach to capital utilization, rather than focusing on keeping up with their peers.

For example, these corporations need to disclose ROIC, investment horizon and other items to secure investor confidence in the targets they are aiming for.

Ishida I think it is important to balance the volume of profit to be returned to shareholders and the volume of growth investment. Also, prior to allocating a higher proportion of profit to growth investment, we need to share a scenario for future growth with all stakeholders. This is a matter of the foremost importance. We also recognize strong needs among market participants to see shareholder returns. Accordingly, we will consider and update our policy on capital utilization by taking prevailing circumstances into account.



Nozaki For business corporations, including financial institutions. the stock market must be a place for finding funding, rather than a place for spending. Therefore, we have to conclude that investors' fondness for share buybacks suggests the presence of doubts regarding the growth potential of the corporations they invest in. In this light, the Resona Group should clearly communicate the expected outcomes of its investments and then announce a growth story that will inform its plan for effective capital utilization. Once it succeeds in doing so, the Group will, I believe, naturally gain a robust reputation among investors.

Ishida I agree. We intend to announce our growth story to secure investor appreciation. In believe that, to that end, communicating robust operating results is of foremost importance.

How Can We Practice the Purpose More Effectively to Achieve Further Growth?

Nozaki For the Group to aim for further growth, it is extremely important to practice the Purpose, which was established in 2023, more effectively.

The Resona Group has been a pioneer among domestic financial groups in terms of boldly shifting the focus of its management vision from banking operations to financial services. Furthermore, the Group has identified a Purpose aimed at realizing "Beyond Finance," which, as the slogan implies, transcends the conventional framework of finance, thereby clarifying its commitment to delivering diverse value that, in turn, enables customers and society as a whole to enjoy a brighter future. I consider this move praiseworthy.

In our efforts to realize this Purpose, "issues," referring to difficulties that customers and society as a whole are confronting, constitutes a keyword. The Group should enable not only each employee but its entire organization to amass the conceptual capabilities needed to discover opportunities that addressing these issues yields. I think, however, ensuring that the Purpose is homogeneously understood and supported throughout the organization will be an extremely hard task. Could you elaborate on initiatives now under way to this end?

Ishida For us to realize the Purpose, it is important that each officer and employee adopts it as their own. This also applies to the realization of "Retail No. 1," our Long-Term Vision.

With this in mind, we launched a "My Purpose" Project that empowers each of our 30,000 employees to establish their own purposes. This project helps each participant engage in discussion with their colleagues to develop their own understanding of "Beyond Finance." In this way, we are encouraging employees to formulate their own purposes based on what they can do for a "Brighter Future." Through these and other initiatives, we strive to empower employees to discover resonance between their individual values and the Purpose, as we believe that doing so will be the most effective way of entrenching it in our culture.

We also distribute messages from top management while airing TV commercials and otherwise employing various media outlets. Recently, we became a title partner for B.LEAGUE, a professional male basketball league in Japan. This is yet another profound example of our efforts to disseminate our Purpose.

We also feel the need to clarify that all of our in-house initiatives and rules must be designed to facilitate the realization of the Purpose and the Long-Term Vision. To that end, we have updated our risk appetite statement and incorporated new clauses that position our risk appetite framework (RAF) as a framework that supports the realization of our Purpose and Corporate Mission. Also, I think it is important that every Group member is provided with details on how these and other frameworks, including that for

customer-oriented business conduct, are linked with the Purpose and the Long-Term Vision.

Nozaki It is understandable that the main focus of the RAF is risk management. However, I think that updating each component of the RAF in light of its linkage with the Purpose is also vital. This updating process should also involve a thorough review of the Group's mode of business operations. In addition, care should be taken that the Group's principles of customer-oriented business conduct do not devolve into a set of rules to which only lip service is paid. The genuine aim of these principles must not fall by the wayside. Moreover, I believe that linking the evaluation of employee performance with the degree of achievement in realizing the Purpose is another matter of importance.

Ishida In terms of evaluating the performance of employees, we have reduced the weighting placed on quantitative evaluations and begun shifting our focus to assessing the processes by which they handle their tasks. Of course, we need to improve many aspects of our evaluation system, and we often struggle to find the best ways to do so. Nevertheless, we continue to strive to revise our system to ensure that employees are highly rated for doing what needs to be done, not just for achieving higher numerical results.

In addition, we will continue to update our RAF so that it not only serves as a single-purpose framework for risk management but also functions as a framework for supporting the allocation of management resources, including staffing and infrastructure, to realize the Purpose and the Long-Term Vision.

Nozaki I have heard that the Group is about to change the definition of revenue, on which the RAF is structured, to include such non-monetary elements as human capital and customer satisfaction. I am excited to see results of this initiative because none of the other financial institutions seem to have done anything like this.

What Direction Should We Take in Executing Human Resource Strategy and Human Capital Reforms?

Nozaki I would also like to hear your thoughts on human capital reforms. For financial institutions, the design of incentives is key and needs consideration. Furthermore, reskilling and upskilling are important aspects of the skill development support extended to employees and it is essential to enhance the mobility of human resources across the board. In this regard, it is good for the Resona Group to facilitate human resource exchanges involving various entities, including those outside the Group.

In terms of incentive design, I consider share-based compensation to be quite promising. To ensure that shareholders and employees share the same values despite representing two different stakeholder groups, enabling the latter to become shareholders is instrumental. This should be done via the use of schemes other than the employee stockholding association. Based on this perspective, do you have a plan to expand the scope of individuals eligible for share-based compensation?

Ishida For employees, being exposed to expertise in unfamiliar fields can be quite beneficial, be it via reskilling or up-skilling programs.

Currently, the Group's human resource strategy places strong focus on enabling employees to undergo "boundary-transcending" programs. We are therefore encouraging them to put themselves forward to take advantage of in-house and external opportunities to this end. At present, most employees tend to remain at the same department for many years as a growing volume of the tasks they handle require increasingly specialized skills. This is exactly why facilitating interactions among departments and entities is now more important than ever. We believe that enabling employees to transcend all sorts of boundaries will help the Group best leverage strengths arising from the diversity and other aspects of its human resource portfolio.

The success of a financial institution ultimately hinges on the capabilities of its human resources. Accordingly, the company cannot grow unless each employee achieves growth. With this in mind, we have set a specific target of raising the ratio of mid-career hires and others with "boundary-transcending" experience to the overall number of newly appointed senior managers to 100% by the end of FY2030.

Currently, we provide share-based compensation only to officers even though I consider granting similar compensation to employees to be a promising option. I think, however, that the Group should continuously study the possibility of such compensation.

Nozaki I found the "boundary-transcending" initiatives undertaken by the Group to be quite instrumental, as these are not merely intended to facilitate job rotation with the aim of nurturing generalists but to expose employees to fresh insights.

Mr. Hosoya, former Chairman, stated that "bankers' norms do not necessarily coincide with the common-sense ideas held by external people." The Group now seems to be expanding this concept to incorporate external perspectives. I see this move in a positive light.

In addition, a company should not hinder employees in their pursuit of external opportunities to achieve personal growth. This is why proactively hiring alumni is so important. The Resona Group should work to enhance the attractiveness of its organization so that its ex-employees can rediscover the positive aspects of working at the Group after gaining external experience and develop a desire to be reinstated.

Ishida We also focus on hiring alumni. To date, there have been a number of individuals who have chosen to rejoin the Group after leaving it. Currently, we are striving to help these and other alumni develop a network among themselves. This network is expected to help mitigate psychological barriers that ex-employees may confront when considering applying for positions at the Group.

Our Thoughts after the Dialogue



Nozaki I have seen that "Hosoya-ism" has taken deep root at the Resona Group and supplanted completely reform services one after another. This phenomenon helped me to discard the preconception that "banks cannot change" and see their potential.

Moreover, structural reforms undertaken by the Group in the past, including those related to branch layouts, are now serving as models for other banks. the entire industry as it embodies its "Beyond Finance" concept in the ongoing pursuit of innovation and value creation while serving as a role model for not only banks but other financial groups. I will continue to cheer on its endeavors.

Ishida I feel that the professor's remarks are representative of the expectations many stakeholders "bankers' common sense" in quiding its efforts to have with regard to the Resona Group. I think it's important that we continuously strive to live up to

What enables Resona to remain viable is the support of its stakeholders. Accordingly, we will leverage our "DNA of Reform" cultivated over many vears and prove ourselves to be a financial group Looking ahead, I would like to see the Group leading capable of staying on the cutting edge. I would ask stakeholders to take a good look at how we intend to evolve, especially amid a major shift in the business environment. Thank you very much.

^{*} Based on the full enforcement of the finalized Basel 3 regulations; excluding net unrealized gains on available-for-sale securities



Narunobu Ota

Group CFO and Executive Officer, Resona Holdings, Inc.

Review of Results for the Fiscal Year Ended March 2024 (FY2023)

In the fiscal year ended March 31, 2024, the Resona Group made a generally good start on current medium-term management plan (MMP) while identifying some issues. Reflecting on the first year of the MMP, I would like to begin my message by calling attention to the following three points.

The first point is regarding Resona Holdings' consolidated bottom-line income. While closely watching for changes in the business environment, in FY2023 we focused on securing financial flexibility in the course of business operations, with an eye to achieving "Profitability surpassing MMP target." As a result, net income attributable to owners of parent amounted to ¥158.9 billion, which is 5.9% in excess of our annual target of ¥150.0 billion.

The second point is about core income, which is defined as "Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses." This indicator stood at ¥158.7 billion and was 5.8% in excess of our annual target. Although first-half core income was down year on year, a turnaround in the second half returned this indicator to a growth track. We thus successfully concluded FY2023 with a favorable trend toward improved momentum in terms of financial performance.

We have also seen year-on-year growth in net interest income from domestic loans and deposits over the course of the second half in contrast with a downward trend in the first half, just as expected when the MMP was formulated. Also, fee income grew for the fourth consecutive year, hitting an all-time best. These accomplishments and a ¥5.4 billion year on year increase in interest income on yen bonds, etc., suggest that our preparatory

efforts to secure the ability to expand top-line income by leveraging both net interest income from domestic loans and deposits as well as fee income are beginning to pay off. In the wake of the abolition of the yield curve control policy previously enforced by the Bank of Japan (BOJ), we pushed ahead with securing a solid profit margin on held-for-maturity bonds and instruments with comprehensive hedging. For FY2024, we expect income from these items to remain on a growth track. Although operating expenses increased ¥11.8 billion year on year, these expenses remain under control and within the limits of our plan.

The third point is about the utilization of capital. In this regard. we have made steady progress. At the announcement of the current MMP, we stated that the Group had entered a phase of capital utilization. We then pushed ahead with capital utilization and growth investment in both organic and inorganic growth fields. Our noteworthy accomplishments in the organic growth field included substantial expansion in the balance of corporate loans. Taking into account our FY2023 results and expectations under the FY2024 plan, we anticipate that, by the end of FY2024, our corporate loan balance will fulfill 90% of the entire three-year period of the MMP. In the inorganic growth field, we closed deals related to (1) the transformation of two leasing companies into wholly owned subsidiaries and (2) the expansion of a capital and business alliance with Digital Garage, Inc (DG). Furthermore, we have enhanced the content of shareholder returns, with the total shareholder return ratio increasing from 40.6% in FY2022 to 48.2% in FY2023.

Forecast for the Fiscal Year Ending March 2025 (FY2024)

For FY2024, the target for net income attributable to owners of parent was set at ¥165.0 billion, a year-on-year increase of ¥6.1 billion. Here, I will discuss our FY2024 earnings target relative to the MMP target.

The calculation of the above target value for bottom-line income factored in ¥5.0 billion in post-tax expenses due to the integration of Minato Bank's back-office operations and systems. Accordingly, excluding this one-off factor, our target for FY2024 is ¥170.0 billion, our target for FY2025. Thus, we are in effect aiming to achieve the final-year target under the MMP a year ahead of schedule. In addition, the FY2024 target is ¥10.0 billion higher than the ¥155.0 billion target originally set for that year, the second year of the MMP. Moreover, with regard to core income, we will secure a ¥7.0 billion beyond the core income target for FY2024 thanks to growth

in both net interest income from domestic loans and deposits as well as interest income on yen bonds, etc.

Factors contributing to differences between earnings forecasts for FY2024 and MMP targets for said fiscal year are as presented in the following chart. While we anticipate that the lifting of BOJ's negative interest rate policy will lead to additional income of ¥10.0 billion, we are aware of uncertainties regarding changes in customers' financial behavior, such as a possible shift from liquidity deposits to term deposits. With this in mind, we also expect a negative ¥7.0 billion impact in the form of asset liability management (ALM) costs associated with rising interest rates. Although we provide another chart indicating both upside and downside factors, we continue to aim to achieve generally higher operating results compared with MMP targets.

FY2024 Earnings Targets and Dividend Forecasts

Resona Holdings consolidated

(D:lliana af)	Full-year		
(Billions of yen)	targets	YoY change	
Net income attributable to owners of parent	165.0	+6.1	
Differences between consolidated and non-consolidated results	16.0	+0.7	
Core income (actual basis) ¹	160.0	+1.3	

Dividends per share

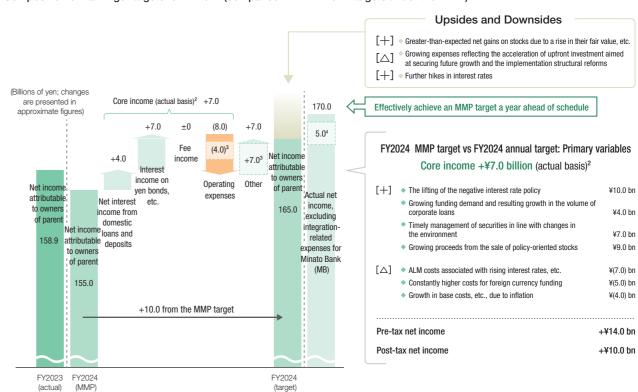
	Dividends per share	YoY change
Dividends per share (full-year forecast)	23.0	+1.0
Interim dividends	11.5	+0.5

Total of Group banks

star or aroup burnto					
(Dilliana of con)	Total of Group banks				
(Billions of yen)	Full-year targets	YoY change			
Gross operating profit	608.0	+40.8			
Operating expenses	(406.0)	(21.2)			
Actual net operating profit	202.0	+19.6			
Net gains on stocks including equity derivatives)	51.5	(9.1)			
Credit-related expenses, net	(36.5)	(6.9)			
Net income before income taxes	209.0	+8.1			
Net income	149.0	+5.4			
·					

¹ Net interest income from domestic loans and deposits + Interest income on yen bonds, etc. (interest income on yen bonds and income from interest rate swaps) + Fee income + Operating expenses; excluding extraordinary factors (expenses for the transformation of two leasing companies into wholly owned subsidiaries)

Composition of Earnings Targets for FY2024 (comparison with FY2024 targets under the MMP)



- 2 Excluding extraordinary factors related to the transformation of two leasing companies into wholly owned subsidiaries
- 3 Extraordinary factors related to the transformation of two leasing companies into wholly owned subsidiaries: +¥7.0 billion due to expansion in gross operating profit and ¥(4.0) billion due to growth in operating expenses

⁴ FY2024 forecasts for integration-related expenses for Minato Bank (post-tax basis): ¥(5.0) billion

Initiatives to Improve Corporate Value

In the following, I explain the concepts behind our initiatives to improve corporate value

To improve the price book-value ratio (PBR), an indicator for measuring market ratings, it is important to pursue both higher ROE and lower capital costs. Mr. Minami comments on the same subject in his CEO Message and I would like to also share my views based on an analysis of the current situation.

Under the previous MMP, ROE (based on total shareholders' equity) deteriorated for two years before recovering in the final year. This was attributable to rapid expansion in the balance sheet during the COVID-19 pandemic. Specifically, the pace of growth in deposits exceeded that in the loan balance, leading to an expansion in BOJ deposits. Moreover, to contend with surges in the U.S. interest rates, we had to implement measures aimed at restoring the soundness of our foreign bond portfolio. This led to the materialization of downside risks in the profit and loss aspect. These factors were among the main reasons we recorded constantly stagnant ROA over this period. Other negative factors included an ongoing decline in leverage following risk adjustment. This was inevitable as the Group was in a phase of capital accumulation.

Under the current MMP, however, we have identified an ROE target of 8% (based on total shareholders' equity), which is in excess of capital costs. We will thus strive to improve profitability by proactively utilizing capital. Looking at our FY2023 accomplishments, we

have made steady progress in investment in both organic and inorganic growth fields. Moreover, efforts have been under way to improve risk returns via more proactive engagement in risk-taking endeavors. Specifically, we have pushed ahead with a shift of funds from BOJ deposits to loans or securities. In particular, the pace of growth in our loan balance has grown remarkably from the first half through the second half. Also, interest rates on corporate loans took an upturn in the second half. Bolstered by a tailwind provided by interest rate hikes, we hope to see these favorable trends continue as we strive to achieve considerable improvement

From the perspective of reducing capital costs, we need to further upgrade our mode of risk governance to secure the ability to stably record annual profit commensurate with market expectations. In addition, we will continue to enhance the content of both financial and non-financial information even as we take heed of opinions and feedback gleaned via dialogue with market participants.

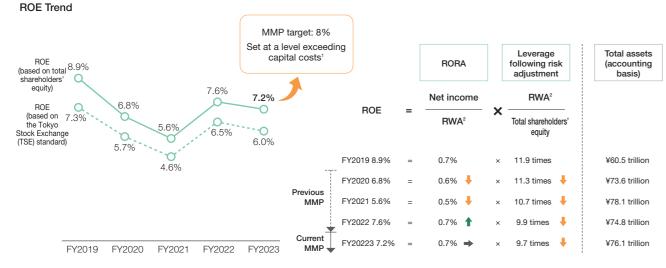
We will also strive to gain widespread public recognition regarding the essential role the Group is playing in resolving issues confronting customers and society as a whole. We believe that doing so will help us reduce the capital costs to be incurred in the course of market participation. Accordingly, we will assiduously work to enhance the content of information disclosure, which is one of the foundations of constructive stakeholder dialogue.

Analysis of the Current Situation Relative to Improvement in Corporate Value



Mar. 2015 Mar. 2016 Mar. 2017 Mar. 2018 Mar. 2019 Mar. 2020 Mar. 2021 Mar. 2022 Mar. 2023 Mar. 2024





- 1 Calculated based on the capital asset pricing model (CAPM), an estimate formulated independently by the Company
- 2 Risk-weighted assets based on the full enforcement of the finalized Basel 3 regulations

Impact of the Yen Interest Rate Hikes on Profit (provisional calculation)

Looking ahead, if the shift in the BOJ's monetary policy progresses further, the Group will benefit from the resulting positive effects on profit, especially in the areas of net interest income from domestic loans and deposits as well as interest income from securities, due to the high sensitivity of its balance sheet to interest rates.

Of course, the provisional calculation of these effects varies widely due to a number of variables, including the timing of a further monetary policy shift, the pace of changes and the magnitude of such changes. Here, we provide reference values calculated using a simplified formula based on the status of the Group's assets and liabilities as of March 31, 2024.

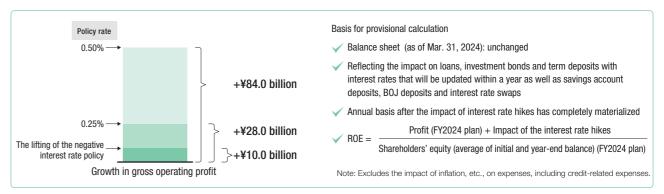
Looking at the asset side, hikes in yen interest rates are primarily expected to result in growth in income from loans with floating interest rates linked with market interest rates while inducing hikes in interest rates for BOJ deposits. Moreover, the above yen interest rate hikes may allow the Group to revise short-term prime rates. If this is the case, income from prime loans involving housing and

other loans will similarly grow. On the liability side, interest on deposits is expected to increase due to higher interest rates.

We also expect the lifting of the negative interest rate policy to enable us to earn an additional ¥10.0 billion in top-line income and have included this figure in our FY2024 target. If the policy rate rises by 25bps, the cumulative effect on top-line income will total ¥28.0 billion. (This figure is calculated with the inclusion of full-year interest income to be received and full-year interest expenses to be paid based on revised interest rates). Furthermore, if the policy rate rises by 50bps, the cumulative effect on top-line income will total ¥84.0 billion. Premised on the current level of capital, the latter scenario will enable us to raise ROE based on total shareholders' equity to the 9% to 10% level.

Going forward, we will robustly align our business approach with a "world with interest rates" based on modest ongoing inflation, to this end, review our conventional ideas, values and actions.

ROE could rise to 9% to 10% if the policy rate rises to the limit of 0.5%



Capital Management

Now, let me move on to capital management. We have transitioned from our previous focus on the qualitative and quantitative enhancement of capital to a new phase in which we fully utilize said capital. Our basic policy is to pursue improvement in corporate

value by utilizing capital to undertake growth investment and to enhance the content of shareholder returns in a way that maintains financial soundness.

Transitioning from striving to qualitatively and quantitatively enhance capital to a new phase in which we can fully utilize it \Rightarrow Aiming for ROE¹ of 8%



- 1 Net income attributable to owners of parent / Total shareholders' equity (simple average of the balances at the beginning and end of the term)

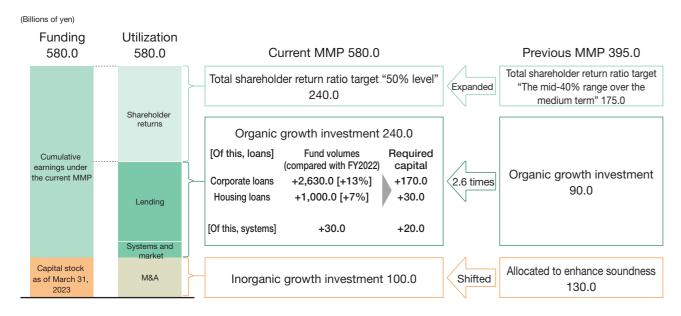
The Common Equity Tier 1 (CET1) capital ratio stood at 9.9% (based on the full enforcement of the finalized Basel 3; excluding net unrealized gains on available-for-sale securities) as of March 31, 2024. We have thus kept this ratio level with our MMP target even as we made progress in growth investment. The diagrams below illustrate capital allocation under the MMP along with FY2023 results and FY2024 plans in terms of capital utilization. With current growth in profit outpacing our original plans, we are thus expanding the volume of growth investment, especially in organic growth fields, at a pace exceeding what we have been aiming for under the MMP.

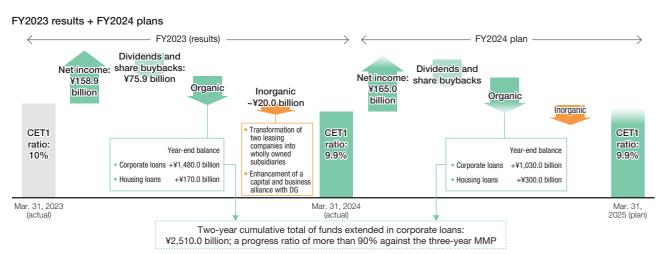
We are also steadily increasing the volume of shareholder returns. In FY2023, we paid annual common dividends per share of ¥22, up ¥1 per share, while executing two separate share buybacks in the first half and second half by expending ¥10.0 billion and ¥15.0 billion, respectively. For FY2024, we announced that we forecast annual common dividends per share of ¥23 per share, up ¥1 per share. Moreover, over the course of the May to June 2024 period, we executed share buybacks, expending a total of ¥20.0 billion. Looking ahead, we will endeavor to steadily achieve a total shareholder return ratio of around 50%, our target under the MMP.



Composition of Capital Utilization

Capital Allocation under the MMP (Three Years from FY2023 to FY2025)





Reduction in Policy-Oriented Stockholdings

Since the 2003 injection of public funds, we have shrunk our holdings of policy-oriented stocks via a course of financial reform, well ahead of other Japanese banks, achieving a reduction amounting to approximately ¥1 trillion on a book-value basis. Even after this accomplishment, we have striven to decrease our exposure to equity price fluctuation risk, to this end engaging in robust negotiations with corporate customers while realigning our capital allocation approach.

In May 2022, we announced a plan to reduce policy-oriented stockholdings by ¥80.0 billion on a book-value basis over a fouryear period. Accordingly, we reduced such stockholdings by ¥44.2 billion in the two years leading up to March 31, 2024. As this represents a robust 55% level of success regarding the target, we refreshed the above plan before tackling the remaining two years and launched a new six-year plan starting from FY2024.

The new plan is focused on securing the management resources necessary for the creation of new customer value even as we achieve sustainable growth for ourselves.

We will utilize capital freed up via the reduction of policy-oriented stocks to secure our ability to address issues customers and society as a whole are confronting as well as to accelerate structural reforms and the strengthening of our foundations, both of which are essential to achieving CX (corporate transformation). The new plan will also facilitate the virtuous cycle of capital circulation that will, in turn, yield upsides on profit. Drawing on this positive effect, we will sustainably expand the volume of shareholder returns.

Under the new plan, we aim to reduce our policy-oriented stockholdings in terms of book value by two thirds or more by the end of March 2030. We also aim to reduce them by approximately the same amount on a fair value-basis. Accordingly, we will decrease the fair value-based ratio of these stockholdings to consolidated net assets to around 10%. We expect this ratio to decline to the 20% level as early as in three years and continue to fall thereafter.

Also, we autonomously exercise voting rights associated with policyoriented stocks in accordance with the "Fundamental Concepts on the Exercise of Voting Rights" and "Guidelines for the Exercise of Voting Rights" while providing the Board of Directors with reports on the status of the exercise of such rights on an annual basis.

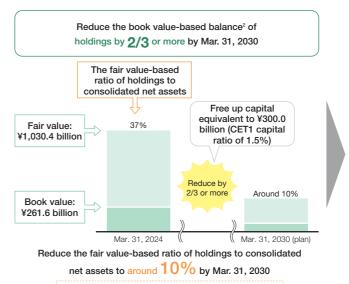
Reduction in Policy-Oriented Stockholdings^{1, 2}



New plan for the reduction of policy-oriented stockholdings

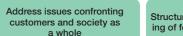
Create new value to be delivered to customers/ Create management resources that can be allocated to growth investment and structural reforms

Significantly accelerate the pace of reduction



The ratio will decline to the 20% level in as few as three years and continue to fall thereafter

Accelerate investment aimed at securing sustainable growth



New challenges Structural reforms & strengthen ing of foundations necessary to achieve CX

Deliver even greater

Specific fields in which we utilize capital

Organic growth fields

- Meet growing funding demand in an inflationary environment while strengthening our capabilities to extend sustainable financing and deliver equity solutions
- Inorganic growth fields

Expand profit

- Raise our ability to handle deals that could help us acquire customer bases, management resources and functions
- Structural reforms & strengthening of foundations
- Expand IT- and HR-related investment while securing funds for structural reforms

Improve capital

efficiency shareholder returns

- 1 The Company's policy-oriented stockholdings are classified as (1) policy-oriented investment stocks and (2) strategic investment stocks in line with differing purposes of holdings. Of these, stockholdings in category (1) are subject to the Company's ongoing reduction efforts. Also included in this category are all the listed stocks held by subsidiary banks,
- 2 Total of Group banks, the acquisition price based-balance of securities whose market value is available

Established a guiding framework for the exercise of voting rights associated with policy-oriented stocks to ensure that voting for each proposal is judged on an individual basis and robustly verified afterward

Fundamental Concepts on the Exercise of Voting Rights

The Resona Group will exercise voting rights of policy-oriented stocks based on the following policy:

- (1) Irrespective of interests of transactions with clients, make an effort to vote yes or no on an individual basis from the viewpoint of sustainably improving corporate value;
- (2) Not to exercise voting rights in a manner to resolve certain political or social problems; and
- (3) If any scandal or an anti-social act is committed by a company or corporate manager, etc., exercise voting rights with the intention of contributing to the improvement of corporate governance.

Dialogue with Shareholders and Investors

We deem it extremely important to maintain constructive dialogue with shareholders and investors. Seeking to secure sustainable corporate growth and medium- to long-term improvement in the Group's corporate value, we strive to ensure that our shareholders and investors have an accurate understanding of, confidence in and are able to fairly evaluate the Group's management strategy and financial condition. This is why we engage them in various forms of discussion to garner their input, which we reflect in our actions.

In FY2023, we proactively created a growing number of opportunities for such dialogue. For institutional investors, we held financial results briefings, individual meetings, small-scale meetings and other events to ensure ongoing dialogue. We similarly took a proactive approach to overseas investor relations (IR) dialogues, holding a growing number of interviews. For individual investors, we held



online briefings and shareholder seminars while reaching out to them via livestreaming on YouTube. In these and other ways, we have striven to enhance opportunities for investors to stay up-todate with our operational status.

Opinions voiced by shareholders and investors are regularly reported to the Board of Directors and other bodies to improve our management strategy. At the same time, we endeavor to facilitate employee understanding of the market reputation of and market expectations regarding the Resona Group's business performance. Recent examples of responding to investor expectations include the holding of small-scale meetings hosted by outside directors in FY2023.

In addition, we began disclosing ROE based on the TSE standard, long-term data regarding credit-related costs, plans for and results of capital allocations and other items via IR materials for FY2023. This move reflects opinions voiced by market participants, which prompted us to upgrade the content of information disclosure. Furthermore, feedback gleaned via shareholder and investor dialogue has informed our in-house discussions regarding the accelerated reduction of policy-oriented stocks, methods for shareholder returns and other subjects

Looking ahead, we will constantly enhance the content of information disclosure, including disclosure related to our sustainability transformation (SX) initiatives and other non-financial information. In addition, while striving to disclose information fairly and impartially, we remain conscious of the need to reduce capital costs through the elimination of informational asymmetry. With these considerations in mind, we strive to enhance the content of dialogue with shareholders and investors.

Dialogues held during FY2023

General Meeting of Shareholders	
Approx. 400 attendees (including viewers of livestreaming)	;
CEO, CFO, etc.	

For institutional investors and analysts						
ZOOM webinars on financial results	IR presentation meetings	Theme-specific IR events ¹	Individual interviews			
4	2	2	Approx. 240			
CFO	CEO, CFO	3 outside directors, officers in charge of business execution	Of these, interviews with the CEO: approx. 50			

Presentation meetings for individual investors	
6	
Of these, meetings hosted by the CEO: 2	

Examples of topics addressed via in-house discussions based on the opinions of shareholders and investors

- Holding small-scale meetings hosted by outside directors
- Updating of IR materials (e.g., disclosure of ROE based on the TSE standard)
- The accelerated reduction of policy-oriented stocks
- Methods for shareholder returns, etc.

1 Including measures implemented in April 2024

Outline of Financial Results for FY2023

Net income attributable to owners of parent was ¥158.9 billion. Albeit down ¥1.4 billion year on year, this represents 105.9% of the target of ¥150.0 billion.

Consolidated gross operating profit increased ¥27.4 billion from FY2022 to ¥627.4 billion, while actual net operating profit rose ¥15.6 billion year on year to ¥211.3 billion.

Core income (on an actual basis), a KPI under the MMP, was ¥158.7 billion, representing 105.8% of the annual target. This was attributable to growth in net interest income on the back of a favorable shift in the interest rate environment and constant growth in fee income despite higher expenses due mainly to upfront investment in human and intellectual capital.

Net interest income from domestic loans and deposits decreased ¥2.0 billion from the previous fiscal year to ¥332.1 billion. Although full-year results have thus declined year on year, second-half results included an upturn and were ¥0.7 billion in excess of results for the same period of the previous fiscal year.

Interest income on yen bonds, etc. increased ¥5.4 billion year on year to ¥30.9 billion. This major increase was attributable to a successful rebalancing of our securities portfolio that took advantage of changes in the interest rate environment.

Fee income rose ¥4.8 billion year on year to ¥213.5 billion. This represents a fourth consecutive annual increase while hitting an alltime best for three years in a row.

Net gains on bonds (including futures) registered as net losses of ¥26.4 billion, albeit representing a ¥21.3 billion improvement from the previous fiscal year due to the absence of expenses recorded in said year to implement measures to restore the soundness of our foreign bond portfolio.

We have also recorded operating expenses of ¥416.5 billion, a year-on-year increase of ¥11.8 billion. Personnel expenses rose ¥5.0 billion due to upward wage revisions, including a simultaneous increase in basic salary, while non-personnel expenses increased ¥6.6 billion, primarily because of expenses associated with automation and advertising. However, growth in both items has been under control and fell within our plan.

Net gains on stocks (including equity derivatives) rose ¥6.2 billion year on year to ¥60.1 billion, reflecting faster-than-planned progress in the reduction of policy-oriented stockholdings.

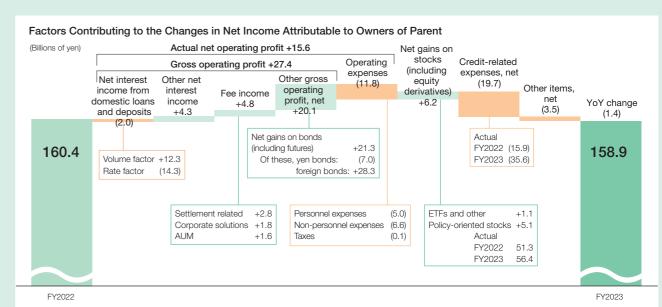
Credit-related expenses increased ¥19.7 billion from the previous fiscal year to net expenses of ¥35.6 billion, representing 93.8% of the annually planned expenses of ¥38.0 billion, due to the absence of reversal gains recorded in FY2022 in connection with the upgrading of some major clients. Other factors leading to this increase included a substantial increase in the reserve recorded at Bank Resona Perdania.

(Billions of yen)

Bassas Haldison associated at	FY2	023
Resona Holdings consolidated		YoY change
Net income attributable to owners of parent	158.9	(1.4)
Earnings per share (EPS) (yen)	67.77	+0.29
Book-value per share (BPS) (yen)	1,184.76	+119.45
ROE (based on total shareholders' equity)	7.2%	(0.3)%
ROE (based on the TSE standard)	6.0%	(0.5)%
Gross operating profit	627.4	+27.4
Net interest income	421.6	+2.3
Net interest income from domestic loans and deposits ¹	332.1	(2.0)
Interest income on yen bonds, etc.2	30.9	+5.4
Fee income	213.5	+4.8
Fee income ratio	34.0%	(0.7)%
Other operating income	(7.7)	+20.1
Net gains on bonds (including futures)	(26.4)	+21.3
Operating expenses (excluding Group banks' non-recurring items)	(416.5)	(11.8)
Cost income ratio (OHR)	66.3%	(1.0)%
Actual net operating profit	211.3	+15.6
Core income (on an actual basis) ³	158.7	(4.8)
Net gains on stocks (including equity derivatives)	60.1	+6.2
Credit-related expenses, net	(35.6)	(19.7)
Other gains, net	(12.9)	(4.1)
Income before income taxes and non-controlling interests	(223.0)	(2.0)
Income taxes and other	(64.6)	(1.3)
Net income attributable to non-controlling interests	0.6	+1.9
Total of Group banks, banking-book basis (including ne	actiable deposits	.)

- 1 Total of Group banks, banking-book basis (including negotiable depos
- 2 Interest income on ven bonds and income from interest rate swaps. 3 Net interest income from domestic loans and deposits + Interest on yen bonds, etc. + Fee income + Operating expenses; excluding extraordinary factors: +¥2.4 billion due to the impact of the joint management designated money trust); and ¥(1,1) billion due to

mation of two leasing companies into wholly owned subsidiarie



Resona's DX Strategy



Digital technologies are one of the principal means by which the Resona Group is going to achieve its goals. Specifically, we deem it important to deliver new value not only for our customers but also all other stakeholders via digital transformation (DX). Although the definition of DX might differ by company, the Resona Group has identified (1) innovating customer experience, (2) delivering new value to customers and (3) overhauling our cost structure as the three priority objectives of DX.

The Integration of Our Digital and Face-to-Face Channels Will Benefit All Customers

Since the 2018 release of the Resona Group App for individual customers, we have steadily endeavored to improve its features. As a result, this app has become the most frequently used transaction channel among individual customers. In 2023, we also released the Resona Group App for Business for corporate customers. This newer app brings to bear know-how we have accumulated through the operation of the Resona Group App and was created with the aim of enabling SME customers to enjoy hassle-free, more convenient transactions. Looking ahead, we will continue to take on the challenge of further expanding our digital channels.

At the same time, the Resona Group is equipped with a network of manned branches with roots in local communities that is the largest of its kind in Japan. This network underlies Resona's foremost strength, namely, its ability to provide face-to-face consultation finely tuned to the needs of individual circumstances of customers. Fortifying our strength in this area is a constant priority.

We are able to provide digital channels to accommodate dayto-day transactions as well as face-to-face consultation for complex issues. Utilizing this we enable both individual and corporate customers to choose from various channels based on timing, occasion, need, desired transactional type and objective. Previously, banks had to herd customers into specific channels based on convenience to the bank. However, the use of generative Al and other digital technologies has allowed a shift toward a structure capable of robustly accommodating more varied customer requests.

CDIO I MESSAGE I

Delivering New Value through DX

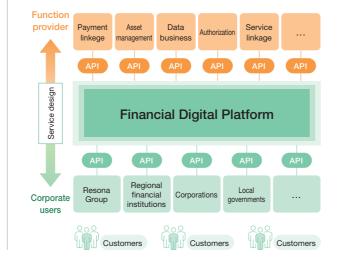
Kazuki Mochida Group CDIO and Executive Officer. Resona Holdings

Pursuing Co-Creation with External Partners to Deliver Even Better Services to as Many Customers as Possible

Society is undergoing radical changes in this era characterized by Volatility, Uncertainty, Complexity and Ambiguity (VUCA) due mainly to the advancement of technologies and the popularization of innovative communication tools. In step with these changes, customer needs for financial services are evolving on a daily basis.

To accommodate such customer needs, we are striving to break free of the constraints of in-house development and seeking out alliances with diverse partners, including those in non-financial sectors. This will help us enhance the content of services aimed at supporting the daily lives of individual customers as well as those aimed at helping corporate customers address management challenges. Thus, we have developed a financial digital platform that is open to diverse corporate participants and users.

In addition, our partnerships with regional financial institutions have steadily increased and now include relationships with six groups and seven banks. This, we believe, is a testament to aspirations shared across the banking industry to deliver excellent services to customers nationwide. We believe that by expanding equal partnerships with regional financial institutions, we will be able to deliver even better services in a more swift and efficient manner. This will, in turn, help our industry to enhance its competitiveness.





We promote the DX-driven, thoroughgoing overhaul of business processes, an important management issue to be tackled by the entire Resona Group, with the aim of leaving behind the inherently cost-intensive nature of our retail business.

Breaking Free of Dependence on Conventional Procedures while Improving Experience Value for Customers

Our branch-counter operations still include transactions that use paper documents and personal seals as well as banknotes and other physical instruments and require manual processing. However, we are further pushing ahead with the use of Al and other digital technologies with an eye to overhauling our business processes. To enable customers to easily complete procedures at any of our branches, we will also promote paperless and cashless transactions via the widespread utilization of Resona Group tablets and teleconferencing-based consulting. Moreover, we will update procedures that have traditionally required branch visits, replacing them with online procedures that can be completed digitally. Through these endeavors, we will shift the branch mission from clerical work to the provision of solutions, with the aim of improving experience value for customers through the integration of faceto-face and digital channels. Also, we will promote the transition to a "one platform" approach designed to unify all back-office operations across the Group along with the integration of Minato Bank's back-office operations and systems scheduled for January 2025. In this way, we will accelerate operational streamlining and process reforms aimed at supporting our management strategies.

Upfront Investment in Intellectual Capital (IT)

The structural reforms of systems, which has been under way under the title "Resona NEXT," entered their second stage in FY2023. Through this initiative, we strive to step up strategic investment aimed at upgrading our customer services by, for example, taking on such new technologies as generative Al and expanding our digital banking platform.

The structural reform of systems will be undertaken on an ongoing basis in coordination with the overhauling of business processes. In addition, we have positioned data governance as a priority issue and will tackle this subject accordingly. At the same time, we will promote systems development and the DX of in-house operations via the use of Al and other digital technologies.

CIO/CPRO | MESSAGE |

CPRO: Chief Process Reengineering Officer

Accelerating Structural Reforms to Secure Sustainable Growth for the Group

Mikio Noauchi

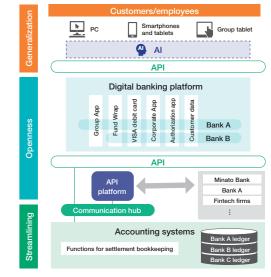
Group CIO, Group CPRO, Director and Executive Officer, Resona Holdings

Advancing IT Governance for Both Aggressive and **Protective Governance Measures**

As part of aggressive IT governance measures, "Resona NEXT" is focused on promoting 1) "generalization." 2) "openness" and 3) "streamlining," the respective goals of which are to stop using dedicated terminals specifically designed for financial institutions, promote the shift to an open platform and drastically streamline systems.

With this in mind, we will proactively utilize Al and other new technologies while promoting such innovative workstyles as remote working. To optimally allocate personnel so that strategic planning and execution as well as in-house systems development are well supported, we are enhancing the IT skills of those at business divisions while securing a robust pool of IT specialists and appropriately assigning them to each business unit. Measures now in place include those aimed at strengthening the overall IT/DX skills of the entire workforce and better motivating employees to promote DX.

Meanwhile, because businesses around the world are subject to increasingly sophisticated cyberattacks with growing severity, we need to upgrade our risk governance by enhancing information security and other measures. We will properly respond to the growing call for robust cybersecurity measures by enhancing the Group's IT governance in addition to playing our part in Anti Money Laundering/ Countering the Financing of Terrorism (AML/ CFT) and upholding the Act on Economic Security Promotion.



Material Social Issues That Should Be Tackled by Resona

Having analyzed various environmental and social issues, including those specified by United Nations Sustainable Development Goals (SDGs), we have identified four priority themes that represent fields in which Resona must actively tackle issues confronting society in light of their significant affinity with the Resona Group's business

operations. These priority themes are disclosed via the announcement of "Resona Sustainability Challenge 2030 (RSC2030)."

In addition, we anticipate that our initiatives to address these priority themes will affect the accomplishment of all 17 SDGs directly and indirectly due to our relationships with diverse stakeholders.

Our Process for Identifying Material Social Issues

Environmental and Social Issues

Analyze various environmental and social issues, including those specified by SDGs





















Identify and Specify

Identify material issues in light of the Resona Group's Corporate Mission and business characteristics and in reference to employee awareness with regard to such issues

Affinity with the Resona Group's business operations

Corporate Mission

The Resona Group aims at becoming a true "financial services group full of creativity." Towards this goal, the Resona Group will:

- 1) live up to customers' expectations, 2) renovate its organization,
- 3) implement transparent management, and 4) develop further with regional societies.

Resona's Strengths

- An extensive channel network centered in the Tokyo metropolitan area and the Kansai area
- 16 million individual customers and 500,000 corporate customers
- Largest retail/commercial banking group in Japan with fullline trust banking capabilities
- Diversity in human resources
- Cutting-edge system/digital infrastructure
- Sound financial position

Sympathies of Officers and Employees

Utilized the following measures to assess employees' overall awareness with regard to social issues and reflect their feedback in management discussions

- Workshops for general managers and chief managers of head office departments as well as other business unit leaders
- Questionnaires targeting all employees

Opportunities and Risks Associated with the Four Priority Themes and Their Relationships with Resona's Areas of Business Focus

Priority Themes for	Main Opportuni	ities and Risks	Relations	ships betwe	en Social Is	ssues and R	esona's Are	eas of Busin	ess Focu
the Resona Group			Strengthening of Value Creation Capabilities						
(RSC2030)	Opportunities	Risks	SME Loans	Business and Asset Succession	Cashless / DX	Asset Formation (AUM)	Housing Loans	Financial Digital Platform	Inorgan Strateg
Local Communities Revitalization of Local Economies	Growing need for SX related assistance services among SMEs Growing need for DX solutions and the use of AI technologies Fundraising and capital funding needs on the back of the evolving macro environment	Shrinkage of regional economies due to population decline Delays in adaptation to changes in social and industrial structures	•	•	•	•	•	•	•
Birthrate and Aging Society Elimination of Anxiety ggered by Low Birthrate and Aging Society 1 THERE 1 STREET STREET STREET 4 BIRTH STREET 1 BIRTH STREET	Need for solutions that ensure the smooth succession of businesses and assets Need for long-term asset formation and a shift from savings to investment Need for solutions in preparation for growing future anxiety	Prolongation of fallout from inflation and its impact on corporate customers Deterioration of strategic execution capabilities due to the lack of essential human resources	•	•	•	•	•	•	•
Environment Response to Global Warming and Climate Change	Need for fundraising aimed at realizing carbon neutrality Need for financial products designed to address environmental concerns Need for fundraising aimed at securing preparedness against ever more frequent natural disasters	Delays in corporate customers' response to public calls for carbon neutrality and biodiversity protection Occurrence of a natural disaster causing severe damage to business bases and housing	•		•	•	•	•	•
Human Rights Diversity & Inclusion 3 SEPRESE STATE OF THE PROPERTY OF THE PRO	Enhancement of competitiveness and productivity thanks to the consolidation of inputs from workers with diverse value systems Emergence of new markets in step with the diversification of value system	Deterioration in product and service quality as well as a loss of human resource and organizational vitality due to the stagnation of diversity related initiatives			•		•	•	•
	Development of Next-Generation Management Platforms	Governance		Humai	n Capital		Intelle	ectual Capit	al
Long-Term Sustainability Indicators p. 41		Declaration of Greenhouse Emissions Investment Financing	se Gas s in the nt and	Carbon Ne Targo (Scopes	et	Targets f Empowerm Promoti Wom	ent and on of	Well-B Indica	

Society

Resona places

importance on its ties

with society.

Stakeholder Dialogue and Collaboration (Engagement)

We practice stakeholder engagement on three fronts: ① Relevant departments in place at each Group company directly engage with key stakeholder groups to address specific themes; 2 Relevant departments in place at each Group company conduct intragroup engagement based on input gleaned via dialogue with stakeholders and ESG evaluation agencies; and 3 Relevant departments in place at each Group company participate in and declare support

for various initiatives. Taking advantage of a variety of methods, we are striving to maintain robust engagement so that we can accurately assess opinions, expectations and other inputs from diverse stakeholders and reflect such inputs in business management in order to enhance the qualitative and quantitative aspects of our corporate value.

Sustainable Improvement in Social and Corporate Value



(1) Dialogue and Collaboration with Key Stakeholder Groups

The Resona Group has established the Resona WAY (the Resona Group Corporate Promises), which translates its Corporate Mission into a basic stance toward each stakeholder group. With the aim of achieving sustainable improvement in social and corporate value, relevant departments at each Group company work to engage in constructive stakeholder dialogue in line with the Resona WAY.



Direction of Dialogue and Collaboration (Co-Creation of Value) and Main Initiatives

Customers

Resona cherishes relationships with customers.

We strive to deliver ever better services and solutions, including those designed to assist in our customers' pursuit of SX, by drawing on feedback gleaned in the course

of customer communications via multilateral channels, including bank counters, sales staff, call centers and our corporate website.



- Enhancing product and service lineups for customers
- · Initiatives to strengthen asset formation support functions
- Creating frameworks for heeding customer opinions (questionnaires, call centers, etc.)



Shareholders

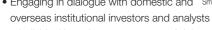
Resona cherishes relationships with shareholders.

We work to achieve sustainable growth for the Group and medium- to long-term improvement in corporate value by maintaining in-depth and constructive dialogue with shareholders and investors via the General Meeting of Shareholders, shareholder seminars and other IR activities.

Main Initiatives ⇒p. 32

• Holding the General Meeting of





· Individual interviews: approx. 240 (of these, interviews with CEO: approx. 50)

- · Theme-specific IR events: 2
- IR events for individual investors: 6 presentation meetings (of these, meetings hosted by CEO: 2)

We endeavor to help realize a sustainable society by engaging in social contribution activities, providing financial and economic educa-

tion and participating in government-private collaboration aimed at vitalizing regional communities. Number of Employees Participating in Re: Heart Club¹ Activities

Re:Heart





Employees who participated in WORLD CLEANUE DAY, a campaign encompassing areas around our

Initiatives to Vitalize Regional Communities

Regional Design Laboratory of Saitama

Opening "Resona Koedo Terrace"

Saitama Resona Bank's former Kawagoe Branch building has been designated by the national government as a tangible cultural property. Following the completion of renovations this building was reopened on May 15, 2024, as "Resona Koedo Terrace" to serve as a hub for business incubation. and brand communications in Saitama.

Going forward, we will act as a "running partner" of regional communities to help them flourish and, to this end, address a broad range of complex issues confronting them via the application of design thinking that will, in turn, inform in-depth, long-term solutions.



Employees

Resona highly regards employees' dignity and personality.

We work to develop and ensure an employee-friendly workplace environment in which everyone can feel a greater sense of job fulfillment via awareness surveys targeting the entire workforce and the direct exchange of opinions between management and employees, with the aim of becoming a model bank for future generations.

Main Initiatives

- Employee guestionnaires
- Town hall meetings in which employees exchange opinions with top management
- My Purpose Workshops → p. 21
- Resona Women's Council² → p. 49
- Invigorating communications ⇒p. 78



My Purpose Workshop

- 1 A volunteer organization run by Resona Group employees
- 2 An advisory body operating directly under top management, the council was created to reflect the voices of female employees in business management

(2) Intragroup Engagement and Collaboration

Based on input gleaned via engagement with stakeholders and ESG evaluation agencies, relevant departments at Group companies engage in dialogue themed on business strategies, ESG issues and other subjects in an effort to push ahead further with

their initiatives and enhance the content of information disclosure. The status of progress and improvement in these initiatives is reported to the Board of Directors, the Executive Committee, the Group Sustainability Promotion Committee and other bodies.

(3) Participation in Initiatives

In light of requests from international society and our role as a financial institution, we promote across-the-board efforts to realize a sustainable society and, to this end, participate in and declare our support of various initiatives at home and abroad













Toward the Creation of a Sustainable Society



CSuO | MESSAGE |

Aiming to Become the Most Significant Contributor to Customer Success in SX

Nobuki Iwadate

Group CSuO and Executive Officer, Resona Holdings, Inc.

A corporation can remain profitable and maintain and expand its business only when it delivers value to customers and society as a whole.

Today, we are seeing megatrends, such as those associated with sustainability transformation (SX) and digital transformation (DX), playing out in society and significantly altering people's value systems. Amid this environment, the Resona Group is being called upon to drastically rethink how it delivers value.

At the same time, the Resona Group has always sought to achieve growth in tandem with customers and regional societies. This has been, and will remain, the case irrespective of the changing times.

If the Resona Group is to secure sustainable growth, it must assist customers and their regional communities—its principal supporters to date—in their efforts to adapt to and ride the tides of change as they, too, strive to secure sustainable growth.

Over the course of its long history, the Resona Group has

cultivated a customer base that largely consists of entities engaged in the retail field.

We are now being called upon to assist these customers in their pursuit of SX through Resona Group services, and in doing so we are striving to become the most significant contributor to their success in this area. We must continue to lead the way by changing and transforming ourselves to deliver new value. This is the definition of SX the Group aims to satisfy.

My mission as a Group CSuO is to spearhead the Group's efforts to achieve the ideal described above while pulling together and enhancing the organizational capabilities afforded by the entirety of the Group as well as the resources available via external collaboration.

As the first CSuO at the Resona Group, I will do my best to ensure that it will accelerate the ongoing pursuit of SX.

The History of Resona's SX

Upon taking the office of CSuO, I reviewed the history of the Group's SX-related initiatives.

Resona Sustainability Challenge 2030 (RSC2030) (2018)

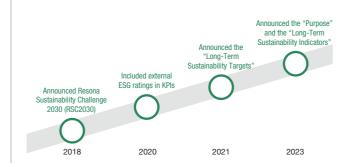
This commitment was announced in 2018, leading to the full-scale launch of SX-related initiatives at Resona.

This announcement also involved the identification of four priority themes, namely, "Revitalization of Local Economies," "Elimination of Anxiety Triggered by Low Birthrate and Aging Society," "Response to Global Warming and Climate Change" and "Diversity & Inclusion." The process of identifying these themes involved the consolidation of feedback from all employees, not only those in the senior management level but also those at Head Office and frontline departments, regarding environmental and social issues the Resona Group must actively tackle. In this way, we clarified our intention to address these issues through our main business, making a tangible step forward from our conventional stance on social contribution activities.

To effectively fulfill this commitment, specific action plans were formulated by each Head Office department in the subsequent year, while top management began assessing and managing the

progress of these action plans.

This improved employee awareness regarding initiatives aimed at addressing environmental and social issues through the Group's main business. On the other hand, new issues emerged, for example, the overall progress of numerous action plans proved difficult to assess and top management needed to find ways of spearheading efforts to fulfill the commitment. These takeaways led us to formulate "Long-Term Sustainability Targets".



Included External ESG Ratings in KPIs (2020)

Under the previous medium-term management plan (MMP) launched in FY2020, we designated as a KPI the inclusion of Company stock in all domestic ESG indices' selected by the GPIF, as such inclusion reflects external rating agencies' ratings of the Company's ESG-related initiatives.

My colleagues' reactions to the inclusion of external ratings status into our KPIs instead of the results of in-house reviews and evaluations have been mixed.

However, we chose this course so as to incorporate a more objective indicator. This decision was informed by a projection that the growing shift toward sustainability would only accelerate over the course of previous MMP period and, therefore, aimed at ensuring that the Group's initiatives would remain genuinely effective and on-trend with the pace of this change in society.

This indicator is similarly incorporated in the current MMP launched in FY2023.

Formulation of "Long-Term Sustainability Targets" (2021)

Reflecting on issues identified in the course of the preceding initiatives, in May 2021 we formulated long-term targets to be achieved by the end of FY2030, with the aim of further accelerating our SX-related initiatives. These targets are as follows.

- 1 Retail Transition Financing Target
- ② Carbon Neutrality Target (Scopes 1 & 2)
- 3 Targets for the Empowerment and Promotion of Women

These targets were formulated using a backcasting approach in which we redefined the role to be borne by the Resona Group as well as ideals regarding what it should look like amid a trend toward SX and then, thinking retrospectively, identified what needs to be accomplished to ensure the correct outcome.

While taking on the task of target-setting, we placed great emphasis on clarifying management's commitment to taking on transformation and challenges rather than merely formulating achievable targets. This process also included intensive discussions involving outside directors.

Formulating the "Long-Term Sustainability Indicators" (2023)

In May 2023, we announced our "Long-Term Sustainability Indicators" in conjunction with the announcement of the Purpose, the Long-Term Vision and the current MMP.

These indicators were formulated by updating the above "Long-Term Sustainability Targets" through the incorporation of the "Value Creation Capability Indicator" and other new items. We also reclassified these indicators into those related to value for customers and society as a whole and those related to value for employees.

This move was intended to establish a sustainable virtuous cycle involving the creation of new value and the enhancement of employee well-being. Specifically, we consider the creation of new

value essential to our moving forward alongside customers to adapt to the changing times in order to realize our Purpose, "Beyond Finance, for a Brighter Future." Furthermore, we have stepped up our focus on improving the well-being of all employees as the successful creation of new value hinges on their dedication.

Since the 2018 announcement of RSC2030, we have ensured that our sustainability initiative promotion efforts are constantly updated by applying a trial-and-error approach. Going forward, we will address any issue discovered, implement decisive reforms and continue to take on new challenges.

FY2023 Results Relative to "Long-Term Sustainability Indicators"

At the close of the first year since the formulation of these indicators, we recorded results as follows.

Detailed results relative to each indicator will be discussed in subsequent pages. Overall, although there was tangible progress in some items, in many respects I consider the pursuit of these indicators to have only just begun.

In particular, I honestly believe that we are just halfway through becoming the "most significant contributor to customer success in SX."

Going forward, I will spearhead Group endeavors in this area even as I take heed of the unfiltered opinions of a broad range of stakeholders, work to clarify issues and determine how to address them as a CSuO.

	Long-Te	rm Sustainability Indi	cators	
		FY2022	FY2023	FY2030 (target levels
Value for	Value Creation Capability Indicator Number of cases where solutions are provided	10.5 million cases	11.8 million cases	20.0 million cases
customers and society	Retail Transition Financing (RTF) Target (cumulative total balance of funds extended in RTF)	¥1.8 trillion	¥3.7 trillion	¥10 trillion
	Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio	_	-	2050: Net zero
Environmental value	Interim target for the energy sector (Portfolio carbon intensity)	139gCO ₂ e/kWh (FY2021)	150gCO₂e/kWh (FY2022)	100 to 130gCO₂e/kWh
	Carbon Neutrality Target (Scopes 1 & 2)	From FY2013 level (56)%	From FY2013 level (71)%	Net zero
Social value	Targets for the Empowerment and Promotion of Women Ratio of female directors and executive officers (Resona Holdings) Ratio of female senior managers ² Ratio of female line managers ²	15.3% 13.4% 31.4%	12.1%³ 14.8% 32.8%	30% or more 20% or more 40% or more
alue for employees	Well-Being Indicator Ratio of positive responses in questionnaires regarding a sense of fulfillment felt in work and private life as part of employee surveys	69.3%	70.0%	Increase the ratio of positive responses

- 1 ESG stock indices selected by the Government Pension Investment Fund (GPIF), which promotes ESG investment that gives due consideration to the environmental, social and governance aspects of operations undertaken by investees
- 2 Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank. Figures for FY2023 and earlier include Kansai Mirai Financial Group.
- 3 As of April 1, 2024

> Retail Transition Financing Target

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

Financing Coverage

Breakdown of

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)

FY2023 results: Approximately ¥1.9 trillion (Cumulative total since FY2021: ¥3.7 trillion)

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)

- Sustainability Linked Loans, Resona SX Framework Loans, SME loans with conditions linked to ESG target accomplishments
- Loans aimed at facilitating social infrastructure development and regional vitalization, etc.
- SDGs Consulting Fund, Private placement SDGs promotion bonds
- SDGs- and ESG-related funds1

Investment and financing aimed at supporting or facilitating initiatives to address environmental issues

(Main examples)

- 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 FY2023 Accomplishments and Future Initiatives

In FY2023, the balance of funds extended in retail transition financing grew around 1.9 times from the previous fiscal year to $$^{1.9}$$ trillion, bringing the cumulative three-year total to roughly $$^{3.7}$$ trillion. This represented a progress ratio of 37% against to our target of $$^{1.0}$$ trillion.

The above growth in the financing balance was mainly attributable to Sustainability-Linked Loans (SLLs) for large corporations and social loans for public sector customers, as well as the robust performance of SX financing for SMEs and housing loan products designed to help address environmental and social concerns.

Looking at the breakdown, financing in the environment-related field increased around 1.7 times year on year to approximately ¥510 billion. Of this, funds extended as financing in conformity with external sustainability standards, such as the Green Loan Principles, accounted for more than 90%. Moreover, the volume of funds extended in other fields increased roughly twofold to approximately ¥1.4 trillion, with nearly half this amount extended in financing in conformity with such external standards as Social Loan

Principles. With regard to the provision of non-financing solutions, our simplified CO₂ emission calculation service released in the previous fiscal year to help SMEs visualize the volume of their CO₂ emissions was used on around 4,000 occasions, an increase of roughly 1.5 times year on year.

We also focused on providing SDG-related matching services² to support interaction and cooperation among customers in connection with the United Nations Sustainable Development Goals (SDGs). In FY2023, these services led to roughly 1,600 cases of successful matching. As such, our financing and non-financing solutions are even more sought after than they were a year earlier. However, we are still only halfway through the journey toward realizing our vision, which states, "In striving to update the Group's business model, we help customers embrace new lifestyle norms so that we can together adapt to change" and "We aim to become the most significant contributor to customer success in SX." We will continue to facilitate in-depth dialogue with customers while strengthening our ability to deliver solutions.

Balance of Transition Financing Extended



Number of Cases in Which Non-Financial Solutions Were Delivered



Steps of Our Response Aimed at Helping Customers Update Their Awareness and Transform Their Modes of Behavior

The Resona Group has taken the various types of organizational action it is able to take to help customers update their awareness and transform their modes of behavior and arranged them as six steps as illustrated in the diagram on the right. Every year, we specify a step for particular focus.

For FY2023, the Group focused on two steps "gathering information" (step 4), i.e., helping customers systematically assess their current situation via the use of a broader perspective, and "providing SX-related solutions" (step 5), rallying its entire strength to serve corporate customers.

Formulating a Flow of Carbon Neutrality Initiatives in Accordance with the Group's Standards

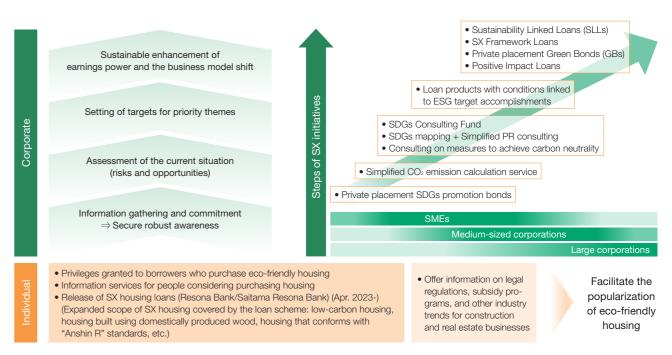
Drawing on knowledge accumulated through dealing with a wide variety of cases over the course of the initiatives described above, we have formulated a flow of model initiatives for SMEs—using standards we have formulated—to help them properly respond to urgent public calls for carbon neutrality and steadily move forward from their current situation. In FY2024, we will utilize this flow to help customers assess their current situation and identify the steps they should take next. In this way, we will engage in in-depth dialogue with customers and deliver optimal solutions aligned with varied situations they face.



Delivering SX-Related Solutions Appropriate to 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 deliver and continually work to upgrade our diverse solution lineup to best assist each SME seeking to push ahead with sustainability initiatives appropriate to their current situation.



- 1 Investment trusts and investment advisory services run by Resona Asset Management
- 2 Matching services involving referrals to SDGs-related products and services handled and relevant seminars hosted by other corporate customers, etc.

Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio

Aiming for Net-zero Emissions in Terms of GHG Emissions from the Investment and Financing Portfolio by 2050

Calculation of GHG Emissions from the Investment and Financing Portfolio

Financed Emissions represent indirect GHG emissions associated with investment and financing undertaken by financial institutions and account for the largest proportion of emissions attributable to such institutions' activities.

In order to promote the measurement, monitoring and reduction of financed emissions, the Group calculates portfolio-related GHG emissions volumes in accordance with standards formulated by the PCAF,¹ an international initiative, prioritizing carbon-related sectors specified by the TCFD.

As the above calculation is performed using a simplified method

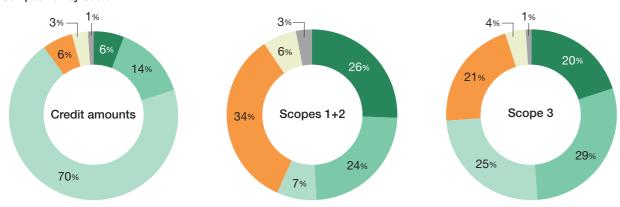
based mostly on estimated values provided by the PCAF database, the Group recognizes the possibility of deviation from the actual volume of GHG emissions.

In addition, loans to SME customers account for the majority of the Group's loan balance. Looking ahead, we will promote in-depth dialogue with customers and step up our supportive efforts to act as their "running partner," with the aim of facilitating the widespread practice of emissions-related disclosure among business corporations while helping them adopt more sophisticated methods for the calculation of emissions volumes.

• Financed Emissions Calculated Based on the PCAF Standards

Sector	Credit amounts	Portfolio-related GHG en	Measurement	
Sector	(billions of yen)	Scopes 1+2	Scope 3	coverage ratio (%)
Energy / Utility	543. 7	5.0	19.8	90.2
Transportation / Automotive	1,366.1	4.6	29.3	99.6
Real estate development / Construction	6,919.6	1.4	24.7	98.7
Material	592.8	6.6	20.8	98.4
Agriculture / Food	342.2	1.2	3.7	99.2
Pulp / Forestry products	130.9	0.5	1.3	99.2
Total	9,895.3	19.6	99.8	98.4

Composition by Sector



■ Energy / Utility ■ Transportation / Automotive ■ Real estate development / Construction ■ Material ■ Agriculture / Food ■ Pulp / Forestry products

Results of the PCAF-Based Calculation of Financed Emissions

Target assets	Loans (corporate financing, project financing), corporate bonds		
Target sectors	Carbon-related sectors specified by the TCFD (excluding the financial sector)		
Target years	Credit amounts: Value as of March, 31, 2023 Financial and emissions data from clients: Data available for the most recent fiscal year ended on March 31, 2023 or earlier in principle		
Formula	The volume of emissions from clients Total amount of loans extended to and corporate bonds issued by clients Total amount of loans extended to and corporate bonds issued by clients The volume of emissions from clients is based on publicly disclosed data. When such data is unavailable, the volume of emissions is estimated by using emissions factors (per unit of profit) provided by the PCAF database.		

Identifying Priority Sectors

Just as climate change's impact on corporate activities differs widely by sector, the magnitude and timing of the materialization of their impact on climate change can vary.

With this in mind, the Group has selected priority sectors requiring urgent action from among carbon-related sectors specified by the TCFD.

Process used to select priority sectors

Assess climate change impact by sector

Account for credit amounts by sector

Reflect the portfolio-based GHG emissions volume

Determine priority sectors

With reference to information published by the Task Force on Climate-related Financial Disclosures (TCFD), the United Nations Environment Programme Finance Initiative (UNEP FI) and the Sustainability Accounting Standards Board (SASB), assess the magnitude of the climate change impact on sectors deemed susceptible

In addition, take into account the proportion² of assets relevant to each sector included in the Group's portfolio

Take into account the relative proportions of GHG emissions volumes (Scopes 1 + 2 and Scope 3) from each sector in the portfolio

Determine priority sectors based on the results of the above processes

	Climate change impact	Portfolio size	Scale of GHG emissions volumes	Selection results
Energy / Utility	Large	Small	Large	Priority sector
Transportation / Automotive	Large	Medium	Large	Priority sector
Real estate development / Construction	Medium	Large	Medium	Priority sector
Material	Large	Small	Large	Not selected ³
Agriculture / Food	Medium	Small	Small	Not selected
Pulp / Forestry products	Large	Small	Small	Not selected

Actions to Be Taken for Priority Sectors

The Detailed Assessment of Financial Emissions and the Formulation of Reduction Targets

Currently, we are undertaking detailed assessments in phases, seeking to determine financed emissions associated with these priority sectors. We have also striven to formulate sector-based targets for the reduction of GHG emissions.

In FY2023, we focused on the assessment and analysis of emissions from the energy sector as it has already seen advances in the development of measurement methods and data accumulation. This also resulted in the formulation of an interim reduction target for this sector.

Promoting Dialogue and Engagement

Based on the results of financed emission analysis, we have been promoting dialogue and engagement with clients.

These efforts are expected to facilitate our playing a part in the nationwide decarbonization of Japan through the sharing of our insights with customers according to the stage they have reached regarding initiatives and issues they should tackle as well as the provision of solutions designed to help them achieve transition.

Collaboration with Stakeholders Other Than Investees (Participation in Initiatives)

GX League



PCAF

An international initiative aimed at facilitating the calculation and disclosure of indirect GHG emissions arising from investment and financing.

In FY2023, the Company became a signatory and began participating in the PCAF in order to continuously increase the sophistication of its methods for the measurement and disclosure of financed emissions.



Consisting of business corporations that proactively take on green transformation (GX) and, to this end, strive to bring together the strength of like-minded players from public, academic and financial sectors as well as their own, in order to promote discussions regarding the transformation of the current socio-economic systems as a whole and the creation of new markets.

In March 2022, the Company announced its support of GX League and, in April 2023, began participating in its activities.

Sustainability Data Standardization



A general incorporated association established to facilitate the disclosure of sustainability-related information, with the particular goal of assisting SMEs in all aspects of their decision making.

In FY2023, the Company became a member of the SDSC's board and has since taken part in its activities to encourage unlisted SMEs to disclose sustainability-related information and implement sustainability-oriented business management.

- 1 Partnership for Carbon Accounting Financials
- 2 Large: More than ¥5 trillion; Medium: ¥1 trillion to ¥5 trillion; Small: Less than ¥1 trillion
- 3 Not selected due to differing risk characteristics associated with each type of material and the resulting segmentation of the portfolio

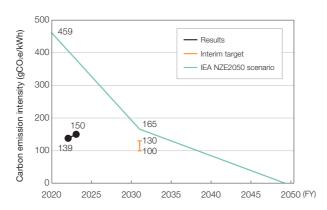
Interim Target for the Energy Sector

Carbon emission intensity in FY2030: 100 to 130gCO2e/kWh

Financed Emissions Associated with the Energy Sector (as of March 31, 2023)

As of March 31, 2023, the carbon emission intensity of the energy sector amounted to 150gCO2e/kWh, an increase of 11gCO2e/kWh year on year, yet remained below the level¹ specified under the 1.5 °C scenario (NZE2050) for 2030. The factors leading to this increase included growth in the volume of energy sourced from thermal power plants due to the prolongation of periodic inspections targeting nuclear power plants run by some clients.

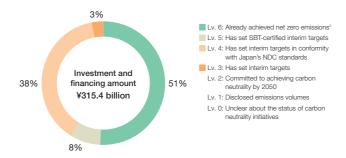
On the other hand, the proportion of funds extended in financing for renewable energy power generation in the overall balance of investment in and financing for the energy sector remained virtually unchanged thanks to our proactive financing efforts in this field (50% as of March 31, 2022; 51% as of March 31, 2023).



	Scope subject to GHG emission calculation	Indicator	Results (Mar. 31, 2023)	Amount of investment and financing	Coverage ratio	Data quality score
Energy (electric power)	Power generation Scope 1	Physical carbon emission intensity	150 gCO₂e/kWh	¥315.4 billion	89%	2.1
Oil / Gas	Mining Scopes 1 to 3	Absolute volume	0.17 MtCO₂e	¥6.0 billion	100%	2.8
Coal	Mining Scopes 1 to 3	Absolute volume	_	(Not applicable)	_	_

Classification of Investees in Terms of Progress toward Setting Decarbonization Targets

The amount of funds we have extended to clients who specialize in emission-free renewable energy power generation accounts for around a half of the funds extended in investment and financing for clients engaged in power generation. In addition, a majority of other clients have already set interim targets that satisfy Japan's Nationally Determined Contribution (NDC) standards.



Support Policies for the Energy Sector

The energy sector is an infrastructure component supporting all industries as well as people's daily lives. Accordingly, pursuing the decarbonization of this sector is essential to facilitating decarbonization among our retail customers.

As the characteristics of power generation businesses differ greatly by region, decarbonization efforts must give due consideration to country- and region-specific factors. Looking at factors specific to Japan, the country's energy base is highly dependent on coal- and gas-fired thermal power generation. Moreover, there is a lack of land suited for establishing transmission networks and renewable energy power plants.

The majority of the Group's portfolio of financing for the energy sector is accounted for by financing for domestic businesses and projects. Therefore, we will give due consideration to domestic circumstances to support the stable supply of energy even as we contribute to the widespread use of renewable energy-an essential solution for decarbonization—while helping clients achieve transition and technological innovation. In these ways, we will continue playing our part in the decarbonization of Japan's energy sector.

Our Stance on Lending to Coal-Fired Thermal Power Generators

The Group has established and announced its "Basic Stance on Lending," (>p. 56) which includes a policy of abstaining from freshly extending financing for coal-fired thermal power generation, except when it finds compelling reasons to do so, such as to realize economic restoration following a disaster.

The Group also plans to reduce the balance of credits extended in connection with financing for existing coal-fired power generation projects to zero by the end of FY2035.

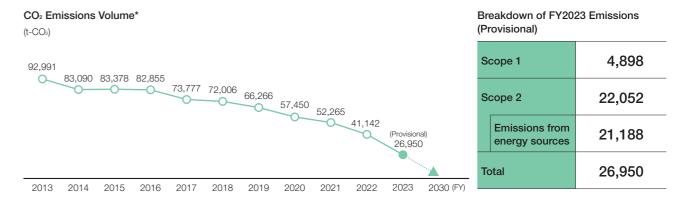
1 Comparison with the estimated carbon emission intensity of 165oCO₂e/kWh for 2030 under the NZE2050 (WEO2022)

2 Determined to have already achieved net zero emissions as clients specialized in renewable energy power generation emit no GHG in the course of power generation

> Carbon Neutrality Target (Scope 1, Scope 2)

Reduce CO₂ emissions attributable to energy used by the Resona Group to net zero by the end of FY2030

FY2023 results: 1 % reduction from the FY2013 level (a year-on-year decrease of 14,192 t-CO₂)



Since approximately 80% of CO₂ emissions from Group operations are attributable to energy use, we initiated a phased switchover to energy procured from renewable energy sources in FY2021, starting with energy-intensive facilities.

By the end of FY2022, we completed this switchover at Head Office, back-office centers and other energy-intensive facilities. In FY2023, we began ramping up to a similar, full-scale switchover at

As a result, the volume of CO2 emissions attributable to the Resona Group's operations in FY2023 were down 71% (provisional

basis) compared with the FY2013 level. This also represented a year-on-year decrease of 14,192 t-CO₂.

In FY2023, we became a member of the "GX League" promoted by the Ministry of Economy, Trade and Industry, and formulated interim emission reduction targets for FY2025.

Going forward, we will continue to promote energy-saving activities across the board to curb the financial impact of the current surge in energy prices and offset costs associated with the switchover to renewable energy to ensure that we can lead the way in the energy transition of our own operations.

Facilities That Introduced Renewable Energy

FY2021				FY2022				FY2023			
Resona Bank	Saitama Resona Bank	Kansai Mirai Bank	Minato Bank	Resona Bank	Saitama Resona Bank	Kansai Mirai Bank	Minato Bank	Resona Bank	Saitama Resona Bank	Kansai Mirai Bank	Minato Bank
Osaka Head Office of Resona Group	Head Office and branches (2 locations)	Biwako Building	Head Office	System and back-office centers	Branches (5 locations)	Shinsaibashi Main Office and branches (49 locations)	Seishin Building	Branches (127 locations)	Urawa-chuo Building and branches (83 locations)	Branches (20 locations)	Branches (8 locations)

Aim to achieve a 100% switchover at Company-owned facilities to energy procured from renewable energy sources by the end of FY2025

Interim targets for FY2025

Items	Interim targets
Scope1+2	From the FY2013 level: (70)%
Scope1	From the FY2013 level: (40)%
Scope2	From the FY2013 level: (80)%

Obtaining a Third-Party Assurance

Every year since FY2020, our data regarding the volume of CO₂ emissions (Scopes 1 and 2) has been verified by an independent third-party assurance organization. Continuing this process, we plan to obtain a third-party assurance for data regarding the volume of CO₂ emissions in FY2023.



https://www.resona-gr.co.ip/holdings/english/sustainability/data/esg/index.html

Scope 1 and Scope 2 CO2 emissions attributable to Group banks are calculated based on methods stipulated by Japan's Energy Saving Act for statutory periodic reporting. Figures for FY2019 and earlier are calculated by multiplying emissions volumes by the basic emission factors of each electricity supplier. Figures for FY2020 and latter are calculated by multiplying emissions volumes by the adjusted emission factors of each electricity supplier, 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 publicized figures for the annual and national average price of gasoline and the emissions coefficient

> Targets for the Empowerment and Promotion of Women

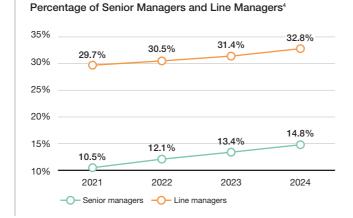
Achieve the below presented ratios for the representation of women in various positions, an increase of 10% or more from the levels at the beginning of FY2021 (by the end of FY2030)

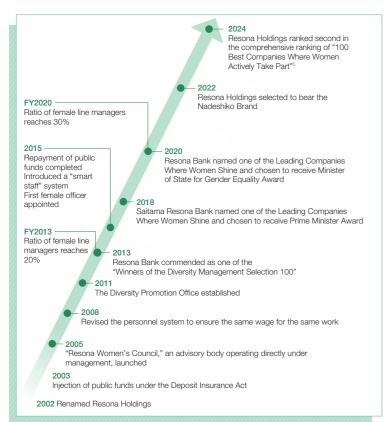
- © Ratio of female directors and executive officers at Resona Holdings: 30% or more
- Ratio of female senior managers at five Group companies¹: 20% or more
- Ratio of female line managers at five Group companies: 40% or more

Ratio of women	2021²	2024²	FY2030 targets
Directors and executive officers (Resona Holdings)	19.2%	12.1%³	30% or more
Senior managers (5 Group companies')	10.5%	14.8%	20% or more
Line managers (5 Group companies¹)	29.7%	32.8%	40% or more

Since we set our targets, the ratio of women among senior managers and line managers has risen steadily, with the ratio of female line managers growing for the 12th consecutive year. On the other hand, the ratio of female directors and executive officers at Resona Holdings dropped from the level recorded at the beginning of FY2021 due to an increase in the overall number of executive officers at Resona Holdings as well as the internal appointment of female officers to serve as directors at Resona Bank and Saitama Resona Bank. Reflecting this move, the ratio of female directors at Resona Bank and Saitama Resona Bank has risen from 9% and 15% at the beginning of FY2021 to 25% and 25%, respectively, in FY2023.

Please also refer to "Human Resources" (→pp. 72-79) for the development status of female leaders, the content of support available to employees striving to balance work and family duties and other details of our initiatives.





Executive Award under the 2024 J-Win Diversity Second place in the Award Program 2024 round of the com-(Resona Holdings) prehensive ranking of "100 Best Companies J-Win Where Women Actively Take Part" (Resona Holdings)

External Recognitions

Certified under the 2024 Certified Health and **Productivity Management** Organization Recognition Program (Resona Holdings and

Kansai Mirai Financial Group)

健康経営優良法人

"Platina Kurumin" certification (Four Group banks)



"Fruboshi" certification (Four Group banks)

"Gold" rating under the

Pride Index for the sev-

enth consecutive year

(Resona Holdings)



- 1 Sum of Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank; Kansai Mirai Financial Group was included until March 31, 2024.
- 2 The ratio of female directors and executive officers is as of June 30 in 2021 and April 1 in 2024; the ratios of female senior managers and line managers are as of April 1 in 2021 and
- 3 Due to the increase in the overall number of executive officers and the internal appointment of female officers to serve as directors at Resona Bank and Saitama Resona Bank
- 4 Figures for 2021 are as of April 1, while figures for 2022, 2023 and 2024 are as of March 31
- 5 Survey of Workplace Opportunities for Female Workers undertaken by Nikkei WOMAN (2024)

Activities of the "Resona Women's Council"

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. We stepped up this approach, aiming to become a workplace of choice for women across society while striving to remove any barriers that may cause them to give up on lasting career development. To that end, in April 2005 we established the "Resona Women's Council," an advisory body operating directly under top management, based on a belief that updating how we manage business from the perspective of women, who account for a half of population, is essential.

The membership of the "Resona Women's Council" consists of more than a dozen female employees selected from Group companies, including non-bank affiliates. With the aim of creating a

company that attracts women's support, the council is engaged in deliberations covering a variety of measures, such as those aimed at developing a better working environment and supporting women's career development. Every year, the council concludes its annual activities by holding a final reporting session in which members deliver proposals to the presidents of Group companies.

These proposals have resulted in a number of measures being implemented at the Resona Group. In sum, the council's activities are now seen as a symbol of women's empowerment.

Moreover, female employees who had taken part in the council are currently acting as key players at various workplaces within the Group, with their involvement in the process of developing tangible measures based on their own proposals causing them to grow their aspirations to take on leadership positions and pursue long-lasting careers with a sense of job fulfillment.



	Examples of Tangible Measures Developed Based on Proposals from Female Employees, Including Resona Women's Council Members
Mentoring sys	A system in which female employees who are selected as senior managerial candidates are assisted via mentoring by officers, branch managers and individuals other than their immediate supervisors
My Career Trai	ing A training program designed to empower female employees to develop a stronger awareness of their ability to become candidates for managers and senior managers
Introductory Parenting Sem	
Working Moth Assistance Sen	
Housing loans women "lin	

undtable Discussion among Council Members (who were active for the April 2023 to March 2024 period



Attendees (from left) Maria Hatanaka, Kansai Mirai Bank Haruna Tanaka, Resona Bank Arisa Machida, Saitama Resona Bank

- Why did the council decide to submit proposals on the theme of "making Resona an exciting workplace"?

ka: We started tackling our tasks at the council immediately after the Resona Group Purpose was announced. Our underlying concept was to help the Company become an even better workplace in which everyone can feel a sense of excitement as they work to play their part in pursuing the Purpose and take pride in being Resona employees.

- Could you share some moments you struggled or had to exercise your creativity?

At first, I was nervous to work with people from other Group banks as I had previously had little opportunity to do so. However, I soon found my fellow members quite open and empathetic when hearing my opinions. Although systems vary somewhat by company, we issued questionnaires that enabled us to collect input from a broad range of employees while taking heed of minority opinions. Employee feedback gleaned from this process was reflected in our proposals.

da: Because I was serving as a team leader of the sales section, I was anxious about how to strike a balance between my main tasks and council activities. However, this issue was solved by ensuring that the schedule for council activities was shared beforehand throughout my workplace so that I could attend without hindrance. As a team leader, I have also been keenly aware of the importance of helping one another in the course of day-to-day operations. I was able to reflect this awareness in the proposals. ka: In the course of finalizing and documenting our proposals, we faced challenges on numerous occasions. Each time we did so, we had

to alter the course of discussions. However, one or other of the council members always put herself forward to take the lead in resolving a particular problem. In the end, each member played her part to move the council forward by leveraging her own strength in her field of specialty. This is how we accomplished our goals.

- Did you feel any impact on your main operations and career development for the future?

Tanaka: In the course of engaging in the activities just discussed, I learned from fellow council members the importance of respecting one another within the team. Also, working as part of a women-only team made me aware of an unconscious inclination to be swayed by male opinions. This was a profound revelation for me. Also, although my current team members operate in two separate locations in Tokyo and Osaka, I believe that what I've learned in the course of council activities could be utilized to facilitate coordination between them.

Hatanaka: Before joining the council. I had been preoccupied with just completing my day-to-day tasks. However, taking part in council activities enabled me to develop a broader perspective and be more attentive to the variety of information the Company provides to us. This, in turn, prompted me to think deeply about the Company's future as well as my own. Seeing that some of the council members were guite capable of taking the lead in problem-solving, I was intent on learning from them and looked forward to observing how they dealt with difficult issues. In summary, the council provided me with valuable experience through encounters with these and other members who now serve as models for me. Machida: I encountered a fellow council member who came from Saitama Resona Bank like me and serves as a branch manager. She recommended that I attend another roundtable talk event focused on future career development. From that point onward. I became more proactive in planning my career. Although I've never been too ambitious about career

advancement, I, too, was inspired by other council members and am cur-

rently undergoing training to become a manager. I hope to one day to

serve as model for my younger colleagues.

> Sustainability-Related Governance Structure

The Resona Group Sustainability Policy 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 and discussed by the Board at least once a year, while matters deemed particularly important are addressed 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 discussions and reflects its conclusions in the Group's business strategy, risk management and the content of information it discloses.

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 Group banks and Resona Asset Management as well as the heads of the Corporate Planning 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 Resource Management Committee and the Group Human Rights Promotion Committee are charged with the consolidated management of important matters associated with human capital management as well as 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 2023 to June 2024)

- Outcomes of FY2023 sustainability initiatives and issues to be addressed going forward
- . Top risks to be addressed in FY2024 (continuing to address climate change-related risks as top risks while clarifying the positioning of biodiversity action as a component of our main risk scenarios)
- . 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 FY2023 Sustainability Initiatives and Issues to Be Addressed Going Forward Issues That Must Be Addressed Going Forward and **Priority Measures** Stepped up and otherwise made progress on initiatives aimed at achieving Long-Term Sustainability Indicators, such as the Retail Transition Financing Target Increased the sophistication of our climate change responses and began address achieving carbon neutrality and establish a shared recognition of issues to be Engaged in closer collaboration with external organizations and educational insti-Continuously increase the sophistication of initiatives to counter climate change, tutions in fields related to GX and ESD preserve biodiversity, protect human rights, enhance human capital and other Pushed ahead with initiatives to prevent the violation of human rights in the course promote sustainability while promoting the integration of these initiatives with of business, to this end maintaining compliance with the Act for Eliminating business strategies Discrimination against Persons with Disabilities Step up collaboration with educational institutions and other external organization to offer increased opportunities for financial, economic and SDGs-related education Maintained our ongoing inclusion in ESG stock indices selected by the GPIF Main Opinions Voiced by Outside Directors With regard to Long-Term Sustainability Indicators, the Group is being called upon to not only review its achievements relative to targets but also verify the appropriateness of current target levels in light of the accelerating pace of and changes in social trends and, if necessary, spontaneously update its targets. Materiality issues are considered an important management matter that serves as a basis for growth strategies as well as risk management. Going forward, the Group needs to engage in upfront discussions regarding these materiality issues in the course of considering its medium- to long-term strategies.

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 ESG indicators and, to this end, utilizes evaluations conducted by an external firm to determine the content of mediumto long-term incentives. These indicators include such environmental indicators as GHG emissions volumes as well as the

presence or absence of information disclosure in line with the TCFD recommendations, with progress against each quantitative target measured to inform evaluation results.

In addition, evaluation criteria for determining the content of annual incentives paid under this system include the annual results of initiatives to achieve Long-Term Sustainability Targets. As such, compensation for executive officers is linked to evaluations granted to the recipients in terms of sustainability initiatives. (→ p. 91)

> Our Response to Climate Change- and Nature-Related Issues (initiatives related to the TCFD and TNFD recommendations)

The Resona Group recognizes that the exacerbation of climate change and other environmental problems may cause natural capital to be lost with consequent considerable negative effects on the economy. On the other hand, concerted efforts to preserve and manage natural capital will lead to the creation of new market opportunities.

As a financial institution tasked with supporting regional economies, we believe that appropriately addressing climate change-

and nature-related issues is instrumental to improving the sustainability of regional societies and enhancing the Group's social and corporate value.

Accordingly, we will continue to upgrade our initiatives based on the TCFD and TNFD recommendations, including those related to the enhancement of information disclosure, with the aim of contributing to the realization of a carbon neutral society as well as a nature positive world.

Governance

The Board of Directors exercises robust supervision over the Group's response to climate change- and nature-related issues, positioning this response as an essential component of sustainability initiatives. For details on the status of supervision, please also refer to the article titled "Sustainability-Related Governance Structure" on the left-hand page.

The Group also recognizes close connections between environmental problems and other sustainability issues, such as those

related to human rights and businesses' relationships with regional communities. Based on this recognition, the Board of Directors established the Resona Group Human Rights Policy¹ to express the Group's support of international human rights norms and clarify its collective commitment to ensuring respect for human rights in accordance with such norms. This policy also states that we shall enhance relevant initiatives via, for example, dialogue and engagement with local communities and other stakeholders.

Management Strategy (Climate Change)

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, respectively, as approximately 5-, 15- and 35-year periods.

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
 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		

3	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
	ene		ce efficiency, y sources, ket 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
		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
4		nsition risks	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
Č	Ξ.		Reputation	A decline in Resona Holdings' share price due to inconsistencies between strategy and actions or insufficient disclosure of information about climate change
	Physical		Acute	Virtually unchanged frequency of sudden occurrences of abnormal weather (hence, no major financial impact is expected)
	ri	risks	Chronic	No chronic and irreversible climate change (hence, no major financial impact is expected)

Risks	Transition risks 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											
蘆		Reputation	A decline in Resona Holdings' share price due to inconsistencies between strateg	y and actions	or insufficient disclosure of information about	ut climate change						
	Physical Acute Virtually unchanged frequency of sudden occurrences of abnormal weather (hence, no major financial impact is expected)											
	risks	Chronic No chronic and irreversible climate change (hence, no major financial impact is expected)										
• 4	4°C scenario (reference: IPCC RCP8.5 and other publicly approved scenarios)											
			Projected developments		Impact on the financial industry	Time frame						
• W e • D m • C	Financing streams will be ever more focused on measures to adapt to climate change effects.	Short to long term										
			Projected financial impact									
ities	Product and	d service markets	Growing demand for funding for public projects and capital expenditure aimed at a	alleviating phy	ysical damage attributable to abnormal weat	her						
Opportunities		efficiency, energy d market resilience	Reduction in business costs due to enhanced resource and energy efficiency									
	Trans	sition risks	No significant breakthroughs in climate change countermeasures (hence, no majo	r financial imp	pact is expected)							
Risks	Physical	Acute	Reduction in the value of the Group's loan assets due to the impact of climate cha									
ш	risks	Chronic	customers' facilities, the absence of such customers' employees due to damage t Suspension of the Group's operations due to damage to its facilities or injuries to			s due to such damage						

• 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)2

As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024		
1.3%	1.2%	1.2%	1.3%	1.3%		

- 1 The Resona Group Human Rights Policy https://www.resona-gr.co.ip/holdings/english/sustainability/sdgs/human_rights/policy.html
- Bank, Kansai Mirai Bank and Minato Bank

2 Total of loans and bills discounted, acceptances and guarantees, foreign exchange, etc. (sum of Resona Bank, Saitama Resona Resona Group Integrated Report 2024 51

In-Depth Qualitative Analysis of Climate Change Scenarios

The Resona Group has identified priority sectors requiring urgent action from among carbon-related sectors specified by the TCFD.

Currently, these priority sectors comprise "Energy / Utility,"

"Transportation / Automotive" and "Real estate development / Construction." Targeting these sectors, we conducted an in-depth analysis of climate change scenarios (→ p. 53).

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 Identify important factors associated with risks and opportunities

With reference to information published by the TCFD, the UNEP FI and the SASB, conduct surveys and identify important factors considered to exert a profound impact on risks and opportunities affecting each sector

Assume the future status of society and possible impact on each sector

Analyze important factors identified via ① left and assume the magnitude of climate change impact and the timing of its materialization based on highly objective parameters recommended by the International Energy Agency and other bodies that support a scientific approach Incorporate findings from this analysis into the "Five Forces Analysis"* to hypothesize the future status of society and thereby assess the impact on priority sectors.

3 Formulate scenarios and conduct qualitative analysis

Formulate certain scenarios and assess developments in climate change-related risks in each sector.

1 Important Factors Associated with Risks and Opportunities in Each Sector

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

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

Priority sectors		Future status of society	Impact on sector
	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
Energy / Utility	4°C	Physical risks rise due to the continued dependence on fossil fuels	While fossil fuel demand grows solidly, the sector is affected by frequent occurrences of damage arising from abnormal weather and surging disaster countermeasure costs
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
Transportation / Automotive	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
Real estate	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
development / Construction	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

3 Developments in Climate Change-Related Risks

Low rick Medium rick High rick

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

Priority sectors	Transition risks: 1.5°C Scenario	Physical risks: 4°C Scenario		
Energy / Utility	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		
Transportation / Automotive	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.	assumption that monetary damage arising from flooding will increase approximately 20%		
Real estate development / 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			

^{*} A method of sector analysis accounting for impacts attributable to sellers, buyers, newcomers and alternatives, with policies considered as an element affecting all 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 ("Energy / Utility," "Transportation / Automotive" and "Real estate development / Construction")
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 a introduction and/or heightening of carbon tax as well as future business responses to the growing public call for carbon neutrons.	
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 ¥86.0 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 ¥1		

Issues to be Addressed Going Forward

The above analysis suggests that the impact of transition and physical risks on credit-related expenses can be considered limited. However, we believe that these results are not indicative of the full impact on the Group's overall risk exposure as the above analysis has taken into account only a portion of the relevant 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 their intertwining relationships. Moreover, the spillover effect of climate change-related risks could evolve, depending on various underlying factors. Therefore, we will 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 throughout our overall portfolio. 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.

Looking ahead, we will continue striving to assess, monitor and reduce our volume of financed emissions even as we engage in in-depth customer dialogue. In this way, we will meet the needs of customers who face differing situations and issues and assist them in their pursuit of carbon neutrality by acting as their "running partner."

Management Strategy (Biodiversity)

Nature-Related Issues

Corporate activities and people's daily lives are dependent on natural capital-encompassing not only flora and fauna but the water, soil and atmosphere of the earth. Society not only benefits from but requires functioning ecosystems. However, just as the natural world impacts us, human activities impact the natural world and its ecosystems.

Financial institutions are being called upon to bear responsibility for properly responding to nature-related issues as their operations are widely and deeply connected with natural capital, both directly through their own business activities and indirectly through investment in and the provision of financing to their corporate and individual customers.

Accordingly, the Group has launched the analysis of client sectors

deemed to have larger dependency and impact on the natural environment. We began by conducting a heat map analysis of each sector in order to assess its degree of dependency and impact and also determined the proportion of the Group's financing portfolio accounted for by each sector. These processes were undertaken by using ENCORE,1 a tool specialized in nature-related risk analysis.

In addition, we reorganized general risks and opportunities associated with nature-related issues from the viewpoints of dependency and impact. Going forward, we will continue striving to implement more sophisticated and detailed analyses in line with the LEAP approach based on the TNFD's information disclosure framework. By doing so, we will assess the financial impact of nature-related issues.

Heat Map Analysis

We analyzed the degree of dependency and impact by type of natural capital based on industry groups in accordance with the Global Industry Classification Standard (GICS).

We also used a six-grade rating system encompassing "Very High," "High," "Medium," Low," Very Low" and "N/A." As a result, the analysis confirmed that the Group's portfolio includes no

disproportional financing to sectors with high dependency and impact. While maintaining focus on analyzing sectors with high dependency and impact, we will consider prioritizing the analysis of sectors whose constituents account for a relatively large proportion in our financing portfolio.

Dependency by Sector

	Industry group	Six-grade ratings on dependency							Proportions in the financing portfolio				
Sector		Atmosphere	Habitat areas	Geographical features of inland areas	Minerals	Geographical features of ocean areas	Soil and sediments	Species	Water	Less than 5%	Less than 10%	Less than 20%	Less than 30%
Energy	Energy	L	L	L	_	L	L	VL	L	0			
Materials	Materials	М	Н	М	Н	L	Н	М	М	0			
Industrials	Capital Goods	L	L	VL	VL	L	L	VL	L			0	
	Commercial & Professional Services		VL	VL	_	_	VL	VL	VL		0		
	Transportation	L	L	L	L	L	М	L	L	0			
Consumer	Automobiles & Components	L	L	VL	_	L	VL	VL	L	0			
Discretionary	Consumer Durables & Apparel	L	L	L	L	L	М	L	L	0			
	Consumer Services	VL	VL	VL	_	L	L	VL	L		0		
	Consumer Discretionary Distribution & Retail	VL	VL	VL	_	_	L	VL	VL			0	
Consumer	Consumer Staples Distribution & Retail	VL	VL	VL	_	_	L	VL	VL	0			
Staples	Food, Beverage & Tobacco	Н	Н	VH	VH	М	VH	Н	Н	0			
	Household & Personal Products	VL	VL	_	_	L	_	VL	VL	0			
Health Care	Health Care Equipment & Services	VL	VL	VL	_	_	L	VL	VL	0			
	Pharmaceuticals, Biotechnology & Life Sciences	VL	VL	VL	_	VL	VL	VL	L	0			
Financials	Banks	_	VL	VL	_	_	VL	_	_	0			
	Financial Services	_	VL	VL	_	_	VL	_	_		0		
	Insurance	_	VL	VL	_	_	VL	_	_	0			
Information	Software & Services	_	VL	VL	_	_	VL	VL	_	0			
Technology	Technology Hardware & Equipment	VL	VL	VL	_	L	L	VL	VL	0			
	Semiconductors & Semiconductor Equipment	_	VL	_	_	_	_	VL	_	0			
Communication Services	Telecommunication Services	VL	VL	М	М	_	М	VL	VL	0			
	Media & Entertainment	VL	VL	L	М	_	М	VL	VL	0			
Utilities	Utilities	М	М	М	М	_	М	L	М	0			
Real Estate	Real Estate Management & Development	VL	VL	VL		_	VL	VL	VL				0

VH Very High H High M Medium L Low VL Very Low - N/A

Impact by Sector

		Six-grade ratings on impact								Proportions in the financing portfolio			
Sector	Industry group		Habitat areas	Geographical features of inland areas	Minerals	Geographical features of ocean areas	Soil and sediments	Species	Water	Less than 5%	Less than 10%	Less than 20%	Less than 30%
Energy	Energy	Н	Н	Н	Н	Н	Н	Н	Н	0			
Materials	Materials	Н	Н	Н	Н	Н	Н	Н	Н	0			
Industrials	Capital Goods	Н	Н	Н	Н	Н	Н	Н	Н			0	
	Commercial & Professional Services	L	VL	VL	L	_	VL	L	L		0		
	Transportation	Н	Н	Н	Н	Н	Н	Н	Н	0			
Consumer	Automobiles & Components	L	L	L	L	_	L	L	L	0			
Discretionary	Consumer Durables & Apparel	М	Н	М	М	М	Н	М	Н	0			
	Consumer Services	L	L	L	L	VL	L	L	L		0		
	Consumer Discretionary Distribution & Retail	L	L	L	L	VL	L	L	L			0	
Consumer	Consumer Staples Distribution & Retail	L	L	L	L	VL	L	L	L	0			
Staples	Food, Beverage & Tobacco	М	М	М	L	М	М	М	М	0			
	Household & Personal Products	L	L	L	L	_	L	L	L	0			
Health Care	Health Care Equipment & Services	L	L	L	L	VL	L	L	L	0			
	Pharmaceuticals, Biotechnology & Life Sciences	L	L	VL	L	_	L	L	L	0			
Financials	Banks	VL	VL	VL	VL	_	VL	VL	VL	0			
	Financial Services	VL	VL	VL	VL	_	VL	VL	VL		0		
	Insurance	VL	VL	VL	VL	_	VL	VL	VL	0			
Information	Software & Services	L	VL	VL	L	_	VL	L	L	0			
Technology	Technology Hardware & Equipment	L	L	L	L	VL	L	L	L	0			
	Semiconductors & Semiconductor Equipment	L	L	VL	L	_	L	L	L	0			
Communication Services	Telecommunication Services	L	L	L	L	L	L	L	L	0			
00171003	Media & Entertainment	L	VL	VL	L	VL	VL	L	L	0			
Utilities	Utilities	М	Н	М	М	М	М	М	Н	0			
Real Estate	Real Estate Management & Development	М	М	L	L	L	М	М	М				0

Risks and Opportunities

In reference to risks and opportunities exemplified in the LEAP approach guidance recommended by the TNFD,2 the Group has identified and rated in terms of financial impact nature-related risks and opportunities that its clients could confront.

As the actual status of these risks and opportunities varies widely by sector, region and type of natural capital, we will strive to conduct more sophisticated and detailed analyses by taking these differing circumstances into account.

Nature-Related Risks and Opportunities for Clients

Risks / Opportunities		Consequences arising from businesses with high dependency	Consequences arising from businesses with high impact			
	Physical risks (chronic)	Shortage of raw material supply and resulting growth in pro- curement costs due to the loss of natural capital and the deterioration of its value	Reputational risks arising from the Group's involvement in the loss of natural capital			
Risks	Physical risks (acute)	Damage suffered by the Group's business sites and the re- sulting deterioration of its operating results due to abnormal weather and climate-related disasters of growing magnitude				
THORS	Transition risks	Growth in costs and the suspension of business operations due to the need to respond to shifts in government policies and the strengthening of legal regulations in connection with the restoration and preservation of natural capital	icies and the strengthening of legal regulations in connec			
Opportunities	Resource efficiency, products and services	resilience against resource shortages • Development of resource-saving products and services as w	ment of resource-saving products and services as well as green solutions on of new business opportunities arising from the proper assessment of the economic value of regional natural			

¹ Exploring Natural Capital Opportunities, Risks and Exposure

² Guidance on the identification and assessment of nature-related issues: The LEAP approach (issued by the TNFD in October 2023)

Management of Risks and Impact

The Resona Group has positioned climate change- and naturerelated 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.

Specifically, we recognize that delays and other shortfalls in our

response to the growing public call for countering climate change and preserving biodiversity could result in a loss of growth opportunities, the emergence of stranded assets and other consequences, all of which could lead to deterioration in corporate value. Accordingly, the Group is operating a risk management framework (→p. 95) 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.



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			
		Prohibition of lending to the following borrowers	Those involved in child or forced labor or human trafficking, etc.			
L	Stance on Lending Across Sectors	Prohibition of lending to the following projects or businesses	 Businesses that exert a seriously negative impact on wetland sites designated by the Ramsar Convent the World Heritage Sites designated by UNESCO Businesses in violation of the Washington Convention 			
Sectors		Due consideration given to environmental and social impacts in the course of lending to the following businesses	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			
		Prohibition of lending to the following borrowers	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			
	Stance on Lending to Specific Sectors	Prohibition of lending to the following projects or businesses	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	Large-scale hydroelectric power generation			

Metrics and Targets

The Resona Group established the following targets for its longterm initiatives aimed at mitigating climate change- and naturerelated 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 the preceding pages.

Retail Transition Financing Target	 Via in-depth dialogue and the provision of enhanced solutions, engage in joint initiatives with customers to mitigate climate change and nature-related risks, discover business opportunities and otherwise enable customers to counter climate change and preserve biodiversity (+pp. 42-43) 				
Declaration of Net-zero Greenhouse Gas Emissions in the Investment and Financing Portfolio Interim target for 2030 for the energy sector	The reduction of GHG emissions from our investment and financing portfolio (→pp. 44–46)				
Carbon Neutrality Target (Scopes 1 & 2)	The reduction of GHG emissions from our own energy use (♣p. 47)				

Initiatives to Preserve Biodiversity

Protecting regional natural resources available only when the natural environment is flourishing is instrumental to enhancing the resilience of the community and vitalizing its economy. To that end, we



"Resona cultivates bonds" - Tree planting project

Activities aimed at restoring natural forest and forest reserves in the Tohoku area that have been significantly damaged by the Great East Japan Earthquake



Forest development activities undertaken by Kansai Mirai Bank Activities aimed at protecting and nurturing local forest in Katano City, Osaka



Cleanup activities on "Lake Biwa Day" Participating in the Lake Biwa Beautification Campaign sponsored

by Shiga Prefecture while implementing cleanup activities covering areas around our local branches as part of environmental preservation campaigns involving prefectural residents

engage in initiatives that involve employees and customers willing to play their part in preserving biodiversity even as we help these participants raise their environmental literacy.



Cultivating Saitama Resona's forest

Activities aimed at protecting abundant greenery in Saitama through forest cultivation in Nagatoro-machi and Mt. Hodosan and passing it down to future generations



Cutting common reed grass at the shore of Lake Biwa

Environmental preservation and management activities aimed at maintaining Lake Biwa's water quality and offsetting carbon (Mown grass will be utilized as a material of uniforms for Expo 2025 Osaka, Kansai)



An Operation Cleanup covering coastal areas along three channels Coastal cleanup activities aimed at protecting the natural environment across the Naruto. Kitan and Akashi straits. which engender the whirling currents called Uzushio

Information Disclosure Based on TCFD and TNFD Recommendations (Resona Asset Management)



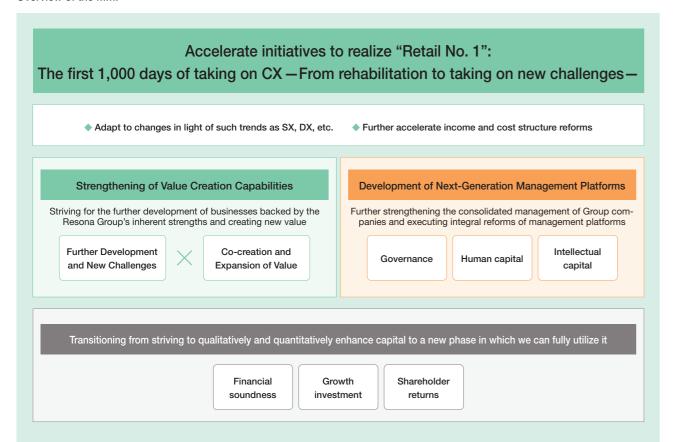
Resona Asset Management Co., Ltd., a Group company tasked with asset management, has issued a TCFD/TNFD report. https://www.resona-am.co.jp/investors/pdf/climate-nature_report2023.pdf (Japanese only)

Overview of and Progress under the Medium-Term Management Plan

The current medium-term management plan (MMP) spans from FY2023 to FY2025. The Resona Group has defined this three-year period as "the first 1,000 days of taking on corporate transformation (CX)" to accelerate the realization of "Retail No. 1." Specifically, we are striving to further accelerate income and cost structure reforms while adapting to changes attributable to such trends as sustainability transformation (SX) and digital transformation (DX). To this end, we have identified two pillars of the MMP: (1)

Strengthening of value creation capabilities and (2) Development of next-generation management platforms. The first pillar aims to further develop our businesses backed by the Resona Group' inherent strengths nurtured over the course of its history specializing in the retail field as we take on the challenge of creating new value. The second pillar involves further strengthening the consolidated management of Group companies and executing integral reforms of management platforms.

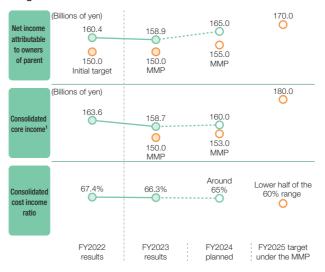
Overview of the MMP

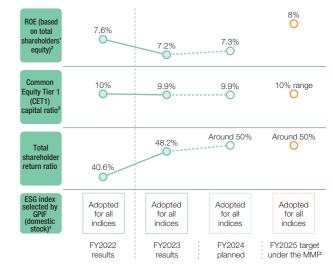


Progress under the MMP as of the close of FY2023, its first year, has been generally stable. Thanks to the success of our efforts to achieve "Profitability surpassing MMP target", net income attributable to owners of parent and consolidated core income were 5.9% and 5.8% in excess of targets, respectively. The consolidated cost income ratio was 66.3%, while ROE (based on total shareholders' equity) amounted to 7.2%. The CET1 capital ratio was 9.9%, just in line with our target under the MMP even as we made steady progress in the utilization of capital. The total shareholder return ratio amounted to 48.2%, against our target of around 50%. In addition, we have successfully maintained Resona Holdings' inclusion into all the domestic ESG stock indices selected by the GPIF.

We have also made steady progress in strategies implemented via the expansion of growth investment. Specifically, while we enhanced our fee businesses on the back of a favorable shift in the business environment, our deposit-lending business, which is backed by a robust customer base constituting one of the Resona Group's strengths, is still working toward a revival. As we proactively accommodated diverse funding demand that materialized as customers endeavored to address various issues, the balance of loans grew larger than planned. Furthermore, we closed two deals in connection with inorganic growth investment, making similarly steady progress in this area.

Progress Relative to KPIs under the MMP





In April 2024, Kansai Mirai Financial Group (KMFG) was merged with Resona Holdings. KMFG has played a major role as a headquarters for the largest regional banking group in the Kansai area. In fact, KMFG has expanded its contribution to consolidated net income from ¥6.0 billion recorded right after its inclusion into the Group in FY2018 to ¥21.9 billion in FY2023, due to our joint endeavors to create synergies in the areas of top-line income and cost reductions. However, due to the ever-faster pace of evolution in the business environment, we resolved to update our governance and organizational structure in preparation for taking on new challenges.

This resolution is reflected in our initiatives to strengthen Group governance by simplifying the decision-making structure and thus improving the Group's ability to make swift decisions. We are also striving to enhance efficiency by unifying back-office operations and indirect departments across the Group. This move is expected to facilitate the establishment of a "one-platform, multi-regional strategy," under which the Group's four banks will deliver products and services that have been optimized to suit the characteristics of the customers and regions they serve.

Further Strengthening the Consolidated Management of Group Companies

-Merger of Resona Holdings and Kansai Mirai Financial Group (April 2024)-

KMFG lays a groundwork for swift post-merger integration (PMI) Resona Holdings TSE Prime Market 100% Kansai Mirai Financial Group 100% 100% 100% Saitama Kansai Mirai Resona Bank Minato Bank Resona Bank KMFG leads the way in the start of the largest regional banking group in the Kansai area

-March 2024

Expansion in KMFG's contribution to consolidated net income 222 21.9 17 0 11.2 FY2018⁵ FY2019 FY2020 FY2021 FY2022 FY2023 Became a wholly owned subsidiary in April 2021

April 2024-New organizational structure launched to achieve fresh growth



Strengthen Group governance

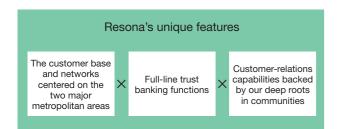
- Upgrade the consolidated management of Group companies
- Simplify the decision-making structure and raise our ability to make swift decisions
- Enable each subsidiary bank to execute effective growth strategies

Toward the establishment of a "one-platform, multi-regional strategy'

- Deliver value optimized to suit the characteristics of the customers and regions we serve
- Deliver universal Group value offered by all companies
- The Group's universal platforms
- -Overwhelming cost competitiveness-
- 1 Net interest income from domestic loans and deposits + Interest on ven bonds, etc. + Fee income + Operating expenses. FY2023 results and FY2024 forecasts are calculated on an actual basis, excluding the impact of the joint management designated money trust and the transformation of two leasing companies into wholly owned subsidiaries
- 2 Net income attributable to owners of parent / Total shareholders' equity (simple average of the balances at the beginning and end of the term) 3 Based on the full enforcement of the finalized Basel 3 regulations under the international standard; excluding net unrealized gains on available-for-sale securities
- 4 FTSE Blossom Japan Index, FTSE Blossom Japan Sector Relative Index, MSCI Japan ESG Select Leaders Index (until FY2022; transitioned to "MSCI Nihonkabu ESG Select Leaders Index" from FY2023); S&P/JPX Carbon Efficient Index Series, MSCI Japan Empowering Women Index, and Morningstar Japan ex-REIT Gender Diversity Tilt Index 5 Excluding gains from negative goodwill

Business for SMEs

Steadily Expanded our Loan Balance by Addressing Issues Customers are Facing in addition to Taking Advantage of Tailwinds Arising from Changes in the Environment



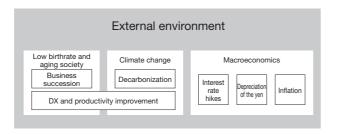
We have seen the emergence of diverse funding demand due to changes in the macro environment, including megatrends associated with SX and DX, the depreciation of the yen and surges in resource prices, while the Bank of Japan pushes ahead with the normalization of its monetary policy. Against this backdrop, our lending business has never been more important than it is now in terms of addressing issues customers are confronting and securing sustainable growth for the Resona Group.

Given these circumstances, our loan balance is expected to expand due to the Group's unique features, which are described as follows.

First, the Group is equipped with a customer base centered on two major metropolitan areas. These areas boast the nation's largest concentrations of population, economic might and industry, and funding demand among local customers is only expected to grow.

Second, we are a commercial bank equipped with full-line trust banking functions and, therefore, are capable of addressing the issues our customers confront on a one-stop basis.

Third, our customer-relations capabilities backed by deep roots in local communities enable each Group bank to offer diverse solutions aligned with the characteristics of the regions and customers they serve.

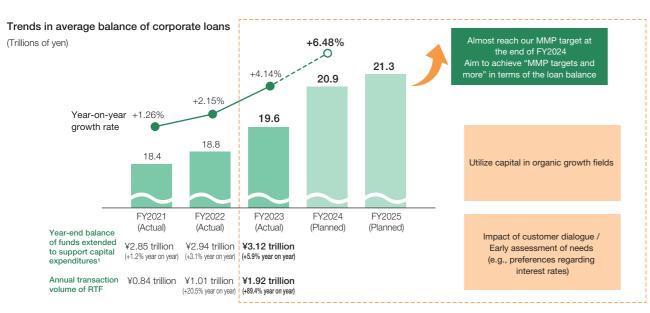


In FY2023, the average balance of corporate loans grew 4.14% year on year to ¥19.6 trillion. In addition, the year-end balance of funds extended to support capital expenditure increased 5.9%. Moreover, the annual volume of funds extended in retail transition financing (RTF) (→p. 42) almost doubled.

Over the three-year period from FY2021 to FY2023, the yearon-year growth rate for the average balance of corporate loans amounted to 1.26%, 2.15% and 4.14%, for each year respectively, expanding at a remarkable pace. Striving to further accelerate this pace, in FY2024 we plan to secure a year-on-year increase of 6.48% and thus raise this balance to ¥20.9 trillion. This will be guite close to the ¥21.3 trillion target set for the final year of the MMP.

We will thus achieve "MMP targets and more" even in a phase of capital utilization by raising the balance of loans based on engagement in customer dialoque and the provision of diverse solutions.





1 Total of Group banks

International Business

Help Customers Align with Changes in the Business Environment via the Use of Our Overseas Network



The Resona Group maintains 10 overseas bases in which its expatriates are stationed. With this network focused on the entire Asian region as well as the United States, we accommodate a broad range of customer needs for global expansion assistance, fundraising and other undertakings.

In Indonesia, Bank Resona Perdania, which boasts a business track record spanning more than 65 years, offers fullline banking services, while the Singaporebased Resona Merchant Bank Asia strives to meet needs for fundraising, M&A and other solutions among customers in ASEAN nations, Hong Kong and India.

We also extend support to customers through representative offices and overseas partner banks, and our plans call for opening new representative offices in Hanoi and Los Angeles by the end of 2024.

Going forward, we will upgrade our structure for supporting customers by upgrading our overseas network and enhancing our capabilities to deliver international business solutions.

Management Support Initiatives for SME Customers

The Resona Group provides management support for customers. To this end, the Group companies cooperate with each other and collaborate with other financial institutions and external professionals to precisely address various needs, aligning their services with the different growth phases of customers.

Support during the Startup and Growth Phases

Support during the Maturity and Transition Phases

When engaging with customers in the startup phase, we look at both their financial status and potential for business growth, taking a proactive approach when extending financing and operational support. During the growth phase, we also provide a diverse array of loan products and various solutions, including business matching, global expansion assistance and other support to advance their development.

We are capable of delivering a diverse range of solutions, including those supporting business and asset succession as well as human resource referrals and DX assistance, to enable customers in the maturity and transition phases to move forward toward a next stage. To this end, we start by closely understanding the owner's vision for the business and thoughts about succession. We then identify optimal solutions and countermeasures.

Turnaround Support

We provide the support and expertise that a customer requires to turn their company around. This ranges from restructuring the repayment terms of loans to overhauling management, revitalizing businesses and restructuring operations.

Initiatives to Revitalize Communities

With a corporate mission that affirms our commitment to the further development of regional communities, we energetically support the management of SME customers and the revitalization of regional economies

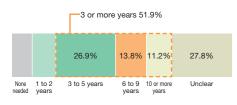
We also operate Business Plazas in five locations (Tokyo, Saitama, Shiga, Osaka and Kobe). Collectively, these provide Group entities

with a universal platform that enables them to offer business matching-related consultation. In addition to business matching services between Resona Group customers, we offer a diverse range of matching services involving local governments, venture startups, and professional human resources to support customers' business growth.

Business and Asset Succession

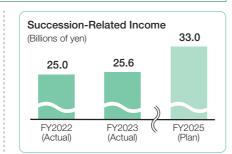
One-stop solutions that leverage our unique strength as a commercial bank equipped with full-line trust banking capabilities

Amount of Time Needed to Complete the Transition to Successors¹



Trend in the Appointment of Business Successors by Source²

	2022	2023				
Taken over by a family member	37.6%	33.1% 👢				
Internal promotion	33.3%	35.5% 👚				
M&A, etc.	18.6%	20.3% 👚				
Appointed an external individual	7.1%	7.2%				
Ongoing manage- ment by the founder	3.4%	3.9%				



In the succession business, the Resona Group aims to leverage its unique strength and thereby contribute to the resolution of structural issues Japan is now confronting. For example, SMEs are an essential component of Japan's economy and society as they account for approximately 99% of domestic corporations, with their employees constituting approximately 70% of the total Japanese workforce. For Japan to achieve further development despite problems arising from its aging society and lower birthrate, the smooth succession of businesses run and assets held by SMEs and their owners is of critical importance.

In the aftermath of the COVID-19 pandemic, needs for succession-related solutions have diversified more than ever due mainly to the growing ratio of external individuals appointed as successors, a change in the conventional trend toward maintaining family-based ownership.

The Resona Group is capable of accommodating needs for diverse solutions backed by its unique strength as a commercial bank equipped with full-line trust banking functions. Although a healthy succession sometimes requires a long period of time, we can act as a "running partner" for corporate and individual customers as our position as a commercial bank gives us the ability to maintain long-term transactions and serve their best interests by bringing together our functions related to lending, settlement, business matching,

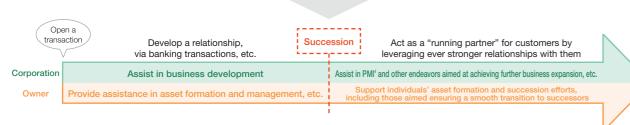
asset formation support and real estate sales and purchases.

Succession-related income is defined as income from succession trusts, such as will trusts, as well as related M&A and the real estate business. In FY2023, income from succession trusts, M&A and the real estate business amounted to ¥6.5 billion (up ¥0.5 billion year on year), ¥4.0 billion (up ¥0.4 billion year on year) and ¥15.0 billion (down ¥0.4 billion year on year), respectively, bringing our total succession-related income to ¥25.6 billion (up ¥0.5 billion year on year). We have thus seen steady growth in income, with income from M&A hitting a record high. In this area, we are currently striving to allocate management resources to reinforce our capabilities to help resolve issues our customers and Japanese society as a whole are confronting. Having set a target of achieving ¥33.0 billion in annual succession-related income in the final year of the MMP, we are rallying all the Group's strengths to realize this target.





Boast particular strength in providing medium- to long-term assistance that transcends the conventional scope of succession and acting as customers' "running partner"

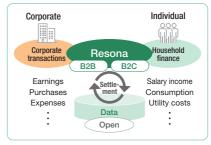


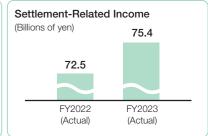
- 1 The third edition of Business Succession Guidelines issued by the Small and Medium Enterprise Agency
- 2 Nationwide Trend Survey of the Ratio of Corporations Lacking Successors by TEIKOKU DATABANK (2023) 3 Resona Bank, Saitama Resona Bank, Kansai Mirai Bank, Minato Bank, Resona Research Institute, Resona Corporate Investment
- 4 Post-Merger Integration

Cashless and DX Solutions

Offering Convenience for Household Finances and Corporate Transactions







Currently accounting for around 40% of total transactions, the domestic cashless market has expanded rapidly in the wake of the COVID-19 pandemic and continues to grow. At the same time, our corporate customers are facing a variety of emerging issues related to settlement, such as the need to digitize their operations on the back of pressing labor shortages as well as to maintain compliance with the revised Electronic Book Storage Act.

The Resona Group offers a diverse range of solutions to meet needs for cashless and digitized payment to support day-to-day household finance and corporate transactions, with the aim of delivering new value to customers.

Our debit cards help corporate and individual customers go cashless. As of March 31, 2024, the number of debit cards issued totaled 3,180,000, an increase of 690,000 (28.0%) over the course of the last three years. These cards are issued as standard with individual deposit accounts while boasting strong affinity with the banking app, which has become the most frequently used transaction

channel. Because of these and other factors, debit cards are being used by a growing number of customers in their day-to-day transactions. Similarly, an increasing number of corporate customers now opt to use debit cards in the course of expense settlement and purchasing.

To expand the scope of solutions we can offer, we are also engaged in co-creation involving external partners. In April 2024, we released "Resona PayResort+," a non-face-to-face settlement service for corporate customers. This is the first service created through the enhanced capital and business alliance with Digital Garage, Inc. (DG). Employing cutting-edge technologies and know-how afforded by DG, this one-stop service enables our customers to utilize diverse settlement methods.

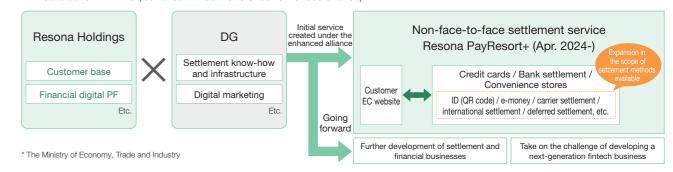
In the field of settlement, we will continue to address issues our corporate and individual customers are facing even as we strive to raise settlement-related income.

Assist corporate and individual customers in their transition to cashless operations via the provision of debit cards



Accommodate evolving needs for even more diverse settlement methods via external collaboration

• Co-creation with DG (launched in Dec. 2023 under enhanced alliance)



Asset Formation Support

Providing Retail Customers with Access to Professional Asset Management Know-How We Have Accumulated through 60 Years of Corporate Pension Fund Management

all Resona Group

members

The Resona Group feels that it is being called to assist as many people as possible in their efforts to build assets and secure economic preparedness in an era where people are living to 100 years of age. Doing so is essential to helping customers and regional societies enjoy a brighter future. Accordingly, we have positioned asset formation support and corporate pension businesses as our fields of focus as part of management strategies.

Furthermore, we aim to contribute to the development of the entire investment chain. To this end, we are rallying the functions of Group companies, including Resona Asset Management and each Group bank, to provide customers with optimal asset building solutions backed by the Group's strength as a retail commercial bank equipped with full-line trust banking capabilities. In addition, Resona Bank has taken on the task of assisting corporate customers in the management of their pension plans.

Specifically, Resona Asset Management provides retail customers with access to the asset management know-how nurtured through more than 60 years of corporate pension asset management, with the aim of extending optimal asset formation assistance to each customer. With the recent trend in favor of a transition "from savings to investment" as a tailwind, we plan to increase the balance of AUM from the current ¥55 trillion to around ¥65 trillion in 2030.

Meanwhile, each Group bank offers long-term, stable and

Asset manager

Resona Asset Management

dispersed asset management services to customers. These services include "Resona Fund Wrap," which strongly appeals to bank customers as it offers stable asset management, lower necessary costs, asset administration functions and other built-in features. We also offer "Tsumitate Box," a digital-driven service through which we act as a "running partner" for customers, helping them take the first step in asset management. Through these and other initiatives, we plan to increase the balance of investment trusts, the fund wrap, insurance and other products from ¥6.8 trillion as of March 31, 2024 to ¥7.5 trillion by March 31, 2026.

In the field of corporate pensions, we will leverage our strength as a retail commercial bank equipped with full-line trust banking capabilities in order to provide one-stop solutions for issues retail customers are now confronting based on meticulous consulting. We will also enhance our structure for extending comprehensive support to the business operators implementing corporate pension plans and the employees enrolled in them with an eye to raising the balance of corporate pension-related assets from ¥6.5 trillion as of March 31, 2024 to around ¥10 trillion by March 31, 2033.

To realize "Retail No. 1" in the asset management field, we will continue rallying the comprehensive capabilities offered by the full lineup of Resona Group members.

500,000 corporate customers

Smartphone-based assistance to help

Commercial hank × Trust hank Deliver value via the Customer hase combined efforts of Resona Bank Saitama Resona Bank 16 million individual customers

Kansai Mirai Bank Minato Bank

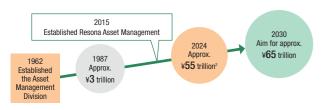
Strong appeal to bank customers

Balance of AUM1

A track record of

around 60 years in

asset management

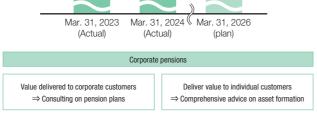




R&I Fund Grand Prize https://www.r-i.co.jp/investment/fund award/index.html (Japanese only) Mercer MPA (Japan) Award https://www.mercer.co.jp/newsroom/mpa-awards.html (Japanese only)

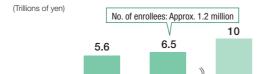






Mar. 31, 2024 (Mar. 31, 2033

(Actual)



Balance of Corporate Pension-Related Assets

Mar. 31, 2023

(Actual)

- 1 Including AUM held by Resona's precursors: Daiwa Bank, Asahi Trust Bank, Daiwa Trust Bank and Resona Trust Bank
- 2 Sum of the balance of assets managed under discretionary investment contracts or investment trusts for which we act as an asset manager as of Mar. 31, 2024
- 3 Including products delivered by Resona Bank for corporate pension customers
- 4 Available at Resona Bank, Saitama Resona Bank and Kansai Mirai Bank

Housing Loans

High-Quality and Profitable Portfolio

The environment surrounding the loan business is undergoing a radical evolution due largely to the ongoing diversification of individual customer lifestyles as well as recent moves toward the normalization of Japan's monetary policy. The Resona Group has a tradition of strength in the housing loan business that it will continue to leverage as it maintains its focus on this field. Here, we explain our stance on this priority business.

- 1) Progress in the development of a robust structure for providing products and services finely tuned to meet customer needs and maximize convenience
- In July 2023, we established a structure enabling customers to remotely complete housing loan transactions. We have also promoted the development of such new products as loan products designed to support the purchase of eco-friendly housing, womenspecific housing loans and group credit life insurance.
- 2 Expansion in transactions based on individual customer life cycles starting with obtaining housing loans

Around 90% of housing loan customers install the Group App at the time of borrowing, enabling us to maintain bidirectional communications that, in turn, lead to a diverse range of transactions.

- 3 A loan portfolio boasting superiority in terms of credit costs Our housing loans involve relatively low capital charges as we keep credit costs down.
- (4) Cost competitiveness backed by merits of scale

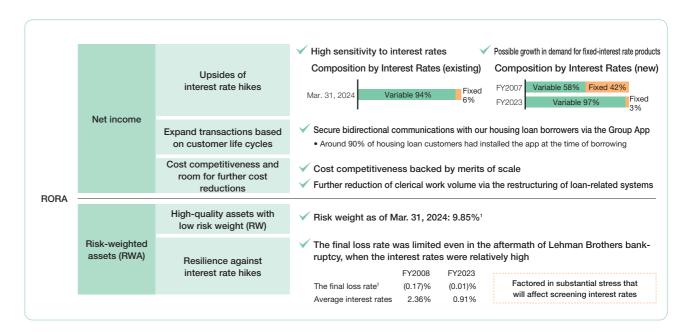
With the restructuring of loan-related systems currently under way, we expect further reductions in the volume of relevant clerical work.

⑤ Expansion in profit upon the future hikes in interest rates

While floating interest rate products currently account for a large proportion, inflation could cause fixed interest rate products to become more sought after.

As of March 31, 2024, the Resona Group's balance of housing loans stood at ¥13.8 trillion, the largest in Japan. Looking ahead, we will strive to extend these loans to as many customers as possible, with our plans calling for increasing this balance to ¥14.7 trillion by March 31, 2026.





A frontrunner of housing loans

 Balance of housing loans as of Mar. 31, 2024: ¥13.8 trillion (+1.2% from Mar. 31, 2023)

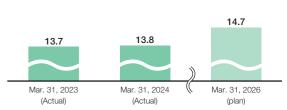
Largest in Japar (as of Mar. 31, 2024)



- 1 Resona Bank: as of Mar 31 2024: non-default
- 2 Housing loans guarantee subsidiaries' subrogation ratio x (1-collection after subrogation): sum of residential housing loans and apartment loans

Balance of Residential Housing Loans

(Trillions of yen)



Financial Digital Platform

Co-Creation through Wide-Ranging External Collaboration That Transcends the Conventional Framework

Our aim in developing our financial digital platform (PF) is to enable regional financial institutions and partners from different sectors, as well as their customers, to enjoy win-win relationships through wide-ranging collaboration that transcends the conventional framework

As part of these efforts, in February 2024, we entered into a strategic business alliance agreement with Juroku Financial Group, Inc. Due to the expansion of similar partnerships, regional financial institutions that handle Resona Group products and services now comprise six groups and seven banks, including partners planning to initiate the handling of these offerings. We have also made our banking app and fund wrap available at these regional financial institutions to benefit their customers. These two products have garnered solid reputations while enjoying steady growth in user numbers. Going forward, we will strive to further expand the number of PF participants and users by, for example, enhancing the menu of functions offered.

We have also made progress in initiatives to co-create new businesses with partners from different sectors. In the settlement field, we stepped up a capital and business alliance with Digital Garage in December 2023 with a shared policy of delivering settlement and financial solutions developed by the Resona Group and

this firm to the customers of both. In the data utilization field, we entered into an "individual agreement" in April 2024 with Shizuoka Bank and our capital and business alliance partner BrainPad based on a basic agreement regarding the commissioning of businesses. The new agreement aims to upgrade Shizuoka Bank's mode of data utilization.

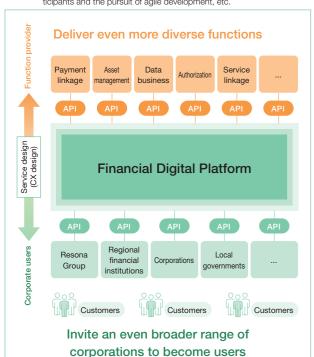
We will continue to engage in external collaboration to enhance the menu of PF functions and expand the volume of transactions.



Develop and expand an ecosystem in which all PF participants enjoy win-win relationships

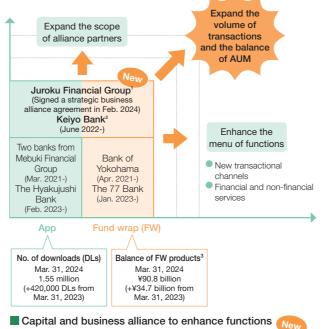
Engage in co-creation with leading companies in the field of banking systems

✓ Established FinBASE in tandem with IBM Japan and NTT DATA to act in collaboration with the above two partners in the exploration of new participants and the pursuit of agile development, etc.



- 1 Planning to handle the app and FW going forward
- 2 Planning to handle the app going forward
- 3 Including corporate customers

Roll out Resona Group solutions to regional financial institutions



- Settlement: Digital Garage (strengthened alliance in Dec. 2023) Data analysis: BrainPad (Feb. 2022-)
- In Apr. 2024 Resona Bank, Shizuoka Bank and BrainPad together entered into an "individual agreement" based on a basic agreement regarding the commissioning of businesses that was aimed at upgrading Shizuoka Bank's mode of data utilization.

Inorganic Strategy

Expanding Inorganic Growth Investment Aimed at Improving ROE

Delivering New Value via Co-Creation

Winning customers not yet reached by Resona will

1) Enhance our customer base

Securing specialist and other human resources will ② Enhance our management resources Strengthening businesses that have affinity with existing banking operations as well as those that transcend the framework of finance will

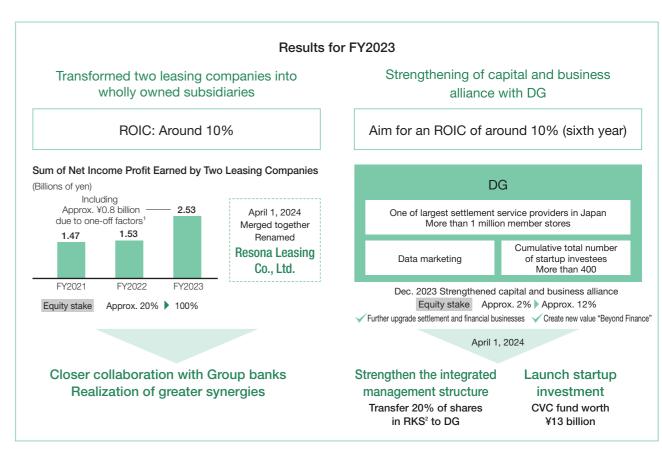
③ Enhance our functions

The Resona Group has transitioned to a phase in which it can fully utilize capital. With this in mind, we consider pursuing inorganic growth to be a matter of ever greater strategic importance. Through this mode of growth, we aim to enhance our customer bases, management resources and functions in order to augment our ability to deliver new value. In FY2023, the first year of the current MMP, we closed two deals in this regard.

First, we transformed two leasing companies, DFL Lease and Shutoken Leasing, from equity-method affiliates into wholly owned subsidiaries. We undertook this move with an eye to generating significant synergies by combining lease functions, which have strong affinity with banking operations, and the Resona Group's 500,000 company strong corporate customer base. In April 2024, these two subsidiaries merged together to form Resona Leasing Co., Ltd., which is striving to engage in close collaboration with other Group entities.

Second, we strengthened our capital and business alliance with Digital Garage, Inc. (DG). Amid the ongoing expansion of the settlement market, we aim to bring together the strength of DG-one of the largest settlement service providers in Japan-and financial functions afforded by the Resona Group, in order to further upgrade our settlement and financial businesses. This move is also intended to jointly promote open innovation via investment in next-generation fintech businesses and startups with the launch of a corporate venture capital (CVC) fund worth ¥13 billion in April 2024.

We expect the two deals to contribute to medium- to long-term improvement in our ROE. Looking ahead, we will continue to consider deals related to inorganic investment without limiting the scope of potential counterparts.



- 1 Shutoken Leasing: Special dividends from the former subsidiary
- 2 Resona Kessai Service Co., Ltd.

Integration of Real and Digital Channels

Address Diverse Issues Customers Are Facing by Leveraging Both Face-to-Face and Digital Channels

The Resona Group aims to deliver new value to customers via data-driven coordination among and the integration of face-to-face and digital channels. Striving to secure digital-based connections with all customers, we will help them easily undertake daily transactions at anytime from anywhere without physically visiting a branch. At the same time, whenever customers confront more complex issues, our highly dedicated human resources equipped with specialist expertise will offer in-depth, face-to-face consulting and propose seamless solutions. This is a worldview we aim to realize.

With regard to digital channels, our banking app is being used by a growing number of customers. At present, this app is our largest transactional channel and used more frequently than branch counters or ATMs. While the number of banking app downloads (DLs) has steadily expanded, reaching 7,810,000 as the end of March 2024, our analysis suggests that frequent app users tend to engage in transactions that yield greater profit and involve a larger number of products than do other customers. This, we believe, is a testament to the widespread adoption of the app as a tool for daily transactions and the great convenience afforded by it.

In face-to-face channels, we strive to provide customers with unique value afforded only via these channels while updating our branches to bases specialized in addressing issues they are confronting. To this end, we are pushing ahead with the optimization of Group networks and the overhaul of our business processes. As of March 31, 2024, the number of physical branch locations decreased approximately 19% compared with March 31, 2020, the starting point of the previous MMP, through the downsizing and replacement of branch facilities as well as via the use of the branch-in-branch (BinB) method. Going forward, we will continue to optimize our networks.

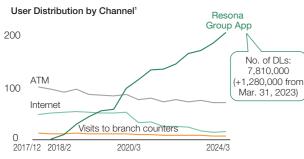
We are also shifting our branches' mission away from clerical work and toward the provision of solutions through the utilization of Al and other digital technologies. Over the course of the current MMP period, we aim to reduce the volume of branch-counter clerical work to one fourth of the 2005 level. Furthermore, over the course of the next MMP period, we will halve this volume compared with the level at the close of the current MMP. Through these initiatives, we will shift missions assigned to human resources while enhancing top-line income.

Deliver new value via the use of digital channels

Coordination

Deliver added value that can be offered only via face-to-face channels

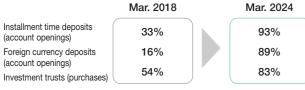
The app has become our largest transactional channel due to its superior convenience



Boast relatively high profitability and enjoy expansion in related income while contributing to operational streamlining Comparison between App/Internet Banking (IB) Users² and

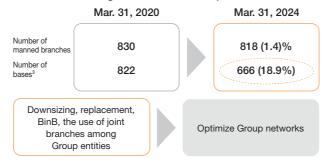


App/IB Usage Ratio



- 1 Number of ATM users as of Dec. 2017 set at 100 (daily users at Resona Bank)
- 2 Individuals who use app/IB monthly or more frequently
- 3 Number of manned branches Number of joint branches used among Group entities (BinB. etc.)
- 4 Clerical work volume, at branches (Resona Bank)

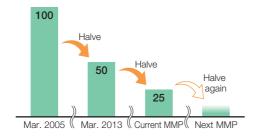
Robust channels and networks consisting of manned branches, the largest of their kind in Japan



Shift branches' mission from clerical work to the provision of solutions



Volume of Clerical Work Handled⁴ (Intensity)



Upfront Investment in Human Capital (Human Resources) and Intellectual Capital (IT)

Enhancing Investment in Human Resources and IT, Which together Support Sustainable Growth and Structural Reforms (CX)

Amid the radically evolving business environment, we consider current gaps between income and cost structures to be an issue that we need to overcome. Under the current MMP, we have laid out a policy of expanding investment in human capital (human resources) and intellectual capital (IT), which together support structural reforms aimed at achieving sustainable growth.

Over the three-year period of the current MMP, we aim to invest a cumulative total of around ¥33 billion in additional funds in human resources. During the previous MMP period, our knowhow amassed in the course of implementing the "Resona Reform" regarding low-cost operations was rolled out at Kansai Mirai Financial Group. This facilitated a reduction in the total headcount of around 3,400 through natural attrition as, for example, individuals left the workforce at retirement age. We expect the total headcount to similarly decrease by around 700 over the course of the current MMP period.

We will allocate management resources made available via the downsizing of the workforce to investment aimed at improving employee wages and enhancing human resource development. While working on bringing down the overall headcount, we plan to robustly reinforce staffing in our fields of focus, such as corporate sales, succession and DX, as well as in risk governance-related fields. In FY2023, the first year of the current MMP, we allocated around 130 additional personnel to the fields named above, even as the overall number of employees decreased by around 420 via

streamlining and downsizing. As such, the shift of human resources to our fields of focus is progressing almost as planned.

Plans also call for the allocation of a cumulative total of around ¥40 billion in additional investment to IT over the course of three years. This investment will expand as we develop new systems to support operations related to trust banking, pension management, housing loans, lending and other fields in which we take on challenges. At the same time, we will continue promoting the integration of Minato Bank's back-office operations and systems.

Through these efforts, we will strive to further improve productivity and raise top-line income. In addition, the above integration

project is expected to be undertaken from January 2025 as planned, and preparations are steadily being made. Looking ahead, we will continue to stringently manage base costs, such as maintenance expenses, even as we allocate a growing volume of funds to cover strategic costs in order to secure sustainable growth.

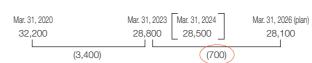


Investment in human resources

- +¥33 billion (Cumulative total over the three-year period of the current MMP)
- Expand investment in training and improve wages per employee while maintaining a tight grip on the total headcount

Total Headcount of the Group

(Persons)



Shift of Human Resources to our Fields of Focus over the Course



FY2023 results (year-on-year change; approximate figures)

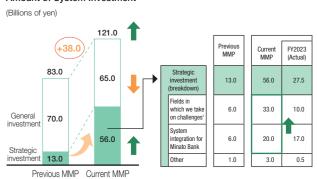


- 1 Development of lending- and loan-related systems, the development of trust banking and pension management systems, new businesses, etc.
- 2 Depreciation costs of strategic investment and general investment (additional invest-
- 3 Maintenance expenses, depreciation and amortization, etc., in connection with general investment (existing investment)

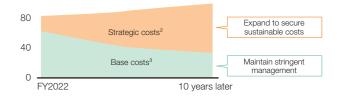
■ IT-related investment

- +¥40 billion (Cumulative total over the three-year period of the current MMP, compared with the previous MMP period)
- Expand strategic investment aimed at enhancing top-line income and supporting structural reforms

Amount of System Investment



IT-Related Costs Note: The diagram presented below illustrates the outline of cost plans. (Billions of yen)





CHRO | MESSAGE | CHRO: Chief Human Resource Officer

Aiming for Value Creation and Well-Being

Hideo Sekiguchi

Group CHRO and Executive Officer Resona Holdings

Human resources are the Resona Group's most important asset. Accordingly, we promote human capital management aimed at welcoming diverse human resources who aspire to embody our Purpose and enabling all employees to realize their full potential, irrespective of gender, age, job category or other attributes, in order to maximize our organizational vitality. We have also formulated a human resource strategy (>p. 72) to be implemented under the current medium-term management plan (MMP), which

aims to realize "Retail No. 1," our Long-Term Vision, beginning with facilitating "resonance" in line with our Purpose and Corporate Mission. We are also stepping up investment in human resources

We will assist employees in their autonomous efforts to grow into professionals, with the aim of establishing a virtuous cycle of facilitating value creation and improving employee well-being.

Purpose and Engagement

Human resources serve as a driving force enabling the Resona Group to practice its Purpose, "Beyond Finance, for a Brighter Future." We deem it important to facilitate an understanding of our Purpose among employees and to secure their support so that they will feel empowered to pull together to take on the challenge of creating a better future for customers and society as a whole.

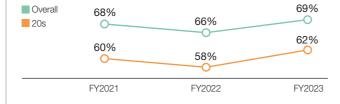
Over the past year, we have undertaken investment to this end, providing training, hosting events and otherwise creating opportunities for each department and branch as well as individual staff members to discuss and discover how the Purpose is relevant to them, and have backed these efforts with messages of encouragement from top management.

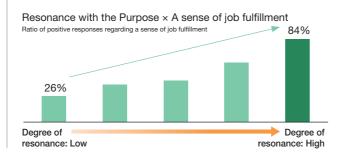
These endeavors have positively affected employee engagement. For example, in recent annual employee awareness surveys targeting all Group members, a number of respondents have used the provided blank spaces to comment on the Purpose, providing feedback regarding the sense of pride and fulfillment they gain from their jobs. Moreover, our analyses of these results suggest that respondents' understanding of and resonance with the Purpose may possibly be correlated with their sense of job fulfillment and their degree of engagement. The FY2023 surveys revealed improvement in the ratio of respondents who comment positively to queries about their sense of job fulfillment. In particular, the ratio of such employees in their 20s has grown substantially. Of course, we don't think that the improved understanding of the Purpose is the sole cause of these results. In any case, the improvement in this ratio is a good sign, suggesting that many employees, including those expected to one day become the leaders of the Resona

Group, have a positive attitude toward their jobs.

Looking ahead, we will continue to promote initiatives to translate employees' understanding of and resonance with the Purpose into specific actions that deliver value to customers and society as a whole. As we do so, we will continue striving to enable employees to feel a sense of fulfillment and find their jobs rewarding through the practice of the Purpose, with the aim of improving their well-being.

Job Fulfillment: Trend in the Ratio of Positive Responses





Strengthening the Consolidated Management of Group Companies while Empowering Diverse Human Resources to Earn Success and Engage in Co-Creation

Because we consider human capital to be an essential component of our business foundations and key to the realization of our one-platform, multi-regional strategy, we believe that it is critically important that this capital be coordinated among Group companies. Accordingly, in FY2023 we constantly promoted the consolidated management of human capital in the course of merging Kansai Mirai Financial Group, establishing Resona Leasing Co., Ltd., and otherwise strengthening Groupwide strategic collaboration.

As part of these efforts, we began implementing joint training programs for selected candidates from Group banks with an eye to facilitating interactions among the next generation of leaders of the Resona Group and to nurturing human resources equipped with a broader perspective that encompasses the entire Group.

Furthermore, new hires at Resona Leasing began participating in joint introductory training in April 2024 alongside their peers from other Group entities. This is but an example of our consolidated, Groupwide initiatives in diverse fields.

We know that unifying every aspect of human resource management is not absolutely necessary as our approach also needs to be aligned with management and regional strategies undertaken by each entity. However, we found strengthening collaboration to be instrumental to facilitating value creation that leverages potential Group functions while enabling us to provide employees with even more diverse options for career design, including positions at mul-

We have also seen that our Group workforce encompasses a diverse range of people. In fact, employees with diverse attributes, including with regard to age and gender, are now part of the Group

and serve at locations across Japan in various job categories and fields of specialty, while we offer them diverse employment options. Moreover, we recognize that their perception of work could vary by individual. Because of this, it is important to align the employee support we provide with individual circumstances so that each employee can fully realize their potential.

In addition, the abovementioned awareness surveys are considered by outside directors, as well as other top management members, important in terms of improving employee engagement. Reports on results of the FY2023 surveys prompted these individuals, including myself, to significantly step up their focus on and discuss in detail the status of diversity in our workforce and make tangible improvements, instead of superficially skimming through overall figures and trends. To this end, we will tackle such initiatives as analyzing tendencies among mid-career hires, assessing employee characteristics via the use of a multifaceted approach, and reviewing the design of survey items to better understand employee needs. We deem it important to assess responses from and needs among employees with diverse perspectives so that our human resource management moves forward in the right direction. This is an ongoing issue that must be continually addressed.

To date, the Resona Group has cherished "diversity & inclusion" (D&I) as part of its organizational culture. We will further advance D&I and promote co-creation involving diverse human resources within and outside the Group, to this end pushing ahead with initiatives that give due consideration to the uniqueness of individual employees.

Strengthening of Investment in Human Resources and Enabling Employees to Grow into Specialists

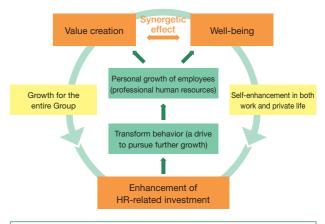
The Group has announced its intention to invest a cumulative total of more than ¥33.0 billion in additional funds in human resources over the course of the MMP period. This investment will be allocated to improving wages, developing human resources and stepping up recruitment.

While the improvement of wages will, of course, consist of raises for existing employees and new hires, the development of existing human resources will involve efforts to help them acquire more sophisticated specialist expertise and take on boundary-transcending learning programs. Moreover, our recruitment activities will increase their focus on hiring mid-career professionals in addition to new graduates and partner employees. We are engaged in upfront investment in human resources based on a belief that enhancing investment of this kind will encourage employees to transform how they behave and grow into professionals, leading to a sustainable virtuous cycle of facilitating value creation and improving employee well-being. Although we anticipate that it will be some time before this investment starts yielding tangible effects, we are already seeing such positive signs as improvement in awareness survey items regarding employee morale.* Accordingly, we intend to execute ongoing investment in human resources.

Looking ahead, we will strive to develop an environment in which everyone can work vibrantly to bolster the Resona Group's abilities to create value that goes beyond finance based on resonance between diverse professional human resources and partners within and outside the Group. In this way, we will continue to take on

new challenges in order to play an even greater role in creating a prosperous future for all stakeholders.

* Three items: "The degree of self-enhancement in both work and private life," "a sense of job fulfillment" and "pride in Resona"



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 customers' happiness

Areas of specialty Specialist skills Business skills

Capability to earn customer confidence and build relationships of trust

Personal dedication

Human Resources

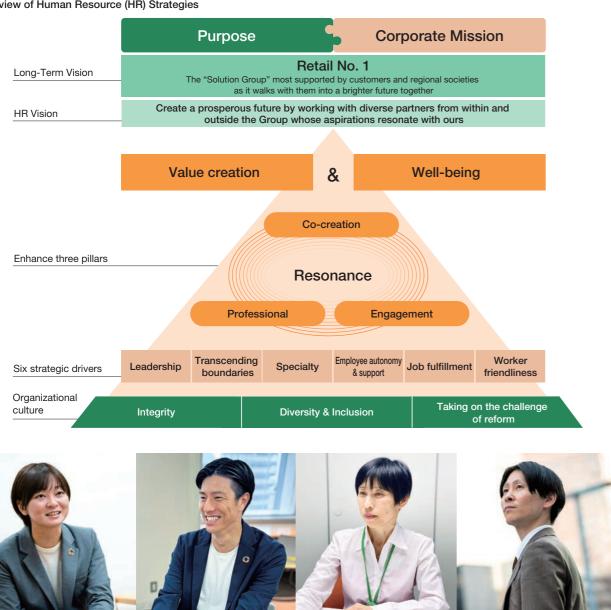
Human Resource Strategies Aimed at Supporting Our Pursuit of Value Creation as well as Employee Well-Being

Ever 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, job category, etc. In conjunction with the establishment of the Purpose, we have formulated new human resource strategies to underpin our efforts to embody this Purpose, as well as our Corporate Mission, with the aim of realizing our Long-Term Vision "Retail No. 1."

These strategies target facilitating (1) resonance between employees and the Company to improve employee engagement, (2) resonance among professionals to create synergies from the combination of their expertise in various fields of specialty and (3) resonance between the Company and external partners to promote co-creation. With these three types of resonance as pillars of our human resource strategies, we aim to realize a virtuous cycle of promoting value creation and enhancing employee well-being.

The Resona Group's long-cherished organizational culture values integrity, promotes diversity & inclusion and embraces the challenge of reform. Building on this foundation and taking into consideration the constant evolution of management strategies and people's perception of work, we have identified the six strategic drivers that will ensure that our culture is always up to date and relevant into the future. These drivers are (1) Leadership, (2) Transcending boundaries, (3) Specialty, (4) Employee autonomy & support, (5) Job fulfillment and (6) Worker friendliness. We have set goals for each of these drivers and are currently promoting initiatives accordingly.

Overview of Human Resource (HR) Strategies



Goals We Aim to Achieve through the Power of Six Drivers

Drivers	Goals	Initiatives
Leadership	Push ahead further with D&I to promote co-creation involving diverse human resources within and outside the Group Nurture and secure leaders with diverse value systems and experience	 Assistance programs aimed at empowering women Step up the hiring of mid-career employees Job rank-based training for selected candidates p. 74
Transcending boundaries	Facilitate career building and networking that transcends organizational boundaries to help individual employees achieve personal growth and to enhance teamwork capabilities Empower employees to attain further growth in a way that goes beyond finance by allowing them to spontaneously gain experience in working with partners from different cultures	 Dispatch employees to external training or second them to external entities Employee secondment among Group companies Alumni and referral recruitment →p. 75
Specialty	Enable all employees to develop as professional human resources¹ Enhance our solution capabilities through collaboration and coordination among human resources equipped with strengths in various fields of specialty	Step up investment in human resource development Enhance the content of support programs for those seeking to acquire skill certification Nurture DX- and IT-related human resources ▶p. 76
Employee autonomy & support	Foster an organizational culture that encourages individuals who spontaneously think, learn and take on challenges Secure growth for both the Company and employees by providing an environment supportive of those pursuing personal growth and offering career development opportunities	 In-house job-posting system Comprehensive career support system Introduce LMS and TMS² ▶p. 77
Job fulfillment	Ensure that all Group workplaces allow employees to work with confidence and able to express what makes them unique Employees are able to understand the significance of their jobs in terms of contribution to the Company and society as a whole and achieve tangible personal growth and career fulfillment	 Secure psychological safety Invigorate communications (via one-on-one meetings, etc.) Improve wages ▶p. 78
Worker friendliness	Enable each employee to strike a work-life balance At the Resona Group, each employee is assured of a work-place that will support their emotional and physical health over the long term	Work style reforms Help employees engaging in child rearing or nursing care as well as those battling diseases, etc., strike a balance between work and private lives Health management To a private lives

Indicators and Targets³

Drivers	Non-financial targets	FY2021	FY2022	FY2023	Targets	Targets		gthen	-	<u> </u>	
Billoro	Non manolal talgete	1 12021	1 12022	1 12020	FY2025	FY2030	thre	e pilla	ars al		
Leadership	 Ratio of female line managers Ratio of mid-career employees to the overall number of managers 	30.5% 9.5%	31.4% 10.2%	32.8% 11.7%	33% 13%	40% 18%				Value creation	
Transcending boundaries	Ratio of mid-career employees to the number of newly appointed senior managers, including those from different sectors ⁴	32%	42%	44%	60%	100%					
Specialty	▶ No. of human resources with highly specialized expertise⁵	2,438	2,481	2,468	2,650	3,000	Co-c	Profe	Eng	8	
Employee autonomy & support	Cumulative total number of individuals selected via in-house job postings (FY2021 – FY2030)	366	684	1,194	1,750	4,000	Co-creation	Professional	Engagement		
Job fulfillment	Ratio of positive responses in employee awareness surveys (i) A sense of fulfillment in work (ii) Openness of workplace communications	68% 79%	66% 79%	69% 80%	≯	<i>></i>				Wel	
Worker friendliness	▶ Ratio of annual paid leave utilized	76.4%	77.6%	83.1%	85%	88%				Well-being	

- 1 Individuals equipped with strong specialist skills enabling the resolution of issues customers are confronting and with a personal dedication to enhancing customers' happiness
- 2 LMS: Learning Management System; TMS: Talent Management System
- 3 Of companies in the scope of consolidation, applicable to Resona Holdings, Resona Bank, Saitama Resona Bank, Kansai Mirai Financial Group, Kansai Mirai Bank and Minato Bank
- 4 Individuals in overseas assignments or dispatched or seconded to external entities
- 5 Number of individuals with high-ranking certification acquired via in-house specialist training courses or similar certification

Six Driver

Leadership: Nurturing Diverse Leaders

We are striving to secure a diverse portfolio of human resources who can serve as leaders and, to this end, nurturing candidates with varying attributes in terms of, for example, gender, experience and age. These endeavors are aimed at facilitating a greater degree of entrenchment of D&I in our workforce and promoting the co-creation of value among diverse human resources from within and outside the Group.

Specifically, we provide job rank-based training programs designed to help employees enhance their management and

leadership skills as well as similar programs for selected candidates. We also enable employees to work in tandem or interact with those with different cultures through secondment and external training. Moreover, we conduct 360-degree feedback sessions that provide multifaceted assessments aimed at improving employees' self-awareness and updating their perception of their duties. In these ways, we offer a diverse range of training opportunities in a way that gives due consideration to each employee's competencies and aptitudes.

Empowering Women to Achieve Success

In addition, our targets for the development and promotion of female leaders are included in our Long-Term Sustainability Indicators. We consider women's empowerment a matter of particular importance and therefore provide female workers with ongoing career development assistance.

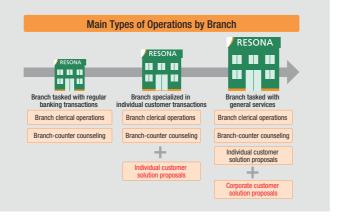
Our specific initiatives to this end include a mentoring system through which female employees who have been newly appointed as senior managers are given appropriate support touching on aspects of their duties and emotional health. We also offer leadership training to foster our female employees' career awareness.

Furthermore, we introduced a trainee system designed to prepare them for the challenge of handling unfamiliar operations.

Meanwhile, the "Resona Women's Council" has been active since 2005 as an advisory body operating directly under management. This council consists of female employees chosen from business units across the Group. Each of the council's members has taken the lead in developing workplace environments, assisting women's career development and otherwise proposing a variety of measures. The council is now considered a symbol of women's empowerment at Resona (>p. 48).

A Trainee System for Nurturing Female Branch Managers

In FY2022, we launched a trainee system designed to enable female employees whose careers have been centered on branch-counter operations and individual customer transactions to take on challenges in unfamiliar areas and gain the experience necessary for appointment to branch manager or other higher-ranking position. Over a six-month period, candidates undergo training sessions that include lectures given by staff from specialized Head Office departments and front-line on-the-job training (OJT) overseen by branch managers in charge of target tasks. To date, seven individuals have been promoted following training under this system.

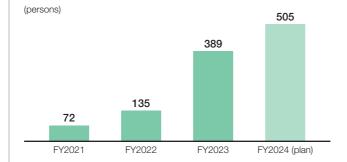


Recruiting Mid-Career Hires

Also, as part of efforts to secure specialist human resources and promote D&I, we are focusing on recruiting mid-career hires. As a result, we have seen a steady increase in the number of midcareer hires who leverage their skills and experience accumulated at external corporations to play active roles as managers.

In FY2023, we began implementing training sessions and interaction meetings for mid-career hires who have amassed business experience at the Group for a certain period of time to empower them to find even greater success. We are thus endeavoring to enable these human resources to leverage the fresh perspectives and unique insights they have acquired since entering the workforce from external companies.

Annual Number of Mid-Career Hires Entering the Group



Up-Close: Human Resources Now Playing Key Roles at Resona



Eiko Kodo Branch manager, Kawanishi Branch

Female leader

Manager of a branch tasked with

- Joined the Group in 2005
- Served in various capacities, including in posts related to corporate sales and new customer development at the Amagasaki and Nishinomiya divisions as well as Hanshin Regional Headquarters
- Stably developed careers while taking childbirth leave on two separate occasions
- Promoted to the branch manager of Kawanishi Branch in 2024 after experiencing Head Office operations

Transcending Boundaries: Familiarizing Employees with Diverse Value Systems and Developing Interpersonal Networks

Boundary-Transcending Programs

We aim to enable employees to acquire fresh perspectives and expand their openness to different cultures while helping them develop diverse interpersonal networks that promote co-creation. Accordingly, we offer them opportunities to gain experience that transcends the boundaries of the business units they belong to and interact with peers within and outside the Group.

For example, we implement secondment programs that place employees at external corporations and government agencies or enroll them in university graduate schools in addition to conducting co-creation activities involving collaboration between Resona Group employees and human resources from different sectors to help them gain experience in the development of new businesses. When determining where we will send an employee, we take into account that employee's competencies and aptitudes. In addition, as part of efforts to assist employees in their pursuit of selfmotivated learning, in FY2021 we introduced an in-house posting program that sends employees to external business schools. Furthermore, we annually enhance the lineup of boundarytranscending programs based on in-house postings as we proactively provide whoever puts themselves forward with these and other opportunities to interact with people from external corporations.

Participants in External Training / Ratio of Individuals who have Applied for In-House Postings



Developing the Alumni Network

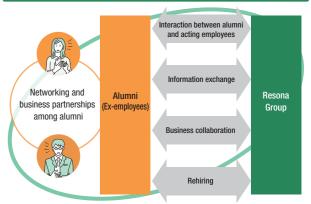
The Resona Group maintains an alumni recruitment system that allows ex-employees who have gained experience outside the organization to rejoin and play key roles in the workforce. In March 2024, we established the alumni network to cultivate deeper twoway lines of communication with former employees. In these ways, we not only maintain a mechanism for alumni to rejoin the Group but also strive to cultivate diverse connections with them with the knowledge that they could one day become our customers or even business partners with whom we have transactional or collaborative relationships or alliances. Our aim in such endeavors is to ensure that Resona Group employees and ex-employees together achieve growth through the creation of a career network transcending organizational boundaries, with the aim of expanding our human capital, which will in turn, support the co-creation of new value.

We also began holding roundtable talks attended by individuals with boundary-transcending experience. These events enable those who have first-hand experience to communicate to their colleagues how and why transcending boundaries can be fascinating, the lessons they have learned and how the experience has contributed to personal growth. This, in turn, leads to a virtuous cycle of encouraging other employees to put themselves forward to take on new challenges. Having set a non-financial target for the number of people who have transcended boundaries among newly appointed senior managers, we have seen steady growth in the representation of such individuals not only at the management level but also across the entire workforce. In this way, the Group is moving forward toward its vision.

Furthermore, we constantly allow Group companies to second their employees to one another. Through the robust exchange of human resources, we are giving employees opportunities to gain new experience and achieve personal growth even as we strengthen the integrated management of the Group.



Co-creation of new value via the alumni network



Up-Close: Human Resources Now Playing Key Roles at Resona



Chief Manager, DX Planning Div. / inBASE.

External secondment



Financial digital platform

- Joined the Group in 2008
- Seconded to government agencies and engaged in economic research, policy making and other tasks for two years since 2013 after serving at branches
- Reinstated to Group Stategy Div. of the Group in 2015 and engaged in financial digital platform planning at DX Planning Div.
- Launched FinBASE in 2022

Specialty: Nurturing and Securing Professional Human Resources Capable of Addressing Diverse Issues

The Resona Group is striving to enable all employees to become professional human resources, namely, individuals equipped with strong specialist skills enabling the resolution of diverse issues customers are confronting and with a personal dedication to enhancing customer happiness. To that end, we focus on helping employees enhance their strengths in their fields of specialty via on-the-job training (OJT) and other in-house and external training programs while promoting reskilling in step with the times. Currently, the latter initiative involves the provision of various training and learning content designed to enable employees to obtain DX, SX and AML/CFT knowledge as well as to raise their practical capabilities to handle these matters.

Nurturing Human Resources with Highly Specialized Expertise

We are aware of the need to secure and nurture human resources equipped with the highly specialized expertise they need to offer in-depth consulting to customers seeking to resolve the increasingly diverse and complex issues they are confronting. Based on this awareness, we have set a target of raising the number of such human resources to 3,000 by the end of FY2030 and are stepping up human resource-related investment to this end. In FY2023, we recruited a growing number of specialist human resources, mainly mid-career hires. We also enhanced our lineup of specialist-course training programs involving external lecturers and specialists while upgrading supportive systems designed to encourage employees to acquire certification requiring highly sophisticated expertise. However, FY2023 results relative to the abovementioned nonfinancial target were down year on year on the back of a decline in overall headcount due to the progress of structural reforms, fluctuations in staff composition by age group and other changes resulting from hiring and resignation. Nevertheless, we will continue pursuing this target over the medium to long term while taking the time frame of human resource development into account.

On the other hand, the number of human resources with highly specialized expertise has been growing among employees in their 40s or younger. Moreover, such human resources now account for ever larger proportions of the workforces of Group companies within the scope of calculation. In addition, the number of employees earmarked for in-house specialist courses has steadily increased, constituting a robust pool of candidates who will potentially grow into human resources with highly specialized expertise.

Nurturing DX- and IT-Related Human Resources

For the Resona Group to execute its digital strategies, it is essential to enhance the overall digital skills of its workforce in addition to its pool of DX- and IT-related human resources. Accordingly, we have been engaged in ongoing efforts to this end.

In FY2023, we updated learning content and training programs by classifying necessary subjects into three categories, namely, DX literacy, data utilization and IT skills, to effectively enable employees to raise their digital skills in line with their respective goals and the levels of achievement

Looking ahead, we will enhance the content of training programs related to AI in light of the spread of its in-house use in addition to continuously providing training on programing and data utilization.

Number of Employees with Certification (as of March 31, 2024)

FP 1st grade	P 1st grade FP 2nd grade		Social insurance labor consultant		
1,364	13,772	107	107		

Real estate notary	Pension actuary	IT passport	AML/CFT standard		
5,786	54	4,787	15,691		

Indicators Related to Human Resources with **Highly Specialized Expertise**

	Item	FY2021	FY2022	FY2023
	Human resources with highly specialized expertise	2,438	2,481	2,468
	In 40s or younger	622	653	670
	Proportion in workforce	9.2%	9.7%	9.8%
Ear	marked for in-house specialist courses	844	952	1,062

Funds Invested in Education and Training



* Figures show the sum of actual investment and opportunity costs (personnel expenses incurred in connection with hours spent on education or training)

Development of Human Resources with Digital Skills

Lv.		Major skill categories		DX literacy	Data utilization	IT skills			
		Skill subcategories							
4	rtion								
3	ons Jistribu	content	-	Orga	anized learning cor	ntent			
2	Main positions resource distribution		Fraining	l	raining programs bub-skill categories				
1	Mair an resc	-earning	F	individual level of achievement					
Introductory level	Human								

Up-Close: Human Resources Now Playing Key Roles at Resona



uvuki Watanab Chief Manager, Client Service Div.

Mid-career hire with highly specialized expertise



AUM business

- Served in various positions at major bank, asset management and other firms since graduating university in 2007, handling specialized finance and corporate finance
- Joined the Group in 2022 as a mid-career hire with highly specialized expertise
- Focused on developing sales channels for such strategic products as the fund wrap at the Client Service Div. by leveraging his sophisticated expertise
- Promoted to chief manager in 2024

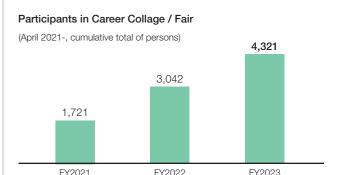
Employee Autonomy & Support: Assisting Every Employee in Their Autonomous Pursuit of Career Development

To encourage employees to autonomously pursue career development, we instituted a comprehensive career support system in conjunction with the 2021 introduction of the multipath personnel system. This career support system aims to help employees navigate through various career development processes (learning about available career options, seeking consultation on career development and taking action to realize career goals).

In FY2023, we enhanced Career College programs designed to accommodate the needs of those who want to learn about available career options via the updating of internship and oneon-one dialogue programs. For employees about to take action to realize their career goals, we expanded options available via in-house posting programs to support those willing to be seconded to external companies or otherwise transcend boundaries. In these ways, we have stepped up assistance to employees who autonomously take on challenges.

Empowering every employee to pursue autonomous career development and work with a sense of fulfillment is key to

securing sustainable improvement in corporate value. We will continue to enhance the content of the career development assistance available, provide even more abundant opportunities to take on new challenges and otherwise step up efforts to empower our employees to realize their own career visions.



Comprehensive Career Support System

Provide Assistance to Every Employee in All Aspects of Career Development to Help Them Pursue Their Personal Career Goals

Want to learn about Want to seek consultation Want to realize my career goals available career options on my career Career Videos show-Career Support extended Career Training Assistance for Training Trainee casing possible by business unit sessions. self-motivated systems by Guidebook College system career paths seminars, etc. learning course

Want to learn about available career options	Held biannually, Career Collage* programs are designed to help employees learn about the various career options available to them. * Involving roundtable talks and workshop events held by more than 30 various departments within the Group to showcase tasks being handled at respective workplaces and communicate their attractiveness
Want to seek consultation on my career	 We provide career design training formulated to meet needs among employees in various age groups, while business unit managers and other supervisors stand ready to provide support. All employees in supervisor positions undergo training to enhance their career counseling capabilities. We established counseling desks linked to advisors with career consultant certification
Want to realize my career goals	 We have developed career course-based training systems and organized the means of acquiring the necessary skills and certification for each course. Employees formulate their own skills development plans that they share with their supervisors and that will inform their career development initiatives thereafter. We have also made available tools that support employees' self-motivated learning efforts and have instituted a trainee system, with employees allowed to autonomously select from among several options.

Up-Close: Human Resources Now Playing Key Roles at Resona



Yukari Tochikubo Private Banking Div Warabi and Toda branches In-house positing



Succession business

- Joined the Group in 2010
- Chosen to be transferred to the Private Banking Office (currently the Private Banking Div.) in 2015 via in-house positing after engaging in individual customer relations at branch
- Tasked with business succession upon reinstatement following childbirth leave and recognized as a premier consultant, a type of human resource with highly specialized expertise, in 2022
- Also experienced external secondment to a tax consultant firm

Job Fulfillment: Securing an Open-Minded Workplace Environment That Allows Employees to Thrive in Their Jobs while Discovering a Sense of Fulfillment

Enabling Each Employee to Spontaneously Choose from among Career Options and Take on the Challenge of Career Development

The Resona Group revised its human resource system in April 2021 in line with its aim of securing an environment in which all employees are empowered to realize their full potential irrespective of their gender, age, job category or other attributes. This revision was also intended to develop a system designed to enable each employee to develop as a professional.

As a result, a multi-path personnel system has been instituted, with 20 career courses now available to employees to promote the transition to a human resource portfolio with a greater focus on securing diverse workers boasting strengths in their areas of specialty. At the same time, we are encouraging employees to take on the challenge of career development in a way that leverages their unique strengths, to this end enabling them to make spontaneous choices regarding career options. Moreover, a number of the individuals recruited as mid-career hires and new graduates are earmarked for specific career courses. In this way, we strive to develop an environment in which individuals can fully leverage their competencies and strengths in their areas of specialty and earn success in their chosen business fields.

Furthermore, we are providing employees with options regarding retirement age, which can range between 60 and 65, and have made available 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, we also decided to allow those past retirement age to continue working until they are 70. We are thus striving to empower employees to remain active members of the workforce over the long term.

The 20 Courses Offered Under the Multi-Path Personnel System*

Client relations/ Lending and FX	Services	Business turnaround	Private banking	
Corporate solutions	Management consulting	Real estate	Trust/ Pension	
Corporate planning	Asset management	Markets	Risk management	
Finance	Data scientist	DX specialist	IT specialist	
Facility management	Legal affairs	AML/CFT specialist	Audit	

* The system is open to employees at Resona Bank, Saitama Resona Bank and some

Developing a Workplace Environment That Respects Diversity and Ensures a Robust Sense of Psychological Safety

Advocating for the Understanding of Diversity and Respect for Human Rights Every year, we implement various training programs for all employ-

ees to facilitate mutual understanding among employees and create an open-minded workplace environment. These programs handle such topics as countering unconscious biases and ensuring respect for human rights, with the heads of each workplace unit serving as lecturers to help employees gain a deeper understanding of these topics.

We also provide all employees with an annual e-learning program aimed at preventing the occurrence of sexual harassment and power harassment and teaching how, if such an incident were to emerge, to correctly handle the situation before it escalates and provide remedy for the victim.

Invigorating Communications

We introduced one-on-one meetings to create an open-minded workplace through the further invigoration of communication between managers and their staff and to assist the latter in their autonomous pursuit of personal growth. We also provide training for managers looking to enhance the quality of one-on-one meetings as well as improve employee engagement among their staff and better motivate them to pursue personal growth. Furthermore, since 2003 we have hosted town hall meetings in which employees and members of top management exchange opinions. These meetings provide opportunities to ensure that employees and top management share the same vector while encouraging the former to develop a sense of ownership regarding business management and otherwise acquire new perspectives.

In addition, we introduced the new communication tool "Mecha!*" in April 2023 as part of efforts to diversify opportunities available to employees to communicate with each other, create an organizational culture that encourages them to commend one another and fos-

Initiatives Undertaken over the Past Year Using Mecha!



Number of posts commending colleagues Approx. 62,000

ter an atmosphere that ensures psychological safety

Number of likes attached to such posts Approx. 1,450,000

*Used by employees at Kansai Mirai Bank, Minato Bank and their affiliates

Up-Close: Human Resources Now Playing Key Roles at Resona



Community contribution



New husiness

- Joined the Group in 2007
- After serving at various branches, transferred to Kansai Mirai Financial Group's Growth Strategy Office in 2021
- to engage in consulting services aimed at delivering practical solutions to management challenges • Launched Mirai Reenal Partners, a new business aimed at resolving region-specific issues, in 2022
- Appointed as president of Mirai Reenal Partners in 2023.

Worker Friendliness: Developing an Environment in Which Employees Can Work with Confidence and Strike a Work-Life Balance while Promoting Health Management

Helping Employees Strike a Balance between Work and Family Duties

To develop an environment supportive of employees striving to strike a balance between work and child rearing, we maintain childcare-related leave programs while enabling eligible employees to opt for cessation from work or to shorten their working hours for child rearing. At the same time, to aid in the smooth reinstatement into the workforce of employees returning from childcare leave, we have introduced a program that includes various seminars. In addition to designating the first 14 days of postnatal paternity childcare leave as paid leave, we have upgraded various supportive systems while constantly striving to raise the awareness of employees regarding the importance of striking a balance between work and child rearing. As a result, the ratio of eligible male employees who have opted for cessation from work for child rearing rose, as did the average number of days of such cessation.

In April 2024, we also lengthened the period in which employees can shorten their working hours or enjoy other special arrangements to secure time to engage in child rearing or nursing

Diverse Workstyles at Resona: Relaxed Dress Code

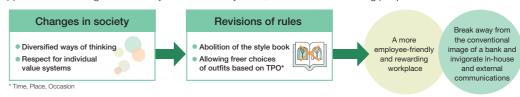
In November 2023, we relaxed the employee dress code to encourage more autonomous behavior and facilitate unconstrained thinking.

We respect the values and diversity of our employees and strive to align our approach with changes in value systems in society at care. At the same time, we have begun providing new allowances and otherwise enhanced the volume of wages as they strive to be paid to employees who need economic support to strike a balance between work and child rearing. In these and other ways, we have constantly stepped up our support extended to employees striving to strike a work-life balance.

Number of Days of Childcare Leave Utilized by Male Employees / Utilization Ratio



large. The above-mentioned decision is an example of our efforts to this end and is expected to help create a more employee-friendly and rewarding workplace. In this way, we hope to break away from the conventional image of a bank and invigorate wide-ranging communications involving people within and outside the Group.

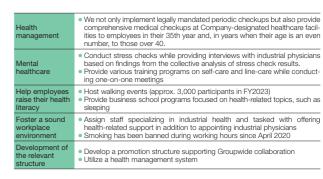


Health Management

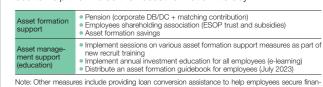
For the Resona Group to enable all employees to realize their full potential, it is essential to help them maintain and improve their emotional and physical health while creating a comfortable and hygienic workplace environment. Accordingly, in FY2023 we announced the Health Management Declaration, clarifying our intention to promote health management via concerted efforts involving the Company, the Health Insurance Association and employees. To inform our health management strategies, we have also created a map illustrating connections among challenges to be addressed via health management, the expected effects of health management and specific initiatives. Currently, we are verifying the effects of these initiatives by collecting various numerical data.

Supporting Employees' Financial Wellness

We also aim to help employees resolve anxieties regarding their finances and livelihoods and ensure an environment in which they can work at the Resona Group over the long term with confidence, believing that doing so will contribute to both their well-being and higher productivity. Based on this belief, we have introduced systems to support their asset formation efforts and encourage them to appropriately utilize such systems, empowering them to gain robust financial literacy and otherwise supporting their asset management efforts.



In FY2023, we also distributed a special guidebook to employees to help them raise their asset formation literacy.



cial stability as well as making various welfare programs available to them in step with life events

Up-Close: Human Resources Now Playing Key Roles at Resona



Chie Sakata Branch Manager Fuchu Nakagawara Branch Support for employee efforts to strike a work-life balance



Branch manager of a branch tasked with regular banking transactions

- Joined the Group in 1999
- Amassed careers at branches, focusing on cultivating customer contact points and otherwise providing branch-counter services before being promoted to a managerial position in 2009
- Worked shorter working hours from 2014 to 2020 while taking childbirth leave on two separate occasions
- Promoted to an officer position in 2022 after being reinstated to full-time working hours
- Promoted to the post of branch manager in 2024

Customer-Oriented Business Conduct

In line with its Corporate Mission, the Resona Group endeavors to live up to customers' expectations. These endeavors encompass a diverse range of financial services handled by each Group company and place the utmost value on helping customers realize joy and happiness. To this end, we have announced a "Policy on Customer-Oriented Business Conduct " aimed at guiding the thoroughgoing pursuit of initiatives genuinely focused on serving customers.

This policy was formulated by upgrading "Resona Policy on Fiduciary Duty," which was mainly designed to guide our operations in asset formation and support fields. The new policy clarifies our intention to pursue customers' best interests, starting with addressing issues confronting each customer, community, and society as a whole.

Furthermore, to facilitate the translation of the above policy into specific actions to be taken by Group companies, an "Initiative Policy for Practicing Customer-Oriented Business Conduct" has been formulated to ensure their efforts are worthy of customer trust.

Policy on Customer-Oriented Business Conduct

I-1 As a fiduciary entrusted by customers, we will, with our high specialization and ethics, continuously provide high quality financial services with customers' best interest in mind, while placing the greatest value in the joy and happiness of customers.

II. Provision of Optimal Services

- II-1 We will provide appropriate information and explanations and deliver products and services suited to customers tailored to customers' financial knowledge, experience, assets and purpose of purchase.
- II-2 We will provide appropriate and easy-to-understand explanations that customers can fully understand; not only about the benefits of products or services, but also other important information such as risks and fees.
- II-3 We will strive to increase convenience with regard to the method, time and place for explanations of products or services, and base these on customers' intentions.

III. Human Resources and Organization

- III-1 We will continue to enhance the knowledge and skills of our workforce, using an appropriate evaluation and compensation system, to provide the best products and services to our customers.
- III-2 We have established policy on managing conflicts of interest to ensure proper management that prevents conflict of interests between our Group and customers, or between customers.

Looking ahead, the Resona Group will continue to take a customeroriented business conduct to deliver high-quality financial services aimed at addressing the increasingly diverse and complex issues customers and local communities are now confronting. In addition,

we will strive to secure as many individual and corporate customers as possible and to establish long-lasting transactional relationships with them by pursuing their best interests, with the aim of enhancing the Resona Group's true value.

Practical examples of customer-oriented business conduct

Help corporate customers resolve issues confronting them via "interviews based on the REENAL method" (Resona Bank)

Propose solutions after diagnosing business styles of and clarifying management challenges confronting corporate customers via the use of a proprietary interview sheet

Established the "Kurashi Concierge" (Saitama Resona Bank)

Set up a one-stop consulting desk designed to accommodate a comprehensive range of household finance-related inquiries to ensure that our customers can casually seek consultation

Established "Fiduciary Duty commendation systems" (Kansai Mirai Bank, Mitato Bank)

Created in-house commendation systems designed to draw employee attention to model initiatives in terms of practicing customer-oriented business conduct in order to promote the entrenchment of a corporate culture focused on taking action to best serve customers

Helping Raise Financial Literacy

Today, functions offered by financial institutions are increasingly considered to be of great importance in terms of helping raise the general public's financial literacy and contributing to its financial well-being in light of such changes in the social environment as a growing sense of anxiety about the future due to the low birthrate and an aging society and the increasing number of financial crimes targeting vounger people

To help create a brighter future for customers and regional societies, the Resona Group is fully leveraging its strengths and resources as a financial group to protect citizens from falling victim to financial crimes. In addition, we constantly strive to enhance the content of financial and economic education while delivering useful information through our main businesses.

The Resona Group Kids' Money Academy, which recently marked the 20th anniversary of its launch, is one example of our efforts in this area. We also provide on-site lectures at junior high and high schools to help students develop robust financial literacy

Help customers in diverse age groups raise their financial

literacy via the provision of age-appropriate programs

and livestream similar classes. Moreover, we hold financial seminars focused on such topics as pensions, inheritance and the prevention of special fraud at locations across Japan. In these and other ways, we promote financial and economic education for people ranging in age from elementary school students to seasoned businesspeople. In FY2023, we held these events on 2,681 occasions, with the number of participants totaling 46,846.

We consider raising financial literacy to be instrumental to the future development of regional societies and economies as well as to the improvement of living standards for customers of all ages. As a financial service group rooted in regional communities, we will continue to actively implement the abovementioned initiatives. Looking ahead, we will extend even more robust support to help everyone who wishes to acquire financial literacy, so that they are able to independently design their lives, while striving to become the first financial group of choice for customers who seek counsel regarding financial issues.

FY2023 Achievements in Financial and **Economic Education**

Number of relevant events held

Number of participants

2.681

46.846

Main Initiatives

Resona Group Kids' Money Academy

Held during the summer vacation season at locations nationwide to help children learn the importance of money in a fun way via quizzes and game





2005-Cumulative total number of participants On-site classes led by Resona Group employees at Around 46,000



Teens' Money Academy

For junior high and

Educational video discussing financial and economic topics

Popular lecturers at cram school Yoyogi Seminar deliver easy-to-understand lectures



For high school

Economics Koshien, a quiz event focused on economic and financial topics (Tokyo, Saitama, Shiga and Osaka championships)

Teams of young people pit their financial literacy against one anothe



For businesspeople

Seminars held at branches

Seminars focused on various topics, including pensions, inheritance and the prevention of special fraud



Roundtable Discussion among Outside Directors

Focused on accelerating the realization of "Retail No. 1," the current medium-term management plan (MMP) was launched in 2023 in conjunction with the establishment of the Group's Purpose and Long-Term Vision.

Here, we introduce a summary of a roundtable discussion in which the Chairperson of the Board of Directors and the Chairpersons of three committees exchanged their opinions regarding the implementation of the MMP and the Group's efforts to embody the Purpose and Long-Term Vision.



Chiharu Baba

Chairperson of Compensation Committee

Fumihiko Ike

Chairperson of the Board of Directors

Kimie Iwata

Chairperson of Nominating Committee

Masaki Yamauchi

Chairperson of Audit Committee Member of Nominating Committee Striving to Achieve Further Improvement in Corporate Value after the Close of the First Year under the MMP



Ike Reflecting on our past year of discussions since the launch of the current MMP, we have tended to focus on the numerical results compiled by Resona Holdings in connection with its subsidiary bank's banking operations, rather than overarching subjects affecting the entire Group.

To repay the public funds and effect a revival, Resona implemented a number of reforms. I, like many, consider this to be a unique example of a success story. However, discussions among outside directors and with President Minami to assess what our conventional banking business will look like in the next 10 years have served to revive our sense of crisis regarding the future of this business as well as problems the financial industry as a whole is now confronting.

Fundamentally, although the conventional operations undertaken by the Group banks are integral to Group operations, we will cease to see substantial growth in the banking business if we are content to limit our efforts to building on these existing operations. We would like to regularly address this issue at Board of Directors meetings going forward. In addition, I am keenly aware, as Chairperson, of the need to transform Resona Holdings' mode of operations, even if only little by little. So, today, I would like to hear what you think about this subject.

Yamauchi Our mission is to enhance the corporate value of the Resona Group. The Long-Term Vision and the Purpose, both of which were established at the start of the MMP, have served as a basis for the Board of Directors' approach to fulfill the above mission. Although directors, including myself, have engaged in intensive discussions to this end, I think that there remain a number of subjects requiring more in-depth discussion.

Ike All too often after I first assumed the office of Chairperson,

I held back when addressing executives, wary of weighing them down and hampering their ability to execute their duties. When a Board of Directors meeting has been convened to examine matters that are currently preoccupying executives-often items related to day-to-day banking operations-topics related to overarching strategies can easily get pushed aside. Moving forward, our discussions need to be looking ahead toward a future beyond the remaining two years of the MMP. Although discussions of this kind may place a lot of the burden of day-to-day operations on executives, I ask them to cooperate so that the Board of Directors can address overarching subjects more in depth.

Iwata I think the boards of directors at many companies are facing similar issues regarding the focus of their meetings. Unlike executive meetings, our meetings should emphasize a long-term perspective. This is of particular importance for the Board of Directors because we regularly need to enter into deliberations with an eye to the situation five to 10 years in the future. Moreover, it is essential to leverage a broad perspective. The role of Resona Holdings is to devise ways to realize "Beyond Finance," an integral component of the Purpose. Accordingly, we need to discuss how to leverage the Group's strengths and discover business opportunities in fields unfamiliar to it or areas beyond the framework of finance. These are exactly the subjects our Board of Directors is being called upon to address.

Baba With Group banks about to expand into non-banking businesses, Resona Holdings' role is to consolidate the Group's overall capabilities in order to enhance corporate value. To this end, we need to determine what our business should look like in the future in the context of realizing "Beyond Finance" in line with the Purpose. In addition, we need to robustly discuss how to allocate management resources across the entire Group to promote business development

Yamauchi As just mentioned, Resona Holdings should be taking a more clear-cut approach to developing long-term strategies. Although vigorous discussions have been undertaken to address these topics, even though the Board of Directors has determined general direction the Company should take, it has yet to clarify specific goals for the Group and pathways leading to such goals. These goals and pathways must be identified and confirmed by the Board of Directors and reassessed by it on, at minimum, an annual basis in light of the constantly evolving business environment. I also expect that through the confirmation and reassessment processes mentioned above, the Board of Directors could deliberate specific methods for achieving said goals and thereby contribute to the enhancement of the Group's corporate value.

The Role of Resona Holdings' Board of **Directors**

Iwata Over the past year on diverse occasions, I have seen a growing number of people contributing their opinions with regard to the roles to be taken by Resona Holdings' Board of Directors. Such topics have also been discussed at sessions outside Board



of Directors meetings attended by President Minami. I think that, since assuming the office of Chairperson, Director Ike has played a major role in facilitating this trend by sharing his views on issues the Group was confronting.

In addition, in April 2024, Kansai Mirai Financial Group was merged into Resona Holdings. This placed the four banks in parallel under the latter's direct supervision. As a result, we have been prompted to shift our focus to discussions of how best to configure the Group's mode of corporate governance and the role Resona Holdings should fulfill. We have yet to reach definitive conclusions and need to continue addressing these matters.

As mentioned by Director Yamauchi, we have yet to clearly identify ideals regarding what the Resona Group should look like. We must ensure that such ideals are robustly discussed at Resona Holdings, including by its executives. This is a major part of our duties as directors.

Ike Having developed a full understanding of Resona's unique historical background, speaking from my external viewpoint, I now believe that many Group employees are constrained by deep-seated psychological inhibitions amassed in the course of the Resona's endeavors to complete the repayment of public funds, with the experience of laboring at this monumental task prompting them to keep plugging away until the goal is met. But now, they are expected to take on various challenges in line with the Purpose and the Long-Term Vision. Our mission as directors is, therefore, to help them steadily break free from this mindset.

No matter how much you build on it, the conventional business model will no longer suffice when striving to catch up with changes in society. We need to take a step forward toward a structural and drastic change. Of course, this change will not be accomplished overnight. We need to take a steadfast approach, achieving one small accomplishment after another.

Yamauchi I believe that we should increase the weighting placed on discussions regarding the strategic positioning of various measures now under way and new challenges we are about to take on. I expect that the Group could achieve fresh growth if outside directors were enabled to regularly discuss these matters among themselves and leverage their diverse expertise to this end.

Baba When it comes to enhancing corporate value via the

rebalancing of the Group's business portfolio, appropriate engagement in risk-taking endeavors is imperative. In the aftermath of the injection of public funds, Resona had to be strongly focused on properly managing risks. Despite its unique background, for the Group to improve corporate value, it will be critically important for it to appropriately engage in risk-taking endeavors in light of the radically evolving business environment.

To date, I have offered my opinions regarding the need to develop various frameworks, such as a risk appetite framework, in order to optimize the allocation of management resources. Recently, executives began striving to reorganize and upgrade these frameworks in order to adapt to and accommodate changes. I expect their efforts to pay off. Of course, the Board of Directors needs to discuss how to fully utilize these frameworks going forward. In any case, the commencement of the above efforts can be considered one of the positive results arising from discussions led by Chairperson Ike, who has been acutely aware of various issues the Group is confronting.

Ike In this regard, I feel that we have been moving in the right direction. The Board of Directors has reached a clear conclusion about reorganizing the differing modes of risk-taking endeavors used at various departments in the course of day-to-day operations, based on feedback from executives, looking to unify these modes as part of an overarching strategic planning framework. This suggests, I believe, that executives are acting, in a greater or lesser degree, on conclusions reached by the Board of Directors and opinions contributed by outside directors.

Iwata When it comes to governance functions afforded by the Board of Directors, it is important to strike a balance between the "defensive" and "offensive" aspects of governance. However, it is good for the Board to have launched discussions regarding "offensive" governance, transitioning away from the previous focus placed solely on discussions regarding "defensive" governance. At the same time, I feel the lack of my own experience in "offensive" governance and, therefore, need to raise my ability to handle topics in this area.

Although the Board of Directors is certainly moving in the right direction, it has yet to take a deeper look into risks arising from risk aversion. I feel that the Board has many things to deliberate going forward.



Roles the Board of Directors and Each Committee Need to Take On

Yamauchi Looking at the Audit Committee. I believe that its members need to shift their thinking on how the Company should deal with risks. Risk management is absolutely necessary. However, reports submitted to a committee of this kind will naturally be focused on risk management. For them to properly discuss areas in which the Group should engage in risk-taking endeavors, committee members need to be more conscious of risks arising from risk aversion, just as Director Iwata commented, and address an even broader range of topics. Even in the course of deliberating "defensive" risk management, I would like to facilitate discussions regarding ideals for what the Resona brand should look like, a subject that goes beyond maintaining compliance. This will, I believe, enable committee members to shift their awareness of risk handling.

Ike It is understandable that the Audit Committee tends to take a defensive approach. However, I expect the committee to provide executives with ideas related to "offensive" governance as part of its current engagement with the presidents of subsidiaries, including Group banks. I would urge the committee to do so as this will inspire all of them and, eventually, bring a fresh perspective to topics discussed at the Board of Directors.

Personally, I feel that the focus of discussions at the Board of Directors shifted in various ways over the course of the past two years. I expect Director Iwata to continue to take the lead in discussions by the Nominating Committee when it comes to enabling Resona Holdings to exercise robust governance over the entire Group and the structures that must be built to this end.

Iwata Thank you. I am excited to launch discussions regarding topics of this kind before the committee begins to examine the lineup of candidates for officers to be appointed in FY2025.

Ike When I was serving as a Nominating Committee member, I participated in the assessment of each officer. I consider this assessment approach to be extremely beneficial as it enables outside directors to engage with a diverse range of officers, including those representing younger generations, in a way that transcends boundaries. I would also like Ms. Iwata to provide unfettered opinions in her capacity as an outside director in the course of this assessment in order to foster the shared sense of crisis among officers and help them develop an overarching vision for the future of the Group.

Baba Today's discussions helped me understand that fostering a shared awareness of consolidated management among all Group members is a task to be tackled by the Board as well as by each committee as they take on across-the-board initiatives to expand into new business fields. To facilitate this awareness, in 2023 the Compensation Committee updated compensation systems in place at each Group company by universally incorporating evaluation indicators relative to the Group's consolidated performance.

Subjects That Need to Be Discussed to Realize the Purpose

Ike On the back of this radically evolving society, we are beginning to see changes in the players in the financial industry.



However, entering into fields completely unrelated to conventional banking businesses cannot be considered a realistic choice for the Resona Group. As outside directors, we must engage in ongoing discussions to help the Group identify promising business fields and areas where opportunities abound. Accordingly, our discussions going forward will be centered on topics related to fortifying the Group's core strength in day-to-day banking operations while seeking out fresh opportunities. We should not only protect this strength but also reinforce it on many fronts.

Baba Because SMEs constitute a supermajority in Japan's business sector, I believe that, even though the Group itself is a private corporation, its efforts to deliver solutions to them can be considered a kind of public service. If the Group promotes its business model in this area and realizes its potential to the fullest, its corporate value will naturally increase as its role as a financial institution is fulfilled. Going forward, I would like to engage in robust discussions to enable the Group to further promote this business model.

Iwata I believe that the creation of value "Beyond Finance" will be a three-layered endeavor. The first layer consists of the further development of the Group's existing businesses to create new value. This layer constitutes a vast majority. The second layer is the exploration of opportunities in finance-related fields where the Group's presence is insignificant or even nonexistent. The third and last layer is the exploration of the Group's possibilities in non-financial fields. However, I believe that none of us are positioned to offer a right answer regarding where to search for such possibilities. In any case, the Group needs to take on these challenging tasks in order to genuinely upgrade its business models while enabling employees to transform their mindset.

Ike We directors are now developing a shared recognition of how the Group will deliver value "Beyond Finance," even though our individual perception of this subject varied widely when the current management team was initiated. Going forward, I would like to facilitate ongoing discussions with regard to how to improve corporate value. I would also like to ask each committee chairperson to continue working with me to enable Resona Holdings' Board of Directors to operate more effectively.

Corporate Governance

Cutting-Edge Corporate Governance Structure

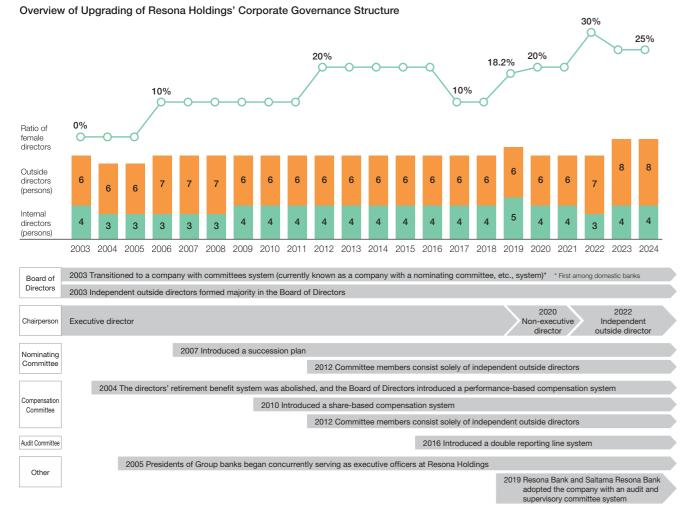
In 2003, Resona Holdings became the first domestic banking group to adopt the company with committees system (currently the company with a nominating committee, etc., system), aiming to secure management soundness and transparency. Upon the transition to the new system, Resona Holdings appointed individuals from outside the Group to the post of Chairman and six outside director seats. This ensured that a sufficient number of highly independent outside directors were assigned membership in the Board of Directors and the three committees (the Nominating, Audit and Compensation committees) so as to constitute a majority in all of these bodies. Since thus renewing its management structure, Resona Holdings has striven to upgrade its governance systems by, for example, promoting young individuals to executive officer positions and introducing a highly transparent and objective framework for the evaluation of director performance based on assessments and interviews conducted by a third-party agency.

In May 2015, the Company formulated the "Basic Corporate Governance Policy," which defines Resona Holdings' fundamental approach to, framework for and practice of corporate governance. This policy stipulates that "The Board of Directors shall consist of directors having diversified and extensive knowledge" and that "in principle, highly independent outside directors shall constitute a majority of the Board." With regard to the Nominating and Compensation committees, the policy mandates that these bodies shall consist of, in principle, highly independent outside directors and be chaired by outside directors. Similarly, the policy requires outside directors to constitute the majority of the Audit Committee, which, in principle, shall be chaired by an outside director.

Of the 12 directors currently constituting the Board of Directors, eight are independent outside directors, who together account for the majority and possess extensive knowledge and/or experience in corporate management. The Resona Group aims to avoid making decisions based solely on established norms within the banking industry. Instead, it seeks to incorporate external perspectives and engage in multifaceted discussions to reach the right conclusions through the exchange of a diverse range of opinions. By doing so, the Group strives to achieve sustainable growth and improvement in corporate value.

Resona Bank and Saitama Resona Bank have similarly secured clear separation between management supervision and business execution by adopting the company with an audit and supervisory committee system. Moreover, all Group banks, including Kansai Mirai Bank and Minato Bank, have appointed to their boards multiple qualified individuals as highly independent outside directors.

Not content with establishing the governance systems described above, Resona Holdings strives to enhance its role and functions as a company with a nominating committee, etc., to this end taking advantage of such input as findings from the annual evaluation of the Board of Directors' effectiveness.



Basic Approach to Corporate Governance

Resona Holdings has established the "Basic Corporate Governance Policy" to facilitate the sustained growth and improvement of the corporate value of the Resona Group over the medium and long term.

- The Company, as the holding company of the financial services group, shall maximize the corporate value of the Group.
- The Company shall respect all stakeholders, including shareholders, and aim at achieving excellent corporate governance so that

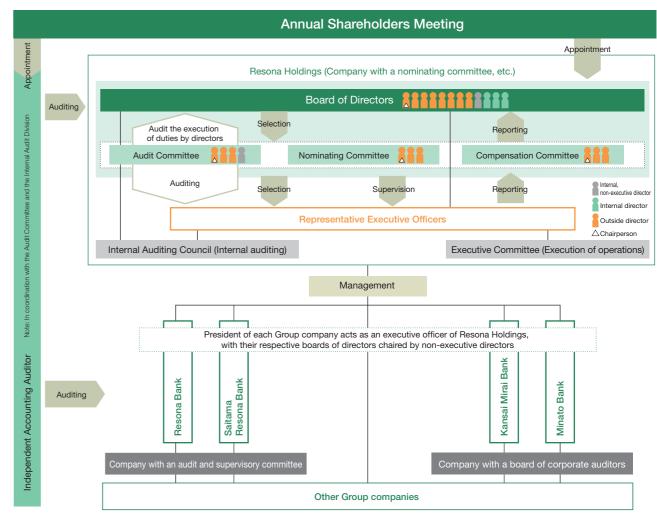
The Company's Corporate Governance System

- Based on the aforementioned basic approach to corporate governance, the Company shall clearly separate the management supervision function from the business execution function and adopt the form of a "company with a nominating committee, etc.," as a corporate governance system because the Company determines that this system can enhance the supervision and decision-making functions of the Board of Directors.
- The Company shall fully utilize external views in its business management and secure transparency and fairness in management

it can make decisions rapidly and decisively in response to environmental changes, including economic and social changes.

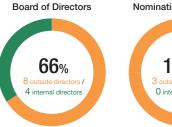
- The Company shall develop a structure to enable the Group to rally its overall capabilities to pursue business operations that embody the Purpose and the Corporate Mission, which together constitute the cornerstone of business management, and realize the Long-Term Vision, which defines ideals regarding what it should look like in the long term.
- by ensuring the Board of Directors, on which highly independent outside directors constitute a majority, and the three committees (Nominating Committee, Compensation Committee and Audit Committee) fulfill their functions.
- The Company shall ensure the autonomy of its subsidiaries and instruct the subsidiaries to manage their business activities based on the aforementioned basic approach to corporate governance so that the Group will grow together with regional communities.

Group Corporate Governance Framework



Supervisory Structure

Ratio of Outside Directors





Compensation Committee

e	Audit Committee
	75% 3 outside directors / 1 internal director

Chairperson of the Board of Directors and Composition of Each Committee

(O: Chairperson of the Board of Directors or Committee; O: Committee member)

		Board of Directors	Nominating Committee	Compensation Committee	Audit Committee
Chiharu Baba	Outside director			0	
Kimie Iwata	Outside director		0		
Setsuko Egami	Outside director		0	0	
Fumihiko Ike	Outside director	0			
Sawako Nohara	Outside director			0	
Masaki Yamauchi	Outside director		0		0
Katsuyuki Tanaka	Outside director				0
Ryuji Yasuda	Outside director				0
Hisahiko Oikawa	Internal director				0

Outline of the Board of Directors and Each Committee

Board of
Directors

100%

- Number of directors: 12 (8 outside directors, 4 internal directors)
- Chair: Outside director (since June 2022)
- Number of meetings held: 18
- Attendance rate: 100%
- Feature: Attendance of the presidents of Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank as observers. with the aim of enhancing the effectiveness of Group management

Nominating Committee

- Number of committee members: 3 (consisting only of outside directors, with the President occasionally attending meetings as an observer in light of the nature of agenda items under discussion)
- Number of meetings held: 12
- Attendance rate: 100%
- Main agenda items discussed: The composition of Group officers, the content of succession plans, the monitoring of succession

Compensation

Number of committee members: 3 (consisting only of outside directors, with the President occasionally attending meetings as an observer in light of the nature of agenda items under discussion)

- Number of meetings held: 9
- Attendance rate: 100%
- Main agenda items discussed: Next compensation system for Group officers, the operation and monitoring of the compensation system, etc.
- Number of committee members: 4 (3 outside directors, 1 internal director)
- Committee chair: Outside director
- Number of meetings held: 13
- Attendance rate: 96.2%
- **Audit Committee**

 Main agenda items discussed: The strengthening of corporate group audits, a structure for compliance management, the status of progress in the development of business models aimed at realizing "Retail No. 1," the enhancement of human capital management, a risk management structure aligned with internal and external environments, the creation of a structure for ensuring appropriate responses to revisions of financial regulations, accounting systems and other relevant laws and regulations, the maintenance of a management structure aimed at preventing accounting fraud and securing the appropriateness of financial and tax affairs, etc.



A Glass-Walled Board Room Resona Holdings boasts a Board of Directors with a majority of outside directors as members and was the first domestic banking group to adopt the company with a nominating committee. etc., system. We are striving to upgrade our governance structure to secure management transparency and fairness.







The Evaluation of the Board of Directors' Effectiveness

As set out in Article 9 (Self-Assessment) of the Basic Corporate Governance Policy, the Company's Board of Directors conducts a self-evaluation of its overall effectiveness based upon each director's opinions regarding the roles, functions and operation of the Board of Directors.

Based on the results of such evaluation, the Board of Directors discusses its operations over the course of the next fiscal year, using its findings to inform the PDCA cycle entailed in the determination and execution of the measures to be taken each fiscal year, with the aim of improving its effectiveness on a continual basis.

Outline of Self-Evaluation

- The execution of the FY2023 self-evaluation was entrusted to an external evaluation firm.
- Outline of the self-evaluation
- ① Questionnaires prepared by the external evaluation firm were distributed, anonymously filled out and collected
- 2 Interviews were conducted by the external firm based on questionnaire results
- 3 Based on the final report issued by the external firm, discussions involving only outside directors were held, with deliberations focused on the Board of Directors' operations over the next fiscal year
- The subject was then deliberated on by the entire Board of Directors
- (9) The outside directors and the President exchanged opinions regarding how the Board of Directors should operate going forward
- Annual agenda items were considered and determined based on conclusions reached via the above discussions

Main Questionnaire Items

Methods Used in

and Focus of

Evaluation

- Management challenges, the roles and functions of the Board
- The size and composition of the Board of Directors
- The operational status of the Board of Directors
- The effectiveness of responses to issues identified via self-evaluation conducted in the previous fiscal year
- The composition, roles and operational status of the Nominating,
- Compensation and Audit committees • The system supporting outside directors
- · Relationships with investors and shareholders
- The overall effectiveness of the Company's governance structure and
- the Board of Directors' operations
- Self-assessments of each Director's performance

Outline of Evaluation Results

Building on findings from the self-evaluation undertaken in the previous fiscal year, the Board of Directors has identified, via the FY2023 self-evaluation, "following up on the status of the newly launched medium-term management plan (MMP)" as the main subject to be tackled going forward while implementing the initiatives described below.

Main Initiatives

① Discussions regarding "offensive governance" aimed at improving corporate value as well as discussions on "defensive governance" Main topics discussed: The status of the Cross-Functional Teams (CFTs) tasked with creating new businesses, organic growth investment (business process reforms and human resource strategies), inorganic growth investment (the enhancement of the settlement business as well as the Group's functions to deliver solutions), data science development and data utilization, the strengthening of consolidated management of Group companies (one-platform, multi-regional strategy)

2 Improvement of the Board of Directors' operations

Main initiatives: The review of meeting materials to clarify points to be discussed in connection with each agenda items, the exchange of opinions among chairpersons of boards of directors at Group entities

Evaluation Results

- Questionnaire results suggested that progress was made regarding the clarification of roles and functions to be borne by boards of directors at the Group's subsidiary banks while identifying improvements in the content of agenda items, points being discussed, the quality of meeting materials and other aspects of the Board of Directors' operations. Overall, respondents have concluded that the effectiveness of the Board of Directors is high.
- Interviews also revealed that the Board of Directors' composition is considered appropriate, with each director being actively involved in and invigorating discussions by drawing on their experience, expertise and multilateral perspectives, while boards of directors at Group entities have been collaborating ever more closely. These assessments granted high ratings to measures being undertaken to improve the Board of Directors' effectiveness.
- The Chairperson of the Board of Directors earned constantly high ratings and is deemed to be fulfilling his roles in an appropriate manner. The FY2023 self-evaluation thus concluded that the functions of the Board of Directors were robust.



- The Group has entered a phase of profound transition reflecting the radically evolving external environment due to such factors as the shift of Bank of Japan monetary policy, as well as significant changes in the internal environment, including the management integration of Kansai Mirai Financial Group. Against this backdrop, the Board of Directors needs to determine a consistent growth story for the medium to long term time frame in order to realize the Purpose, which was established in 2023, and the Long-Term Vision.
- If the Group is to sustainably improve its corporate value, it is important to enhance its consolidated governance functions. To that end, Resona Holdings' Board of Directors needs to further improve the effectiveness of its operations as the Company plays a central role in Group governance. Looking ahead, therefore, the Board will continue striving to appropriately implement a PDCA cycle informed by an evaluation of that effectiveness.

Regarding the Board of Directors' Operations during FY2024

- ① Thorough focus on the role of the Board of Directors of the holding company
- Based on a recognition that the Board's role is to leverage a medium- to long-term perspective to discuss the direction the Group needs to take going forward, the Board will engage in deliberations regarding the Group's future initiatives involving even longer time frames as well as its growth stories in order to realize its Purpose and Long-Term Vision.
- ② Pursuit of functions as a monitoring board
- The Board will increase the amount of time allocated to each topic by narrowing down the number of agenda items.
- As part of its monitoring function, the Board will also strive to exercise even more efficient and effective supervision over business management by, for example, implementing cross-divisional oversight and clarifying issues recognized in the course of receiving reports from CxOs, who together support Group governance.
- 3 The development of a structure supporting in-depth discussions
 - The Board will endeavor to secure regular opportunities for outside directors to exchange opinions with one another and with the CEO, thereby fostering mutual understanding that will facilitate in-depth discussions based on a shared awareness and recognition of issues confronting the Group.

Main Agenda Items Addressed and Initiatives Undertaken by the Board of Directors (FY2023)

April 2023	May	June	July	August	September	October	November	December	January 2024	February	March
Set Scope 3 target	Formulated the medium-term management plan (MMP)	Status of risk management and risk countermeasure implementation	Policy on Customer- Oriented Business Conduct		Revised plan	Consolidation of leasing companies	Merger of KMFG	Capital and business alliance with Digital Garage	Response to failure of the Zengin Net System	Organizational revision	Annual plan
The Resona Group human resource strategy	Established the Group's Purpose	Status of credit risk management	Policy for measures to secure operational resilience		Results of verification of policy-oriented stockholdings	Development status of AML structure	Upgrading of Group governance	Status of credit risk management		Outsourcing contracts to be signed in the next fiscal year	Formulation of the Risk Appetite Statement
FY2022 self- evaluation of the Board of Directors' effectiveness	Sustainability- related initiatives	Direction of ALM measures in preparation for yen interest rate hikes			How the stock price is trending and the status of IR activities		Status of risk management and risk countermeasure implementation	Policy for outsourcing contracts to be signed in the next fiscal year		Employee awareness surveys	Revision of the plan for reducing policy-oriented stockholdings
							IT governance			Capital and business alliance with Digital Garage	
		Operation of CFT measures to create new businesses	Initiatives to strengthen the consolidated management of the Group		Inorganic growth strategies executed in countries abroad	Current status of and strengthening of data science utilization		Business process reforms	Strategic business alliance with regional financial institutions		
						Facility tour (Resona Garage)	Study session (shift of monetary policy)	Facility tour (Osaka Business Park, a base tasked with back-office operations)			
							Facility tour (Ueno Branch/ the dealing	Meeting hosted by the Chairperson	Agenda item		ns
							room in Resona Bank)	of the Board of Directors		Free discus	sion sessions
							Hosona Dank)	Of Directors		Other	

Resona Succession Plan

Aiming for sustained improvements in corporate value, the Company and its subsidiary banks introduced succession plans in June 2007 that serve as a mechanism to ensure the successions of the top management roles and responsibilities at these Group entities and secure the transparency of the process of selecting and nurturing directors.

The scope of the succession plans covers various candidates for the Company and its subsidiary banks, ranging from those who are presidents to those who are new candidates for executive officer positions. The process of selecting and nurturing successors is carried out at a measured pace according to a schedule. The Group ensures the objectivity of this process by obtaining the advice of external consultants which, in turn, informs some key selection programs. Evaluations of candidates undergoing the process are reported to the Nominating Committee. In addition to receiving reports on candidate evaluations, members of the Nominating Committee come into direct contact with candidates as part of the process, evaluating candidates' characters from various aspects. The activities of the Nominating Committee are reported to the Board of Directors, of which outside directors are the majority, and are discussed from diverse perspectives. Through the entire process, which is highly transparent, each potential director's capabilities and competencies are closely studied and

enhanced where appropriate.

In addition, the Company has set forth seven competencies that define the ideal candidate for the position of director. By ensuring that the directors in the Nominating Committee as well as the other directors share common ideals regarding candidates, the Company clarifies standards for the evaluation and nurturing of successors and thereby aims to realize impartiality during the entire process.

Succession plan (introduced in June 2007)

- Our mechanism for ensuring the succession of roles and responsibilities to be borne by executive officers
- ■The plan covers a range of individuals from candidates for becoming Resona Holdings and Group bank presidents to new candidates for executive officer posts
- Candidates are classified by job rank and systematically undergo selection



Compensation for Directors and Executive Officers

Overview of Compensation Policy

The Company's compensation policy is determined by the Compensation Committee, which consists solely of independent outside directors. The current compensation policy is as outlined below.

Basic Approach

- Compensation systems in place at the Resona Group are designed to provide recipients with sound incentives for supporting its sustainable growth and a medium- to long-term improvement in corporate value in addition to securing proper supervisory functions.
- Remuneration for directors and executive officers is, in principle, determined by the Compensation Committee, which consists only of outside directors who are independent from management, following objective and transparent procedures.
- 2. Policy for the Determination of the Composition of Compensation and Other Benefits for Individual Directors and Executive Officers
- 1) Position-based compensation The position-based portion is determined by the nature and
- ② Annual incentive Executive officers are offered an annual incentive in line with the Resona Group's annual performance and individual achievements.

scope of responsibilities held by each individual.

- In principle, the performance-based portion of this incentive is more heavily weighted for individuals in higher positions than it is for those in lower positions.
- ③ Medium- to long-term incentive

Executive officers are also offered a medium- to long-term incentive in line with the Group's performance over the medium-term management plan (MMP) period.

In principle, the performance-based portion of this incentive is more heavily weighted for individuals in higher positions than it is for those in lower positions.

4 Duty-based additional compensation

Directors who concurrently serve as executive officers or act as members of the Nominating, Compensation or Audit Committee are offered duty-based additional compensation based on responsibilities associated with the recipient's duties. This compensation is also paid to directors and executive officers who concurrently serve as directors or corporate auditors at Group banks, etc.

(5) Additional allowance

Outside directors who chair the Board of Directors, the Nominating Committee, Compensation Committee or Audit Committee are offered an additional allowance based on the burdens arising from these responsibilities.

Compensation System for Directors

Name	Туре		Type Calculation methods, etc.	
Position-based compensation	Fixed compensation	Cash compensation	Determined based on responsibilities associated with the recipient's position and duties	Paid monthly

In addition to the compensation described above, the officers named below are eligible to receive the following compensation

- Duty-based additional compensation: Fixed compensation paid to individuals who are appointed to act as members of the Nominating. Compensation or Audit Committee or concurrently serve as directors or corporate auditors at Group banks, etc.
- Additional allowance: Fixed compensation paid to outside directors who are appointed to chair the Board of Directors, the Nominating Committee, Compensation Committee or Audit Committee

Compensation System for Executive Officers

Name	Tyl	ре	Calculation methods, etc.	Payment method
Position-based compensation 33%-65%	Fixed compensation		Determined based on responsibilities associated with the recipient's position and duties	Paid monthly
Annual incentive 19%-33%	Variable compensation (performance-based compensation)	Cash compensation	Calculated based on assessments of 1) the Group's financial and 2) non-financial performance as well as 3) individual achievements in the previous fiscal year Allocable amount varies from as low as zero to as high as 1.7 times the standard amount ①The Group's financial performance: Assessed based on the degree of achievement relative to the following assessment indices stipulated for annual plans Resona Holdings' net income attributable to owners of parent Resona Holdings' consolidated core income Note: Allocable amount will be reduced to zero if the Common Equity Tier (CET) 1 ratio falls short of a certain level ②The Group's non-financial performance: Assessed based on annual corporate achievements relative to Long-Term Sustainability Targets ③Individual achievements: Assessed based on annual individual achievements and other factors · Medium- to long-term targets · Annual targets · Initiatives to foster and spread a risk culture ①Financial performance assessments - Won-financial performance assessments - Won-financial performance assessments - Won-financial performance assessments - Won-financial performance assessments - Won-financial performance assessments - Annual incentive	Paid annually Paid based on assessments of corporate and individual performance achieved in the previous fiscal year
Medium- to long-term incentive 16%-33%	Variable comper	Non-cash compensation	Calculated in line with a performance-linked coefficient determined based on consolidated ROE, relative TSR and ESG indices in the final year of the MMP The performance-linked coefficient varies from as low as zero to as high as 170% Consolidated ROE × Relative TSR + ESG indices = Medium- to long-term incentive	Paid once every three years (In principle, upon the closure of the MMP period

In addition to the compensation described above, officers named below are eligible to receive the following compensation. Duty-based additional compensation: Paid in a fixed amount to individuals who concurrently serve as directors at Resona Holdings or directors or corporate auditors at Group banks, etc.



Chiharu Baba Outside Director and Chairperson of Compensation Committee

Joined The Industrial Bank of Japan, Limited in 1973. Assumed the office of Deputy President and Representative Director of Mizuho Trust & Banking Co., Ltd. in 2005. Assumed the current position of Outside Director of the Company in 2017.



Sawako Nohara Outside Director and Member of Compensation Committee

Joined Mitsubishi Petrochemical Co., Ltd. in 1980. Assumed the position of Representative Director and President of IPSe Marketing, Inc. in December 2001 (incumbent). Assumed the current position of Outside Director of the Company in 2022.



Masahiro Minami Group CEO, Director, President and Representative Executive Officer

Assumed the position of Executive Officer and General Manager of Omni-Channel Strategy Division and Group Strategy Division of the Company in 2017. Assumed the position of Director and Executive Officer in 2019. Assumed the current position of Director, President and Representative Executive Officer of the Company in 2020.



Kimie Iwata Outside Director and Chairperson of Nominating Committee

Joined the Ministry of Labour in 1971. Assumed the office of Representative Director, Executive Vice President of Shiseido Company, Limited in 2008. Assumed the current position of Outside Director of the Company in 2019.



Masaki Yamauchi Outside Director, Chairperson of Audit Committee and Member of Nominating Committee

Joined Yamato Transport Co., Ltd. in 1984. Assumed the position of Representative Director, President and Executive Officer of Yamato Transport Co., Ltd. in 2011 and Representative Director, Executive Officer and President of Yamato Holdings Co., Ltd. n 2015. Assumed the current position of Outside Director of the Company in 2022.

Shigeki Ishida

Assumed the position of Executive Officer

in charge of Credit Risk Management Divi-

sion of the Company in 2017, Assumed

the current position of Group CSO, Direc-

tor, Deputy President and Executive Offi-

cer in charge of Group Strategy Division

(overall supervision as well as corporate

and lending business reform) of the Com-

pany in 2024. Concurrently serving as Di-

and Executive Officer



Setsuko Egami Outside Director, Member of Nominating Committee and Member of Compensation Committee

Became the chief editor of Travail, a job magazine issued by Recruit Co., Ltd., in 1983. Became a Professor of the Faculty Sociology of Musashi University in 2009. Assumed the current position of Outside Director of the Company in 2020



Katsuyuki Tanaka Outside Director and Member of Audit

Registered as attorney-at-law in 1993. Currently acting as Partner at Tokyo Seiwa Sogo Law Office. Assumed the current position of Outside Director of the Company



Fumihiko Ike Outside Director and Chairperson of the Board of Directors

Joined Honda Motor Co., Ltd. in 1982. Assumed the position of Chairman and Representative Director in 2013. Assumed the current position of Outside Director of the Company in 2021.



Ryuji Yasuda Outside Director and Member of Audit

Joined McKinsey & Company, Inc. in 1979. Became a Professor of the Graduate School of International Corporate Strategy of Hitotsubashi University in 2004. Assumed the position of Outside Director of Kansai Mirai Financial Group, Inc. in 2018. Assumed the current position of Outside Director of the Company in 2023.



Mikio Noguchi Group CSO, Director, Deputy President Group CIO, Group CPRO, Director and Executive Officer

Assumed the position of Executive Officer in charge of Information Technology Planning Division of the Company in 2017. Assumed the current position of Director and Executive Officer in charge of Information Technology Planning Division, Omni Channel Strategy Division and Group Strategy Division (systems reform) of the Company in 2020. Concurrently serving as Senior Managing Executive Officer of Resona Bank, Ltd.



Hisahiko Oikawa Director and Member of Audit

Assumed the position of Executive Officer in charge of Compliance Division of the Company in 2018. Assumed the current position of Director and member of Audit Committee of the Company in 2022. Concurrently serves as Director of Resona

Skills Expected of Directors

The basic policy for corporate governance provides that the Board of Directors shall consist of Directors possessing diversified and extensive knowledge.

In line with this policy, the Company has defined the skills,

experience and knowledge expected of each candidate for Director as described below, with the draft for the nomination of such candidates being discussed at and determined by the Nominating Committee.

			Legal/		Areas of focus in terms of the pursuit of the "Retail No. 1" financial services group				
		Organizational management	Compliance/ Risk management	Finance/ Accounting	IT/Digital	Sustainability	Diversity & Inclusion	Globalization	
Masahiro Minami		•	•	•	•	•	•	•	
Shigeki Ishida			•						
Mikio Noguchi					•				
Hisahiko Oikawa			•						
Chiharu Baba	Outside Director	•	•	•				•	
Kimie Iwata	Outside Director	•				•	•		
Setsuko Egami	Outside Director		•			•	•		
Fumihiko Ike	Outside Director	•	•		•			•	
Sawako Nohara	Outside Director		•		•		•		
Masaki Yamauchi	Outside Director	•				•			
Katsuyuki Tanaka	Outside Director		•						
Ryuji Yasuda	Outside Director		•	•				•	

Reasons for Selecting Each Skill Item

Organizational management

Experience in organizational management is considered essential to enabling the Board of Directors to appropriately exercise its supervisory functions over top management members and other executives and deliberate strategies for the entire Group.

Legal/Compliance/Risk management

The Company believes that compliance and risk management together constitute an essential management foundation. Therefore, expertise in legal matters, compliance and risk management is considered essential to fostering a worthy corporate culture and ensuring the appropriate recognition and management of increasingly diverse and complex risks confronting the Group amid radical changes in the environment.

Finance/Accounting

The Company considers expertise in finance and accounting essential to establishing a solid financial position and realizing the appropriate allocation of financial capital supporting sustainable growth, as well as to securing the reliability of financial reporting.

IT/Digital

The Company believes that advancing IT and DX strategies is integral to its pursuit of growth. Therefore, expertise in IT and digital technologies is considered essential to strengthening cybersecurity, increasing the sophistication of IT governance and facilitating the further acceleration of the implementation of DX strategies

Sustainability

The Company considers expertise in sustainability essential to accelerating SX-related initiatives across the Group in light of its aim to help realize a sustainable society and achieve sustainable improvement in corporate value.

The Company has positioned diversity & inclusion as the cornerstone of its human resource strategies. Accordingly, expertise in diversity & inclusion is considered essential to creating an organization in which diverse human resources respect each other, inspire one another and thereby contribute to improvement in corporate value.

Expertise in globalization is considered essential to navigating the Group amid a radically evolving and increasingly complex business environment and enabling it to achieve sustainable growth based on a global perspective that encompasses its operations in their entirety.

(4 members)

Directors

Internal

Risk Appetite Framework (RAF)

Positioning of the RAF

The Resona Group has defined the RAF as a framework for integrated business management focused on ensuring the optimal allocation of management resources, achieving both maximum returns and financial soundness, and supporting the realization and embodiment of the Group's conceptual structure.



Risk Appetite Policy

The Board of Directors has established the Risk Appetite Statement to clarify roles and responsibilities related to risk appetite and to provide a basic policy regarding risks that must be

The RAF in Operation

Looking at the specific mode of RAF operation, the Group is running a PDCA cycle involving the assessment of the environment (e.g., changes in top risks and the business environment), the formulation of MMP and annual plans, monitoring the status of such plans and the implementation of additional actions, exercising the basic policy on risk appetite at every stage. Through this process, the Group aims to ensure both maximum returns and financial soundness.

When formulating an MMP, the Group sets risk appetite indicators while the Board of Directors exercises monitoring over the appropriateness of allocations of management resources and risk-taking endeavors aimed at achieving management targets relative to such indicators.

Also, the Group has made it a rule to review the RAF when it formulates strategies (e.g., under the MMP) or revises them in light

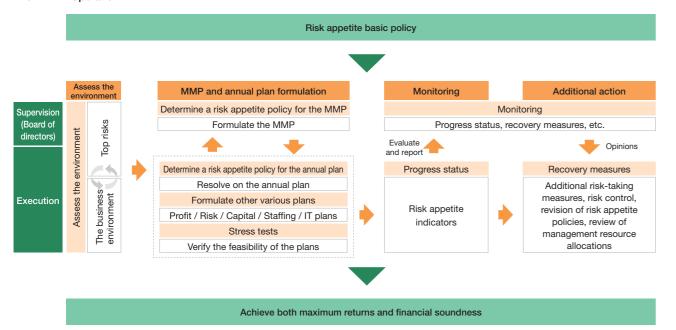
taken and risks that must be avoided by the Resona Group.

Based on this policy, the Group determines risk appetite policies for both its medium-term management plan (MMP) and annual plan.

of changes in the internal and external environments or the need to upgrade its mode of business management.

Objectives	Risk appetite indicators
Achieve management targets	Indicators considered most important for the Group, representing its commitment to each stakeholder group (Net income, ROE, core income, CET1 capital ratio, etc.)
Optimally allocate management resources	Indicators for measuring the appropriateness of allocations of management resources and risk-taking endeavors specified by the MMP
Maximize returns	Indicators for the degree of achievement relative to estimates for returns in the Group's areas of business focus specified under the MMP
Maintain soundness	Indicators for confirming whether the Group avoids_ assuming levels of risk in excess of its economic capita to maintain its financial soundness

The RAF in Operation



Risk Management

Risk Management System

Basic Approach to Risk Management

We deeply regret the serious concern and inconvenience that the application for an injection of public funds in May 2003 caused the people of Japan, our customers and other stakeholders.

Consequently, we have established the three risk management principles to enhance our risk management systems and methods as well as risk control. The Resona Group conducts its risk management activities with an eye to securing the soundness of operations and enhancing profitability.

Three Risk Management Principles

- ①We will not assume levels of risk in excess of our economic capital. 2) We will deal promptly with losses that we have incurred or
- 3We will take risks appropriate for our earnings power.

Risk Management Policies and Systems

The Resona Group is exposed to various types of risk, including those associated with business strategies, the violation of laws and regulations and systems failures as well as those related to business outsourcing (e.g., suspensions of operations and information leaks involving vendors).

As it aims to appropriately handle these risks in adherence to the three risk management principles, Resona Holdings has established the Group Risk Management Policy. This policy is intended to clarify types and definitions of risks to be managed and the organizational structure for risk management as well as the fundamental risk management framework, with the aim of developing a robust risk management system for the Group.

Specifically, the policy classifies risks as shown in the table below, and stipulates that risk management divisions specializing in each risk category must be in place in addition to divisions tasked with comprehensively managing enterprise risks (comprehensive risk management divisions), ensuring that optimal risk

management methods are used by these divisions in light of risk characteristics.

As stipulated by the Group Risk Management Policy, Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank (the "Group banks") have established risk management policies that are tailored to their operations, unique characteristics and the risks they must address while maintaining risk management divisions handling risks in each risk category as well as comprehensive risk management divisions.

Principal Group companies other than the banks have also established risk management policies that are tailored to their own operations, special characteristics and risks. These policies establish guidelines for avoiding risks outside their fundamental business areas. These Group companies have also established risk management departments for managing different categories of risk and risk management divisions for comprehensive risk management.

Primary Risk Category, Definition and Management Methods

		Risk Management Methods		
Risk Category	Definition	Comprehensive risk management (setting risk limits, assessing risk, allocation of risk capital, stress tests, etc.)		
Credit risk	Risk of losses that arises when the value of assets (including off balance sheet assets) declines or is destroyed as a result of the deterioration of the financial position of obligors	Setting risk limits, credit rating system, portfolio management, credit analysis and management, etc.		
Market risk	Risk of losses that may occur when the prices of assets and liabilities (including off-balance sheet assets and liabilities) change because of fluctuations in market risk factors, including interest rates, foreign currency exchange rates and stock prices	Setting risk limits, setting loss limits, setting position limits, etc.		
Liquidity risk	Risk of losses that may occur when a party has difficulty in raising the necessary funds or is forced to raise such funds at higher than normal rates	Recognition of liquidity emergencies, response system for emergencies, guidelines for liquidity risk management indicators, etc.		
Operational risk	Risk of losses that may occur when internal processes, personnel and/or systems function improperly or fail to function and when external factors result in such losses	Control self-assessments (CSAs), analysis of loss data, risk indicators, etc.		
Reputational risk	Risk of losses that may occur when the media reports rumors, false information or unfounded assertions have a detrimental effect on a company's reputation	Dissemination of timely and appropriate information, monitoring of media, etc., preparation of crisis management systems		

Group Management by Resona Holdings

Qualitative Risk Management

The Company provides Group banks and other Group companies (hereinafter collectively "Group companies") with direction and suggestions regarding risk management policies, standards and systems that must be shared by all Group members.

When making decisions on important matters related to risk management, Group companies confer with the Company in advance and base their decisions on those consultations or decide matters through the exchange of opinions, and report those decisions to the Company as necessary

Based on the framework described above, the Company maintains a firm grip on risk management policies, standards and systems in place at each Group company, thereby ensuring qualitative risk management for the Group.

Quantitative Risk Management

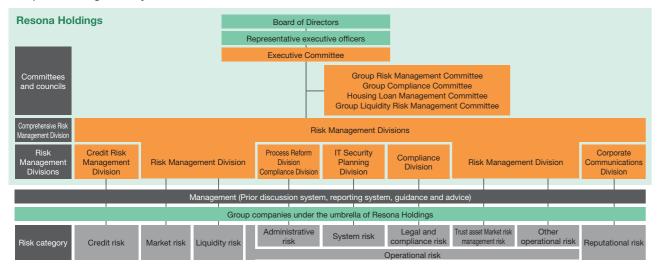
The Company and the Group banks have in place comprehensive risk management systems, as described later, with the aim of quantitatively assessing risks and controlling them within the tolerable limits.

Furthermore, the Company maintains the quantitative management of risks each Group company is handling through prior consultation on limits and guidelines or through the exchange of opinions.

Group companies must report to the Company regarding risk conditions and their management on a regular and as-needed basis so that the holding company can provide guidance and advice as necessary.

As shown in the chart below, we have formed risk management divisions by risk category within the Company for managing each type of risk on a Groupwide basis.

Group Risk Management System



	Group Risk Management Framework Operated by Resona Holdings
① Prior discussion system	Each Group company engages in prior discussion with Resona Holdings in the following cases: • When it seeks to formulate or amend risk management policies and other policies and rules deemed important in terms of risk management • When it seeks to establish limits on and/or guidelines regarding various risks • When it makes a decision on an important risk management matter
② Reporting system	Each Group company provides Resona Holdings with periodic reporting on risks it is confronting and its risk management status Each Group company reports to Resona Holdings whenever an important risk management issue arises
③ Guidance and advice	 Resona Holdings presents Group companies with unified risk management policies, standards and frameworks for the entire Group Based on reporting from each Group company, Resona Holdings issues risk management-related guidance and advice to it as necessary

Top Risk

The Company has positioned risks that are deemed to possess a high possibility of impacting heavily on the Resona Group as top risks in order to develop 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.

Top Risks for the Resona Group

Top violes	
Top risks	Main risk scenarios
Deterioration in competitiveness, etc., due to changes in social and industrial structures	 The nullification of the effect of strategic investment executed thus far due to evolving conditions in the competitive environment Deterioration in the Group's strategic execution capabilities due to a lack of essential human resources Loss of growth opportunities, the emergence of stranded assets and other issues due to delays in the response to climate change and biodiversity issues, etc., and thus negatively impacting corporate value
Changes in the earnings structure and de- terioration in profitability, etc., due to the revision of laws, regulations, government policies, etc.	 Changes in the earnings structure due to the introduction or revision of laws and regulations as well as shifts in monetary policies Deterioration of corporate value due to the absence of information disclosure practices that can be considered by external stakeholders to be sufficient
Increase in credit-related expenses	 Deterioration in the corporate performance of transactional clients in the face of radical shifts in monetary and economic environments, the enforcement of economic sanctions upon the materialization of geopolitical risks, disruption of supply chains, etc. The deterioration of performance in sectors to which the Group extends massive credit and the resulting decline in the corporate performance of transactional clients operating in such sectors
Deterioration in unrealized gains on available- for-sale securities	Deterioration in unrealized gains on available-for-sale securities due to stock price plunges, interest rate hikes or other phenomena arising from a shift in monetary and economic environments, delays in responding to changes in monetary policy or growth in geopolitical risks
Destabilization of foreign currency funding	 Increase in costs associated with foreign currency funding and other detrimental financing conditions arising from turmoil in financial markets, growth in geopolitical risks, unexpected cash outflows, the deterioration of market liquidity, etc.
Operational suspension, etc., due to the emergence of a serious incident at the Group's own key bases or vendor facilities	The suspension of settlement and other services or the leakage of customer information as a result of a failure of important infrastructure, including third-party owned infrastructure, due to human error, system failure, cyberattack, etc.
Operational suspension, etc., due to the violation of laws and regulations, compliance-related failure	 The receipt of an operational suspension order due to flaws in the Group's countermeasures aimed at preventing money laundering, etc. The deterioration of corporate value due to corporate conduct that runs contrary to the Group's policy of pursing customer-oriented business conduct or improper response to human rights-related issues
Operational suspension, etc., due to the oc- currence of natural disasters	Operational suspension or other serious consequences, including a threat to human life, due to a major natural disaster, such as an earthquake, massive wind or flooding, or a pandemic

Comprehensive Risk Management and Capital Allocation

Comprehensive risk management divisions have been formed within the Company and the Group banks, and these divisions are each responsible for the comprehensive risk management of their respective Group company or bank.

Each Group bank measures the volume of credit risk, market risk and operational risk using the risk management indicator value at risk (VaR*) and establishes risk limits (makes risk capital allocations) on these types of risk. Risk management is conducted to control risk within these established limits

When the Group banks set their risk limits, the Company verifies the details of the limits to be established to confirm the soundness of the Group as a whole. Also, the Company receives periodic reports from the Group banks regarding the status of risk management and confirms the status of comprehensive risk

In addition, although the Company is constantly working to improve the quality of risk measurement through various means, including the application of the VaR method, there are risks that cannot be quantified by statistical risk management methods. The Group strives to study and understand the incompleteness and specific weak points of the VaR method, thereby assessing and recognizing the impact of such limitations on risk measurement.

For risks that cannot be identified or quantified by the VaR method, the Company and the Group banks conduct qualitative assessment through various stress testing and the use of risk-assessment mapping. In this way, the Group aims to enhance the quality of its comprehensive risk management.

Stress Tests

The Group carries out a variety of stress tests, each assuming a massive economic deceleration, turmoil in financial markets or other similar scenario aimed at confirming its resilience against and capital adequacy in a stressful environment and thereby verifying the appropriateness of its management plan and assessing the impact of differing risk factors on its operations.

Stress tests being carried out in the course of formulating a management plan employ multiple stress scenarios, including

some deemed highly likely to materialize and some that would gravely impact the Group's operations. In this way, the Group measures the possibility of an increase in losses associated with its risk-weighted assets and fluctuations in profit due to deterioration in revenues over a period spanning multiple fiscal years.

Stress tests are utilized to evaluate the stability of the Group's revenues, assess how its capital adequacy would be impacted by the assumed stresses and prevent excessive risk-taking.

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^{*} VaR, or value at risk, is a risk management indicator that is calculated using statistical methods to measure the maximum loss that may occur within a specified confidence interval (probability) and over a specified period

Compliance

Basic Activities

The Resona Group defines compliance as the strict observance not only of laws and regulations, but also of social norms. This includes striving to live up to the expectations of our customers and society as a whole. Based on these concepts, the Group has positioned compliance as a key management issue.

Moreover, we have established the Resona WAY and the

Resona STANDARD, which together represent our corporate philosophy structure and are designed to provide specific guidance regarding the actions we take to embody our Purpose (how we contribute to society) and Corporate Mission (what we aim to be in society), with the aim of realizing our Long-Term Vision (what we should look like in the future).

Group Management System

The Compliance Division at Resona Holdings controls Group compliance and works with compliance divisions at Group companies to strengthen compliance systems Groupwide. Moreover, the Group Compliance Committee discusses various compliancerelated issues, with representatives from each Group bank included as committee members.

Management of Customer Information

The protection of customer information is one of the most important factors that enable customers to use the Group's services with peace of mind. We strive to properly manage customer information by publicizing the Promise to Protect Personal Information of All Group Companies, establishing a framework for protecting against leakage or loss of personal information and conducting ongoing and thorough employee education.

Initiatives to Prevent Money Laundering, Etc.

The Resona Group is well aware of the growing risk of criminal activities that exploit financial services along with the growing public call for the prevention of such activities. Accordingly, the Group considers the prevention of money laundering and financing for terrorism as well as compliance with economic sanctions (hereinafter collectively referred to as "financial crime countermeasures") to be important management issues. As we aim to maintain compliance with laws, regulations and other rules, imposed by various authorities while countering financial crimes, we have formulated a financial crime countermeasures policy for the Group. At the same

time, we have continued to develop our organizational structure as well as training and personnel systems to educate our directors and employees and nurture a robust pool of human resources.

In light of the recent strengthening of international regulations against financial crimes, the Group has been engaged in thoroughgoing initiatives in this field. As part of these initiatives, we have announced our AML policy aimed at clarifying the Group's stance on and structure for countering such crimes.

Elimination of Anti-Social Forces

The Resona Group believes that preventing and eradicating transactions with anti-social forces are critically important to its public mission and social responsibility as a financial institution. Based on this belief, the Group's basic approach is to not engage in transactions with anti-social forces and to prevent them from intervening in transactions with customers through our corporate activities or

by imposing unjust demand on us. The Group has set specific internal rules and regulations. It also provides ongoing training and education on these compliance issues for directors and employees. In addition, we have formed cooperative relationships with external specialist organizations to prevent and terminate transactions with anti-social forces.

Initiatives to Prevent Corruption

Having clarified its approach to the prevention of corruption as part of efforts to fulfill its corporate social responsibilities, the Resona Group established the Policy on the Prevention of Corruption to provide a set of action guidelines to be thoroughly observed by all Group members.

The Resona STANDARD stipulate such precepts as "Do not misuse your position or authority for personal gain or advantage" (III-2), "Refrain from offering gifts or entertainment that could possibly induce public distrust or draw suspicion" (VII-2) and "Maintain transparent and clean relationships with politicians and government officials" (VII-3) in addition to featuring specific examples of desirable ways of thinking and situations that require caution. As such, the Group is striving to ensure that its prohibition against any form of corrupt act, including the provision or receipt of bribes, is upheld by all.

Internal Auditing

Group Internal Auditing

We believe that the role of internal auditing is extremely important if we are to "live up to customers' expectations" and "implement transparent management" as set forth in the Resona Group's Corporate Mission. Accordingly, we have established internal audit divisions at Resona Holdings and at main Group companies.

In order to ensure sound and appropriate operations and to gain social trust in the business management systems established by the Company and Group companies, the internal audit divisions serve the essential function of facilitating improvements in corporate value by verifying and evaluating the systems from an independent standpoint and promoting improvements as needed in all

The Company's Internal Audit Division has introduced auditing methods in conformity with the Institute of Internal Auditors (IIA),* a leading international association in the field of internal audits, thereby practicing risk-based audits and ensuring that its peers at Group companies follow suit. In addition, the division monitors the activities of internal audit divisions at such companies while striving to improve the quality of internal audits by, for example, providing various information and training and supporting employees seeking qualification as certified internal auditors and/or to acquire other audit-related certification.

Organization

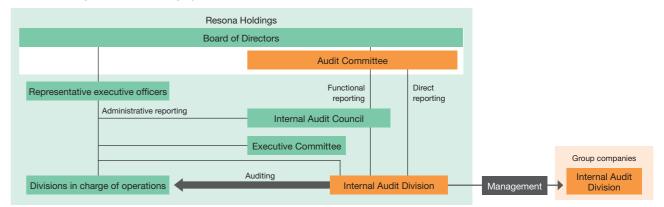
The Company and Group companies have established independent internal audit divisions and other bodies under each board of directors.

Moreover, we have formed the Internal Audit Council, separate from the Executive Committee, to serve the Company and Group companies by discussing important matters related to internal auditing.

The Internal Audit Division of the Company reports to the Board

of Directors and the Audit Committee for its functions and to the representative executive officers for its administration. In addition, by ensuring a direct reporting line from the Audit Committee to the Internal Audit Division, we strengthen the monitoring and check and balance functions the Company exerts over the representative executive officers and representative directors of the Group companies.

Resona Holdings' Internal Auditing System



Functions and Roles

To guide the drawing up of plans for internal auditing, the Internal Audit Division of the Company formulates the Annual Internal Audit Basic Plan for the Company and the Group, including the Group's annual policies, the targets of auditing and key items, and secures the approval of the Board of Directors after discussion with the Audit Committee

The internal audit division of each Group company formulates its Annual Internal Audit Basic Plan based on the business management policies of the Internal Audit Division of the Company and

secures the approval of each respective board of directors.

The internal audit divisions at the Company and Group companies conduct audits based on the Annual Internal Audit Basic Plan.

The results of the internal audits of the Company are reported to the Board of Directors and representative executive officers. The results of the internal audits of Group companies are reported to their respective boards of directors and representative directors as well as the Company.

^{*} An organization that formulates professional standards for internal auditors, engages in the research of theories and practices associated with internal auditing and promotes other activities aimed at providing leadership for the global profession of internal auditing

Financial Highlights

Five-Year Summary of Major Financial Data Financial Result Report https://www.resona-gr.co.jp/holdings/english/investors/financial/results_c/index.html

28,874.4

29,801.5

						(Billions of yen)
		FY2019	FY2020	FY2021	FY2022	FY2023
Sum	nmary of Consolidated Statements of Incor	me				
Gros	s operating profit	658.6	639.1	601.9	600.0	627.4
	(1) Net interest income	431.1	417.4	429.1	419.3	421.6
	(2) Trust fees	19.0	19.2	20.8	21.6	25.4
	(3) Fees and commission income	171.1	172.2	187.4	187.0	188.1
	Fee income ratio [((2)+(3)) / Gross operating profit]	28.88%	29.96%	34.60%	34.77%	34.03%
	(4) Other operating income	37.3	30.1	(35.5)	(27.9)	(7.7)
	Net gains on bonds (including futures)	11.3	14.0	(53.8)	(47.7)	(26.4)
	ating expenses (excluding Group banks' recurring items)	(417.1)	(415.5)	(416.3)	(404.7)	(416.5)
	Cost income ratio (OHR)	63.33%	65.01%	69.17%	67.44%	66.38%
Actua	al net operating profit	241.9	224.0	186.0	195.7	211.3
Net g	gains on stocks (including equity derivatives)	9.3	37.2	47.1	53.9	60.1
Cred	it-related expenses, net	(22.9)	(57.4)	(58.7)	(15.9)	(35.6)
Othe	r gains, net	(16.2)	(19.5)	(18.8)	(8.7)	(12.9)
Incor	me before income taxes	212.1	184.3	155.6	225.0	223.0
Incor	me taxes and other	(59.7)	(59.8)	(45.6)	(64.6)	(64.6)
Net in	ncome attributable to owners of parent	152.4	124.4	109.9	160.4	158.9

(Negative figures represent items that would reduce net income)

Summary of Consolidated Balance Sheet

Trust assets under management and custody

Tota	assets	60,512.4	73,697.6	78,155.0	74,812.7	76,150.8
	Cash and due from banks	15,329.5	25,223.1	27,999.3	22,391.5	20,924.2
	Loans and bills discounted	36,645.5	38,978.9	39,597.9	41,357.2	42,745.7
	Securities	5,555.6	7,147.7	7,732.5	8,386.2	9,381.6
Tota	l liabilities	58,195.9	71,178.0	75,696.0	72,278.6	73,372.7
	Deposits and NCDs	53,852.8	59,430.3	61,897.6	62,796.8	64,391.5
Tota	net assets	2,316.5	2,519.6	2,459.0	2,534.0	2,778.1
	Total stockholders' equity	1,757.6	1,860.3	2,044.1	2,140.3	2,225.4
	Total accumulated other comprehensive income	320.6	456.9	398.0	375.4	534.9

31,930.3

31,841.1

28,450.6

Capital adequacy ratio (Japanese domestic standard) ¹	11.17%	11.54%	11.82%	12.48%	12.85%
(Reference) Common Equity Tier 1 (CET1) ratio (International standard)	12.28%	13.31%	13.43%	14.10%	15.38%
Annual cash dividends per share (DPS) (yen)	21	21	21	21	22
Net assets per share (BPS) (yen)	904.60	1,008.82	1,025.01	1,065.31	1,184.76
Net income per share (EPS) (yen)	66.27	54.19	45.41	67.48	67.77
Return on equity (ROE) ²	8.91%	6.88%	5.63%	7.66%	7.28%
Return on assets (ROA) ³	0.25%	0.18%	0.14%	0.20%	0.21%
NPL ratio (Total of Group banks, Financial Reconstruction Act Criteria)	1.14%	1.12%	1.32%	1.29%	1.34%
Number of shares of common stock excluding treasury shares (shares in billions)	2.297	2.296	2.382	2.361	2.329
Share price at fiscal year-end (yen)	325.2	464.8	524.1	639.5	950.3
Market capitalization (billions of yen)	747.1	1,067.6	1,248.7	1,510.2	2,214.0

Gross Operating Profit and Operating Expenses (consolidated)

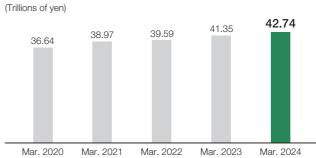


Net Income Attributable to Owners of Parent

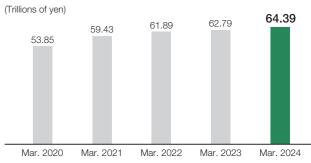
(Billions of yen)



Balance of Loans and Bills Discounted (consolidated)



Balance of Deposits and NCDs (consolidated)

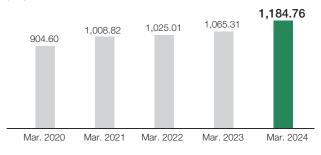


Net Income per Share (EPS) / Return on Equity (ROE)2

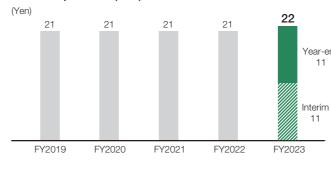
(EPS: Yen; ROE: %)



Net Assets per Share (BPS)



Dividends per Share (DPS)



Capital Adequacy Ratio (consolidated)1



- 1 Subject to the finalized Basel 3 regulations from March 31, 2024 onward
- 2 Net income attributable to owners of parent / Shareholders' equity (simple average of the balances at the beginning and end of the term)
- 3 Net income attributable to owners of parent / Total assets (simple average of the balances at the beginning and end of the term)

Non-Financial Highlights

Five-Year Summary of Non-Financial Data



https://www.resona-gr.co.jp/holdings/english/sustainability/data/esg/index.html

Environmental1

			FY2019	FY2020	FY2021	FY2022	FY2023 ²
CO ₂ emissio	ns volume (Sco	opes 1 and 2)					
	Basic	emissions factor (t-CO ₂)	66,266	56,944	56,154	49,451	48,956
	Adjusted emissions factor/Market base (t-CO ₂)		_	57,450	52,265	41,142	26,950
	Direct emission	ons from energy use (Scope 1)	5,949	5,428	5,208	5,444	4,898
	Indirect emiss	sions from energy use (Scope 2)					
		Basic emissions factor	60,317	51,516	50,946	44,007	44,058
		Adjusted emissions factor/Market base	_	52,023	47,057	35,698	22,052
	Related to	Heavy oil (kl)	38	19	24	33	95
	direct	Town gas (1,000 m³)	1,265	1,194	1,174	1,115	948
Energy	emissions	Gasoline (kl)	1,295	1,161	1,081	1,228	1,160
consump-		Electricity consumption volume (MWh)	132,898	125,742	119,875	113,546	105,574
tion volume	Related to	Of which, renewable energy (MWh)	_	_	8,407	21,664	54,465
	indirect emissions	Hot water (GJ)	6,675	6,982	5,719	6,508	6,212
		Cold water (GJ)	15,213	14,226	15,361	15,342	14,679

Social

Social		EVOCAC	EVOCCO	EV0004	EVOCCO	EVOCO
		FY2019	FY2020	FY2021	FY2022	FY2023
Human Resource	ces¹					
	Total employees (persons) ³	28,371	27,829	26,472	25,367	25,029
	Full-time employees (persons)	18,642	18,486	18,283	17,759	17,589
Employment status of	Average age of full-time employees (years)	40.3	40.3	40.7	41.2	41.6
employees	Average employee tenure (years)	16.1	16.3	16.6	17.1	17.2
	New graduates (persons)	840	844	573	478	517
	Mid-career hires (persons)	38	41	76	156	392
	Percentage of female full-time employees (%)	47.1	47.5	48.1	48.2	48.8
	Percentage of new graduates who are women (%)	53.5	50.0	46.1	42.1	40.4
	Percentage of women hired as career-track employees	21.1	31.7	41 76 156 47.5 48.1 48.2 50.0 46.1 42.1	53.3	
Diversity & Inclusion	Wage gaps between male and female employees (%) ⁴	_	_	_	65.5	67.0
	Percentage of female line managers (%)5.6	29.1	30.4	30.5	31.4	32.8
	Of which, percentage in senior management positions (%) ⁶	8.7	10.2	12.1	13.4	14.8
	Percentage of people with disabilities in the workforce ⁷	2.19	2.20	2.27	2.39	2.45
	Average percentage of annual paid leave utilized (%) ⁸	76.4	73.1	76.4	77.6	83.1
Promotion of work-life	Of which, average percentage of annual paid leave utilized by full-time employees ⁸	70.2	66.1	69.7	70.4	78.0
balance	Percentage of male employees taking childcare leave (%) ⁹	_	_	80.3	98.2	100.8
	Percentage of male employees taking spousal paternity leave (%)10	100.0	100.0	100.0	100.0	100.0
Financial and E	conomic Education					
"Resona Kids' Money Aca	ademy" events held (number)11	222	_	10	144	166
Total number of participants	in "Resona Kids' Money Academy" events (persons)	3,988		1,579	1,685	2,208
On-site lectures and work	experience programs offered (number)	93	15	21	58	142

Governance

		FY2019	FY2020	FY2021	FY2022	FY2023
Status of directors and their activities	Board members (persons)	11	10	9	10	12
	Outside directors (persons)	6	6	5	7	8
	Independent directors among outside directors (persons)	6	6	5	7	8
	Female directors (persons)	2	2	2	3	3
	Average attendance of directors at board meetings (%)	98.6	98.7	97.1	97.4	100.0

ESG-Related External Evaluations¹²

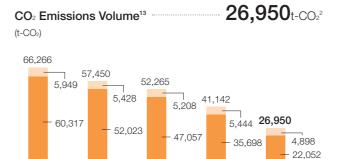
As of July 1, 2024

9

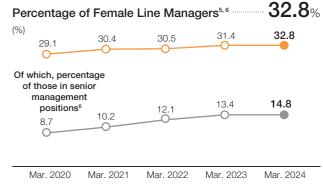
3

ESG rating / ESG score		Inclusion in indices based on ESG evaluations Logo			
FTSE (Full score is set at 5.0)	3.6	FTSE Blossom Japan Index FTSE Blossom Japan Sector Relative Index FTSE4Good Index	FTSE Blossom Japan FTSE Blossom FTSE 4Good Japan Sector Relative Index		
MSCI (Third grade in the seven-grade system from AAA to CCC)	Α	MSCI Japan ESG Select Leaders Index	2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX		
S&P (Decile ranking system)	7	S&P/JPX Carbon Efficient Index series	SaP/JPX Carbon Efficient Index		
MSCI (Gender diversity score) 7.7		MSCI Japan Empowering Women Index (WIN)	2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)		
Morningstar (Five-grade system in which businesses are classified into Groups numbered 1 to 5) Group1		Morningstar Japan ex-REIT Gender Diversity Tilt Index	MACRINISTIA GenDi J Japan ex REIT Gender Diversity Titl Index EXECUTE ANALYSIS ANALY		

Environmental



Social



Governance

FY2020

Scope 1 Scope 2

FY2019

Composition of the Board of Directors (As of June 30, 2024)

FY2021

FY2022

FY2023



- 1 Scope of calculation: Four main Group companies (Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank)
- 2 Preliminary figures
- 3 Including part-time employees
- 4 Full-time employees
- 5 Employees in managerial positions or above charged with overseeing staff 6 Figures for FY2019 to FY2020 are based on data from Resona Bank and Saitama
- Resona Bank. 7 Percentage as of June 1 of each fiscal year based on the exceptional calculation stan-
- dard applied to eligible corporate groups
 8 Figures for FY2019 pertain to Resona Bank and Saitama Resona Bank.
- $9 \ \text{lncludes}$ individuals who began taking leave and individuals whose spouses gave birth during the fiscal year subject to calculation. Accordingly, the ratios of male employees who took childcare-related leave at each Group company during FY2023 are as follows: Resona Bank: 102.2%; Saitama Resona Bank: 98.0%; Kansai Mirai Bank: 100.0%; Minato Bank: 100.0%.
- 10 Figures for FY2021 and earlier pertain to Resona Bank, Saitama Resona Bank and Kansai Mirai Bank. Figures for FY2022 and later pertain to Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank.
- 11 The FY2021 round of events was hosted online
- 12 https://www.resona-gr.co.jp/holdings/english/sustainability/award/index.html 13 Scope 1 and Scope 2 CO₂ emissions are calculated based on methods stipulated by Japan's Energy Saving Act for statutory periodic reporting. Figures for the period leading up to the end of FY2019 are calculated by multiplying the basic emission factors of each electricity supplier. Figures for FY2020 and later are calculated by multiplying the

SASB INDEX https://www.resona-gr.co.jp/holdings/english/sustainability/data/sasb/index.html

The Resona Group has striven to upgrade its information disclosure in line with recommended standards issued by the U.S.-based Sustainability Accounting Standards Board (SASB).

Based on this approach and in accordance with SASB industry classifications, the Resona Group hereby discloses certain items

defined under the categories of Asset Management & Custody Activities, Commercial Banks, Consumer Finance and Mortgage Finance in light of their particular relevance to designated business areas. Looking ahead, we will strive to further enhance the content of information disclosure.

The letters at the beginning of the code assigned to each item bear the following meanings.
FN-AC: Asset Management & Custody Activities; FN-CB: Commercial Banks; FN-CF: Consumer Finance; CF-MF: Mortgage Finance

Accounting Metrics	Category	Unit of Measure	Code	Response
Data Security				
Description of approach to identifying and addressing data security risks	Discussion and Analysis	-	FN-CB-230a.2 FN-CF-230a.3	In line with its Cyber Security Management Declaration, the Resona Group aims to strengthen its cyber security measures under top management's initiative and thereby counter cyber threats that have become ever more serious and sophisticated. Furthermore, the Group strives to address risks arising from cyber vulnerability and, to this end, based on its Personal Information Protection Declaration, it regularly reviews, updates and improves its policies, organizational structure and rules aimed at ensuring the proper handling of information as well as initiatives aimed at ensuring the reliable protection of information. Declaration of Cyber Security Management https://www.resona-gr.co.jp/holdings/english/about/governance/cybersecurity/index.html Personal Information Protection Declaration https://www.resona-gr.co.jp/holdings/other/privacy/hd.html#j1 (Japanese only)
Financial Inclusion & Ca	pacity Bui	lding		
(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development		Millions of yen	FN-CB-240a.1	Since the SASB definition of "programs designed to promote small business and community development" is based on the laws and regulations of the United States, we disclose alternative information based on the laws and regulations of Japan. In Japan, SMEs are defined as businesses whose capital amounts to ¥300 million or below (¥100 million in the case of the wholesale industry and ¥50 million in the case of retail, restaurant and goods leasing industries) or businesses with a total of 300 employees or fewer (100 in the case of wholesale and goods leasing industries and 50 in the case of retail and restaurant industries). Balance of loans to SMEs (total of Group banks; as of March 31, 2024): ¥33,796.4 billion Resona Group Disclosure Book 2024 Data Edition Resona Bank: p. 134; Saitama Resona Bank; p. 243; Kansai Mirai Bank; p. 393; Minato Bank; p. 480 https://www.resona-gr.co.jp/holdings/investors/ir/disclosure/pdf/24/hd.pdf (Japanese only)
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	Number	FN-CB-240a.4	As defined by SASB, the "unbanked" have no bank accounts at all, the "underbanked" have bank accounts but usually use non-banks for financing, and the "underserved" cannot receive sufficient financial services, definitions that are in line with U.S. laws and regulations. We disclose corresponding information based on Japanese laws and regulations. The Resona Group provides financial and economic education for elementary, junior high and high school students who will lead future generations so that they can acquire monetary literacy in a fun way. Financial and Economic Education https://www.resona-gr.co.jp/holdings/english/sustainability/sdgs/aging/education.html#01
Employee Diversity & In	clusion			, , , , , , , , , , , , , , , , , , , ,
Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Quantitative	%	FN-AC-330a.1	The Resona Group is promoting diversity & inclusion to achieve value creation supported by diverse employees who strive to understand each other's differences in ways of thinking, respect and inspire one another and proactively incorporate new ideas from their peers. To this end, the Group has introduced a variety of programs aimed at helping women achieve career success and encouraging employees to embrace diverse working styles. As a result, the ratio of women in the overall number of directors at Resona Holdings is 25.0%. Moreover, the ratio of women in the total headcount is 48.8% for Group banks (Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank). In addition, the ratio of female line managers is 32.8% for Resona Bank, Saitama Resona Bank, Kansai Mirai Bank and Minato Bank. As of June 2023, the ratio of people with disabilities is 2.45%. Diversity & Inclusion https://www.resona-gr.co.jp/holdings/english/sustainability/data/esg/index.html SEG Data https://www.resona-gr.co.jp/holdings/english/sustainability/data/esg/index.html
Incorporation of ESG fa	ctors in the	e Inves	tment Mana	gement & Advisory
Description of approach to the incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	Discussion and Analysis	-	FN-AC-410a.2	In line with its "Responsible Investment Policy," the Resona Group undertakes, in the course of managing trust assets, the close assessment and analysis of investees' non-financial performance, including their response to ESG issues, in addition to assessing their financial performance. By doing so, the Group encourages investees to work to improve their corporate value and achieve sustainable corporate growth on a medium- to long-term basis. Chapter 1 (pp. 8-15) of Responsible Investment Section, SUSTAINABILITY REPORT 2023/2024 issued by Resona Asset Management Co., Ltd. https://www.resona-am.co.jp/investors/pdf/sus_report2023-2024en.pdf
Description of proxy voting and investee engagement policies and procedures	Discussion and Analysis	-	FN-AC-410a.3	The Resona Group is aware of its responsibilities with regard to the improvement of investees' corporate governance as well as the profound impact its investment activities can have on the environment and society will affect investment performance. Taking the aforementioned factors into account, the Group has established the Global Governance Principles, which aim to provide standards for the exercise of voting rights associated with domestic and overseas stocks. Chapter 1–5 (pp. 8–57) of Responsible Investment Section, SUSTAINABILITY REPORT 2023/2024 issued by Resona Asset Management Co., Ltd. https://www.resona-am.co.jp/investors/pdf/sus_report2023-2024en.pdf

Accounting Metrics	Category	Unit of Measure	Code	Response		
Incorporation of ESG Factors in Credit Analysis						
Commercial and industrial credit exposure, by industry	Quantitative	Millions of yen	FN-CB-410a.1	For details regarding credit exposure by industry, please refer to page 9 in the PDF file titled "Statu of Capital Adequacy/Basel Data Section (FY2023)" posted on the following section of our corpora website. Annual Report (Status of Capital Adequacy/Basel Data Section) https://www.resona-gr.co.jp/holdings/english/investors/financial/annual/		
Description of approach to in- corporation of ESG factors in credit analysis	Discussion and Analysis	-	FN-CB-410a.2	In line with its "Basic Stance on Lending," the Resona Group aims to contribute to the creation of a sustainable society and, to this end, is proactively assisting customers in their efforts to tackle social and environmental issues via the development and provision of products and services designed to help them address social and environmental concerns. The Group also maintains a structure and procedures aimed at properly assessing and evaluating the environmental impact of large projects and environmental initiatives undertaken by customers. Initiatives for Socially Responsible Investing and Lending https://www.resona-gr.co.jp/holdings/english/sustainability/management/sri/		
Business Ethics						
Description of whistleblower policies and procedures	Discussion and Analysis	-	FN-AC-510a.2 FN-CB-510a.2	The Resona Group maintains a whistleblowing system comprising both in-house and external hotlines that are accessible to all employees (including those who have resigned) and their families. The Group also prohibits the detrimental treatment of whistleblowers while taking thoroughgoing measures to ensure that the content of whistleblowing is kept secret. Furthermore, the Group is promoting the use of its whistleblowing system via posters and intranet pages designed to provide employees with the overview of the system and contacts to hotlines. Compliance Advisory Resources https://www.resona-gr.co.jp/holdings/english/about/compliance/#01		
Systemic Risk Managen	nent					
Global Systemically Important Bank (G-SIB) score, by category	Quantitative	-	FN-CB-550a.1	As of March 31, 2024, the Resona Group has not been selected as a G-SIB.		
Description of approach to the incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	_	FN-CB-550a.2	The Resona Group believes that in order to maintain sound and stable business operations, see ing sufficient capital to cover risk is extremely important. Based on this belief, the Group is engagin capital management aimed at maintaining its capital adequacy ratio at a sufficient level. In forrelating management strategies, the Company clarifies the business areas in which it actively tarisks based on its social mission. Capital Management https://www.resona-gr.co.jp/holdings/english/about/capital/index.html Risk Appetite Framework p. 94		
Activity Metrics						
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Quantitative	Millions of yen	FN-CB-000.A	Since the index that the SASB recommends for disclosure takes into consideration the laws and regulations of the United States, we disclose alternative quantitative data based on the laws and regulations of Japan. Consolidated Balance Sheet/Domestic Deposit (total of Group banks; as of March 31, 2024) • Individual: ¥38,730.8 billion • Corporate: ¥20,051.0 billion For more details, please refer to the following PDF file and see "I. Highlights of Financial Results, 18. Domestic breakdown of individual, corporate and other deposits" (p. I-29). Consolidated Financial Results for Fiscal Year 2023 (April 1, 2023–March 31, 2024/ Unaudited) https://www.resona-gr.co.jp/holdings/english/investors/financial/results_c/download_c/ files/20240731_6a.pdf		
(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate			FN-CB-000.B	Since the index that the SASB recommends for disclosure takes into consideration the laws and regulations of the United States, we disclose alternative quantitative data based on the laws and regulations of Japan. (Total of Group banks; as of March 31, 2024)		
(1) Number and (2) value of mortgages originated by cate- gory: (a) residential and (b) commercial	Quantitative	Millions of yen	FN-MF-000.A	Balance of domestic loans and bills discounted: ¥43,004.5 billion Of which, balance of loans to SMEs: ¥33,796.4 billion Of which, balance of apartment loans: ¥2,990.2 billion Of which, balance of residential housing loans: ¥13.892.0 billion Resona Group Disclosure Book 2024 Data Edition Resona Bank: pp. 133, 134; Saitama Resona Bank: pp. 242, 243; Kansai Mirai Bank: pp. 392, 393; Minato Bank: pp. 479, 480		

Initiatives to Improve Corporate Value Mechanisms Supporting Value Creation

Financial / Non-Financial Information

and Corporate Data

The following items are defined based on the FICO Score in line with the U.S. laws and regulations. Accordingly, we believe that it does not apply to reporting under the current system in

FN-CF-270a.2: Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660

FN-CF-270a.3: (1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660

https://www.resona-gr.co.jp/holdings/investors/ir/disclosure/pdf/24/hd.pdf (Japanese only)

FN-MF-270a.1: (1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate

and (d) Total, by FICO scores above and below 660
FN-MF-270a.2: (1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660
FN-MF-270b.1: (1) Number, (2) value and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660

Establishment

Corporate Data

Group Banks and Other Entities (As of April 1, 2024)

Note: The number of manned branches and employees as well as the financial indicators presented below are as of March 31, 2024.



Assets (consolidated): ¥76.1 trillion / Trust assets: ¥29.8 trillion



President: Shoichi Iwanaga

Head Office: 2-1, Bingomachi 2-chome, Chuo-ku, Osaka, Japan Establishment: May 1918

Shareholder (shareholding ratio): Resona Holdings, Inc. (100%)

Number of manned branches: 324 Number of employees: 8.127 Balance of deposits: ¥35,096.6 billion

Balance of loans and bills discounted: ¥23,853.7 billion (banking book)

Saitama Resona Bank

President: Satoshi Fukuoka Head Office: 4-1, Tokiwa 7-chome, Urawa-ku, Saitama, Japan

Establishment: August 2002 Shareholder (shareholding ratio): Resona Holdings, Inc. (100%) Assets: ¥18.7 trillion

Number of manned branches: 127 Number of employees: 3,051 Balance of deposits: ¥17,376.2 billion

Balance of loans and bills discounted: ¥8,978.8 billion



M Kansai Mirai Bank

President: Kazuhiro Nishiyama

Head Office: 2-1, Bingomachi 2-chome, Chuo-ku, Osaka, Japan Establishment: November 1950

Shareholder (shareholding ratio): Resona Holdings, Inc. (100%)

Number of manned branches: 264

Number of employees: 3.093 Balance of deposits: ¥7,297,8 billion

Balance of loans and bills discounted: ¥7,020.4 billion



President: Toshikazu Takeichi

Head Office: 1-1, Sannomiya-cho 2-chome, Chuo-ku, Kobe, Japan Establishment: September 1949

Shareholder (shareholding ratio): Resona Holdings, Inc. (100%)

Assets: ¥4.5 trillion

Assets: ¥9.0 trillion

Assets: ¥43.6 trillion

Number of manned branches: 103 Number of employees: 1.712 Balance of deposits: ¥3,863.6 billion

Balance of loans and bills discounted: ¥3,151.4 billion

Main Group Companies (As of April 1, 2024)

Resona Guarantee Kansai Mirai Guarantee Minato Guarantee Credit Card Busine

Resona Card Minato Card

Resona Kessai Service

Financial Digital Pla

Resona Leasing

Kansai Mirai Lease Minato Lease

Resona Research Institute Mirai Reenal Partners

Resolution of Region-Specific Issues Regional Design Laboratory of Saitama

al Vitalization Assistance

Loco Door

Resona Digital Hub

Resona Capital

Minato Capital

Corporate Venture Capital Resona Innovation Partners

Resona Corporate Investment

Investment Management Resona Asset Management

Real estate investment advisory Resona Real Estate Asset Management

> Resona Business Service Resona Mi Rise

Bank Resona Perdania Resona Indonesia Finance Resona Merchant Bank Asia

> Resona Digital I NTT Data Sofia DACS

Custody Bank of Japan

Corporate Profile (As of March 31, 2024)

Company Name Resona Holdings, Inc. President Masahiro Minami **Head Office** (Tokyo Head Office)

5-65, Kiba 1-chome, Koto-ku, Tokyo 135-8582, Japan

(Osaka Head Office)

2-1, Bingomachi 2-chome, Chuo-ku, Osaka 540-

8608. Japan December 2001

Number of Employees 19,721 (consolidated) 1,736 (non-consolidated) Lines of Business

Formulation of Group management and business strategies, allocation of management resources within the Group, and supervision of subsidiaries'

operations and other ancillary businesses



Tokvo Head Office





Stock Information (As of March 31, 2024)

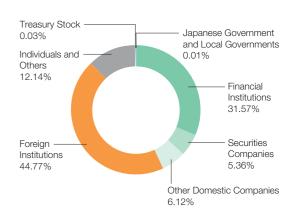
Issued Stock 2,342,989,566 shares

Number of Shareholders 272,621 (Common stock) Major Shareholders (Top Ten) Common stock

Name of shareholder	Number of shares held	Percentage of total shares issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	347,102,800	14.81
Custody Bank of Japan, Ltd. (Trust Account)	134,189,220	5.72
STATE STREET BANK AND TRUST COMPANY 505223	94,138,234	4.01
The Dai-ichi Life Insurance Company, Limited	75,145,200	3.20
STATE STREET BANK AND TRUST COMPANY 505001	62,529,154	2.66
Nippon Life Insurance Company	54,355,095	2.32
AMUNDI GROUP	45,133,700	1.92
STATE STREET BANK WEST CLIENT-TREATY 505234	40,903,491	1.74
JP MORGAN CHASE BANK 385632	39,133,957	1.67
SSBTC CLIENT OMNIBUS ACCOUNT	37,685,486	1.60

^{*} Calculated after deduction of treasury shares

Composition of Stockholders



On Issuing This Integrated Report

This publication is an integrated report that aims to explain in a simple manner to all stakeholders the Resona Group's strengths and measures undertaken to create sustainable corporate value. Our hope is that, through this report, readers will understand the reasoning behind our goal of becoming the "Retail No. 1" Solution Group.

Also, forward-looking statements contained in this report are based upon certain assumptions that may be significantly affected by the following factors: fluctuations in domestic stock prices; changes in policies enforced by the national government and the Bank of Japan, as well as laws, regulations and industrial practices and their interpretations; the bankruptcy of a major corporation(s); changes in the economic environment at home and abroad; and other factors beyond the control of the Resona Group.

Accordingly, forward-looking statements contained in the report in no

way guarantee the Group's future business performance or the realization of other trends. Readers are advised that actual results may differ materially from these statements.

Financial data, non-financial data and other detailed information are available on our website

- The IIRC Framework issued by the IFRS Foundation
- Guidance for Collaborative Value Creation 2.0 issued by the Ministry of Economy, Trade and Industry GRI Standards
- SASB Standards

Period: FY2023 (April 2023-March 2024); The report includes some information on the Group's initiatives carried out in April 2024 and later.

Scope: Resona Holdings, its subsidiaries and its affiliates